

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM 10-K

(Mark One)
☒ ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the fiscal year ended December 31, 2024
OR
☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 FOR THE
TRANSITION PERIOD FROM TO
Commission File Number 001-39394

Montrose Environmental Group, Inc.
(Exact name of Registrant as specified in its Charter)

Delaware
(State or other jurisdiction of
incorporation or organization)
5120 Northshore Drive,
North Little Rock, Arkansas
(Address of principal executive offices)

46-4195044
(I.R.S. Employer
Identification No.)

72118
(Zip Code)

Registrant’s telephone number, including area code: (501) 900-6400

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value \$0.000004 per share	MEG	The New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act: **None**
Indicate by check mark if the Registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. YES ☒ NO ☐
Indicate by check mark if the Registrant is not required to file reports pursuant to Section 13 or 15(d) of the Act. YES ☐ NO ☒
Indicate by check mark whether the Registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. YES ☒ NO ☐
Indicate by check mark whether the Registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the Registrant was required to submit such files). YES ☒ NO ☐
Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of “large accelerated filer,” “accelerated filer,” “smaller reporting company,” and “emerging growth company” in Rule 12b-2 of the Exchange Act.
Large accelerated filer ☒ Accelerated filer ☐
Non-accelerated filer ☐ Smaller reporting company ☐
Emerging growth company ☐
If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐
Indicate by check mark whether the registrant has filed a report on and attestation to its management’s assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☒
If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐
Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant’s executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐
Indicate by check mark whether the Registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). YES ☐ NO ☒
The aggregate market value of the voting and non-voting common equity held by non-affiliates of the Registrant on June 28, 2024, the last business day of the Registrant’s second fiscal quarter, based on the closing price of \$44.56 of the Registrant’s common stock on The New York Stock Exchange on such date, was \$1.52 billion.
The number of shares of Registrant’s Common Stock outstanding as of February 21, 2025 was 34,339,764.

DOCUMENTS INCORPORATED BY REFERENCE
Portions of the registrant’s Proxy Statement for the 2025 Annual Meeting of Stockholders are incorporated herein by reference in Part III of this Annual Report on Form 10-K to the extent stated herein. Such proxy statement will be filed with the Securities and Exchange Commission within 120 days of the registrant’s fiscal year ended December 31, 2024.

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FORWARD-LOOKING STATEMENTS

This Annual Report on Form 10-K contains “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. These forward-looking statements relate to matters such as our industry, business strategy, goals and expectations concerning our market position, future operations, margins, profitability, capital expenditures, liquidity, capital resources and other financial and operating information. We have used the words “anticipate,” “assume,” “believe,” “contemplate,” “continue,” “could,” “estimate,” “expect,” “future,” “intend,” “may,” “plan,” “position,” “potential,” “predict,” “project,” “seek,” “should,” “target,” “will” and similar terms and phrases to identify forward-looking statements. All of our forward-looking statements are subject to risks and uncertainties that may cause actual results to differ materially from those that we are expecting, including:

- general global economic, business and other conditions, including inflationary and interest rate pressures, the cyclical nature of our industry and the significant fluctuations in events that impact our business;
- the parts of our business that depend on difficult to predict natural or manmade events and the fluctuations in our revenue and customer concentration as a result thereof;
- the highly competitive nature of our business;
- our ability to execute on our acquisition strategy and successfully integrate and realize benefits from our acquisitions;
- any failure in or breach of our networks and systems or other forms of cyber-attack;
- our ability to promote and develop our brands;
- our ability to maintain and expand our client base;
- our ability to maintain necessary accreditations and other authorizations in varying jurisdictions;
- significant environmental governmental regulation and liabilities;
- our ability to attract and retain qualified managerial and skilled technical personnel;
- safety-related issues;
- allegations regarding compliance with professional standards, duties and statutory obligations and our ability to provide accurate results;
- the lack of formal long-term agreements with many of our clients;
- our ability to adapt to changing technology, industry standards or regulatory requirements, including emerging environmental, social and governance requirements;
- government clients and contracts;
- our ability to maintain our prices and manage costs;
- our ability to protect our intellectual property or claims that we infringe on the intellectual property rights of others;
- laws and regulations regarding handling of confidential information;
- our international operations;
- product related risks; and
- additional factors discussed in our SEC filings, including this Annual Report on Form 10-K, and in our public statements.

The forward-looking statements contained in this Annual Report on Form 10-K are based on historical performance and management's current plans, estimates and expectations in light of information currently available to us and are subject to uncertainty and changes in circumstances. There can be no assurance that future developments affecting us will be those that we have anticipated. Actual results or outcomes may differ materially from these expectations due to changes in global, regional or local political, economic, business, competitive, market, regulatory and other factors, many of which are beyond our control, as well as the other factors described in Item 1A. "Risk Factors." Additional factors or events that could cause our actual results or outcomes to differ may also emerge from time to time, and it is not possible for us to predict all of them. In addition, historical, current and forward-looking sustainability-related statements may be based on standards for measuring progress that are still developing, internal controls and processes that continue to evolve, and assumptions that are subject to change in the future. Should one or more of these risks or uncertainties materialize, or should any of our assumptions prove to be incorrect, our actual results or outcomes may vary in material respects from what we may have expressed or implied by any forward-looking statement and, therefore, you should not regard any forward-looking statement as a representation or warranty by us or any other person that we will successfully achieve the expectation, plan or objective expressed in such forward-looking statement in any specified time frame, or at all. We caution that you should not place undue reliance on any of our forward-looking statements. Any forward-looking statement made by us in this Annual Report on Form 10-K speaks only as of the date on which we make it. We undertake no obligation to publicly update any forward-looking statement, whether as a result of new information, future developments or otherwise, except as may be required by applicable securities laws.

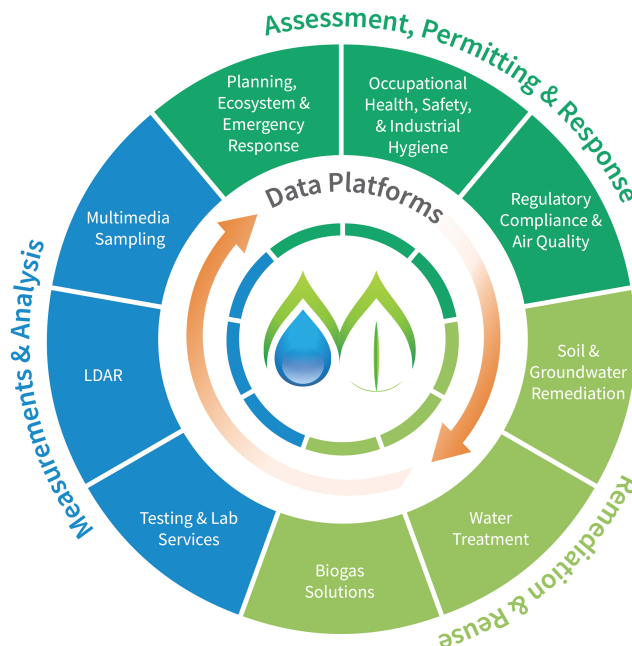
In addition, statements that "we believe" and similar statements reflect our beliefs and opinions on the relevant subject. These statements are based upon information available to us as of the date of the filing or public statement, and while we believe such information forms a reasonable basis for such statements, such information may be limited or incomplete, and our statements should not be read to indicate that we have conducted an exhaustive inquiry into, or review of, all potentially available relevant information. These statements are inherently uncertain and investors are cautioned not to unduly rely upon these statements.

PART I

Item 1. Business.

Since our inception in 2012, our mission has been to help clients and communities meet their environmental goals and needs. According to data derived from a 2024 Environmental Industry Study prepared by Environmental Business International, Inc., or EBI, which we commissioned and update annually, the global environmental industry is estimated to be approximately \$1.6 trillion, with \$540.0 billion concentrated in the United States.

We service complex and often non-discretionary environmental needs of our diverse clients across our three business segments: Assessment, Permitting and Response; Measurement and Analysis; and Remediation and Reuse. Examples of our services include:



Our industry is highly fragmented with no single market leader. By focusing solely on environmental solutions, we believe we are uniquely positioned to become a leading platform in the environmental industry. We provide a diverse range of environmental services to our private and public sector clients across the life cycle of their needs—whether they are launching new projects, maintaining operations, decommissioning operations, rehabilitating assets, managing the impacts of climate change or responding to unexpected environmental disruption. Our integrated platform has been a catalyst for our organic growth and we have built on this platform through strategic acquisitions.

Innovation is core to our strategy. As the world's environmental challenges grow in number, scope and complexity, increasing public pressure and ongoing regulatory changes are driving the demand for better information and advanced solutions. We prioritize innovation to enhance the quality of information provided to clients, and provide solutions tailored to clients' specific environmental needs. Examples include more accurately measuring emissions, or identifying and remediating known and emerging contaminants. Our commitment to ongoing innovation includes investing in research, development, software development, and technology—both directly and through strategic partnerships. These efforts are aimed at creating better solutions for our clients. We believe that these investments,

along with our focus on geographic expansion, sales and marketing initiatives, environmental service offerings, and strategic acquisitions, will continue to distinguish us in the marketplace.

Our revenue and earnings are highly resilient. We do not rely upon any single service, product, political approach or regulatory framework. We serve a diverse set of approximately 6,300 clients across a wide variety of end markets and geographies in both the private and public sectors, with the majority of clients being in the private sector. Funding for our services is typically non-discretionary given regulatory drivers and public health concerns. As a result, our business is positioned to be less susceptible to political and economic cycles. Our client activities can occur at different times for different industries, regardless of economic cycles. Clients generating approximately 96.0% of revenue in the fiscal year ended December 31, 2023 repeated in the fiscal year ended December 31, 2024.

Our financial success is driven by both strong organic and acquisition-driven growth, and as a result, our total revenue has grown at a compounded annual growth rate of 24.4% since 2019.

Our environmental focus and reputation have enabled us to attract and retain some of the most highly sought-after employees in our industry. These employees have contributed to our organic growth, differentiated brand, reputation and culture.

Our approach has allowed us to successfully and consistently scale our business, and we believe we are well positioned to continue our trajectory and market leadership as we address the growing environmental needs of our clients and communities.

The Industry

The global environmental industry is large, growing, highly fragmented and subject to complex regulatory frameworks. Federal, state, provincial and local environmental regulations dictate compliance requirements that create demand for environmental services. Increasingly, public and stockholder interest in environmental sustainability are also driving prudent management of our shared and finite environmental resources.

Global Environmental Industry is Large and Growing

According to EBI and research commissioned by Montrose, as of 2024 the global environmental industry is estimated to generate approximately \$1.6 trillion in revenues, with \$540.0 billion concentrated in the United States. According to EBI, this \$540.0 billion U.S. environmental market is expected to grow at a CAGR of 3.8% per year from 2025 through 2026, up from its previous forecast of 3.6% per year from 2024 through 2026. EBI concludes that strong tailwinds of infrastructure funding, energy security, energy transition, Environmental, Social and Governance, or ESG, and climate resilience, in addition to traditional drivers of air quality, water quality, responsible waste management, resource recovery, remediation and restoration are leading to positive growth across all environmental sectors in the global market.

Public Demands, Industrial Activity, Climate Change and Regulations Each Drive Needs for Environmental Services

Heightened public awareness and increasing stakeholder demand for environmental responsibility and sustainability have led to a growing need for environmental services. Many companies worldwide have implemented environmental, social, and governance stewardship initiatives focused on managing potential future risks, rather than merely complying with regulations.

Steady increases in industrial activity and infrastructure investment, and the regulations underpinning these activities are also driving demand for environmental services. In addition, environmental disruptions caused by climate change or aging infrastructure further increase the need for these services. Infrastructure investments and environmental emergency responses often require substantial assessments, planning and/or permitting services in addition to environmental testing or remediation services. Testing and monitoring are typically recurring processes driven by regulations throughout the industrial production lifecycle.

Beyond current regulations, future regulatory changes may also create demand for additional or supplementary environmental services. In the United States, Canada, Australia, and Europe, the federal, state, provincial and local

regulations targeting air and water quality management, waste and contaminated soil management or reductions in greenhouse gas emissions, each of which drives portions of our business, have been implemented over many decades, and are subject to change.

We anticipate that these trends will continue and will spur ongoing growth in the environmental services industry.

The Environmental Services Industry is Highly Fragmented and Complex

According to EBI, thousands of firms operate in many of the markets in which we operate. While several larger firms offer environmental services as a part of broader product portfolios, much of the industry consists of small firms that provide limited service offerings that address specific regulations and geographies. These small firms face challenges in expanding offerings or geographic reach given the technical expertise, accreditations and licenses necessary to serve a broad array of clients and industries across geographies and service lines. These dynamics create significant barriers to entry in our industry.

As clients increasingly prioritize environmental solutions to mitigate their impact on the environment, we believe they place a high value on environmental solutions providers that offer scale, advanced technology and comprehensive service capabilities. Providers able to address the full lifecycle of environmental concerns—especially those working with companies and organizations that operate across multiple jurisdictions, with complex regulatory landscapes, and across multiple environmental media (e.g., air, water and soil)—will continue to have a competitive edge.

Segments

We provide environmental services to our clients through our integrated solutions across three business segments—Assessment, Permitting and Response, Measurement and Analysis and Remediation and Reuse.

Assessment, Permitting and Response. Our Assessment, Permitting and Response segment provides scientific advisory and consulting services to support environmental assessments, environmental emergency response and recovery, toxicology consulting and environmental audits and permits for current operations, facility upgrades, new projects, decommissioning projects and development projects. We also work closely with clients to navigate the regulatory process at the local, state, provincial and federal levels, identify the potential environmental and political impacts of their decisions and develop practical mitigation approaches, as needed. In addition to environmental toxicology, and given our expertise in helping businesses plan for and respond to disruptions, our scientists and response teams have helped clients navigate their preparation for and response to emergency response situations.

We believe this segment maintains a number of competitive advantages, including:

- strong brands and market leadership, particularly with environmental preparedness and response;
- strong relationships with key private and public sector clients with needs for multiple environmental services, facilitating cross selling opportunities;
- a core team of approximately 1,817 employees, including well-known technical experts with longstanding client relationships and significant experience across the key disciplines in the segment;
- technology, software and data management capabilities, particularly within our response segment;
- our proven ability to help clients navigate regulatory, public and legal scrutiny; and
- a national reach established by having successfully assessed and permitted hundreds of projects in jurisdictions across the United States.

This segment, which is primarily based on a time and materials, or T&M, revenue model, generated approximately 30.9% of our revenue for the fiscal year ended December 31, 2024.

Measurement and Analysis. Our Measurement and Analysis segment is one of the largest providers of environmental testing and laboratory services in North America. Supported by approximately 1,210 employees across

the US and Canada, our highly credentialed teams test and analyze air, water and soil to determine concentrations of contaminants, as well as the toxicological impact of contaminants on flora, fauna and human health. Our offerings include source and ambient air testing and monitoring, leak detection, and advanced multi-media laboratory services, including air, soil, stormwater, wastewater and drinking water analysis.

We believe we have a variety of sustainable competitive advantages in this market, including:

- preeminent brands;
- one of the most prominent air testing companies in North America with vertically integrated testing and analytical capabilities, including ultra-trace analysis;
- comprehensive laboratory network in the United States, offering a complete suite of analytical solutions for virtually all environmental projects;
- one of the most experienced providers of advanced optical gas imaging “OGI” testing used to detect hydrocarbon gas leaks; and
- our proprietary software, technologies, processes and applications, including the ability to detect air contaminants in real time at ultra-trace concentrations.

This segment, which is primarily based on a fixed price and, for out-of-scope work, a T&M revenue model, generated approximately 32.2% of our revenue for the fiscal year ended December 31, 2024.

Remediation and Reuse. Our Remediation and Reuse segment provides clients with engineering, design, and implementation services, primarily treatment technologies that treat contaminated water, remove contaminants from soil or create renewable energy from waste. Approximately 241 of our employees, including engineers, scientists and consultants, provide these services to assist our clients in designing solutions, managing products and mitigating environmental risks and liabilities at their locations. We do not own the properties or facilities at which we implement these projects or the underlying liabilities, nor do we own material amounts of the equipment used in projects.

We believe this segment’s competitive advantages include:

- strong brands;
- advanced technologies and our owned and licensed intellectual property portfolio, such as our patented water treatment systems and proprietary process to optimize the generation of renewable energy from waste;
- a team with industry-leading experts and several patent-generating scientists; and
- local expertise and capabilities with respect to unique soil, sediment and water table characteristics and contamination types.

This segment, which is primarily based on a fixed price and, for out-of-scope work, a T&M revenue model, generated approximately 36.9% of our revenue for the fiscal year ended December 31, 2024 primarily through project-based work.

This table illustrates a summary of our segments.

Assessment, Permitting & Response	Measurement & Analysis	Remediation & Reuse
Environmental Consulting and Engineering Our team delivers solutions for complex environmental challenges using our regulatory expertise and implementing practical and cost-effective compliance management processes and programs. We address our clients' biggest concerns around permitting, processes, assessment, and compliance. Our highly trained and experienced engineers and scientists, geologists, hydrogeologists, biologists, and environmental compliance specialists work with both public- and private-sector clients, delivering turnkey solutions.	Source Emissions Air Testing Our source emissions 'stack' testing teams perform a critical function to measure and evaluate pollutants emitted from industrial stacks. This involves capturing and analyzing exhaust gas samples to ensure compliance with environmental regulations. As one of the largest stack testing companies in the country, we use industry-leading technology applications to help clients stay ahead of emerging regulations surrounding hazardous air pollutants (HAPs), GHGs, PFAS, and more.	Water Treatment Solutions Our team is at the forefront of sustainable water treatment solutions, delivering exceptional results in addressing complex contaminants like PFAS and selenium on a global scale. With a remarkable track record of successfully treating over 10 billion liters of contaminated industrial water, our experts have emerged as trusted leaders in the industry. Our proven expertise, combined with a commitment to research and development, positions us as innovators, driving sustainable, efficient, and impactful water treatment solutions.
Environmental Advisory and Specialty Services Montrose supports clients across public and private sectors to meet their unique and complex environmental demands. Our experts take a strategic approach to address broader environmental goals from sustainability program development, data-driven decision-making using economics and ecology expertise, data management and validation, software strategy implementation and support, chemistry quality assurance, transaction advisory, and EH&S auditing. We work through our highly-specialized practice areas to deliver excellent quality, impactful solutions based on data integrity.	Methane Leak Management (LDAR and OGI) Our LDAR (Leak Detection and Repair) teams oversee regulatory programs that identify and address leaks of volatile-organic compounds, like methane, and HAPs from industrial equipment. These solutions help ensure compliance, minimize emissions, and enhance environmental and safety performance. As part of our suite of advanced solutions, our team is a global leader in using OGI (Optical Gas Imaging). This technology uses infrared cameras to detect and visualize gas leaks in industrial settings, making leak detection faster, easier, and safer.	Renewable Energy Solutions Montrose brings industry-leading expertise as a partner for renewable natural gas projects. We provide comprehensive solutions, working closely with developers, site owners, investors, and other key stakeholders to help bring low carbon intensity gas projects to life. Our multidisciplinary team — comprising engineers, project managers, and operators — collaboratively designs, operates, and maintains farms and landfills throughout their RNG project journey.
Environmental Emergency Response and Recovery We assist companies, governments, and communities in preparing for, responding to, and recovering from threats to their environment and people. Our focus is on protecting people and affected communities, minimizing environmental damage, and restoring normalcy. We offer expertise in assessing situations, mobilizing resources, implementing emergency plans, and providing immediate assistance to those impacted. Our experienced teams, including scientists, toxicologists, and industrial hygienists, leverage state-of-the-art technology to generate data that demonstrates the protection of people and the environment. This enables us to resolve complex challenges in health, safety, environmental management, and toxicology.	Environmental Laboratory Services Our national network of accredited environmental laboratories provides critical scientific testing and analysis on environmental samples including air, water, soil, waste, and biota. These services help companies assess compliance, evaluate risks, and provide accurate data required for regulatory compliance, environmental management, and informed decision making. Our knowledge of federal, state, and local regulations enables us to provide clients with best-in-class solutions for all their environmental testing needs.	Soil and Groundwater Remediation Our team of highly skilled engineers, scientists, and specialists in environmental and contaminated soil remediation leverages extensive industry and sector experience to deliver turnkey solutions for both large- and small-scale investigations and remediation of contaminated water and soil sites. Offering a comprehensive suite of services, we specialize in Remediation System Design, Installation, Operation, and Maintenance; Excavation, Earthwork, Demolition, and Site Clearing; Dewatering Treatment Systems and Services; Underground Storage Tank Closure and Management; as well as efforts in Brownfields and Community Revitalization, ensuring efficient, sustainable outcomes for our clients.
	Real Time Air Quality Monitoring Our versatile environmental data platform enables real-time tracking of environmental parameters. With its wide-ranging sensor compatibility, we're equipped to build customized, comprehensive monitoring programs for industrial facilities. Our experienced team of environmental professionals provides end-to-end support, from project planning and on-site installation to data collection, analysis, reporting, and sustained operation.	

Differentiated Technology, Processes and Applications

Advanced technology, innovative processes, and applications are key competitive advantages in the environmental services industry. Our team of industry leaders plays a vital role in driving our investments in differentiated services. As our platform of environmental service offerings expands, our experts can increasingly deploy innovative technologies that address our clients' needs, further differentiate our services and create new barriers to entry. Our investment and development activities include real-time air quality and emissions monitoring, environmental data management and visualization software, and technologies for the removal and destruction of complex contaminant streams.

In total, our research and development team has been awarded 24 patents. Our research and development team continued to innovate in the following areas: water treatment, particularly PFAS and selenium removal, PFAS destruction, PFAS testing, foam fractionation, vapor treatment and removal, wastewater treatment, CO₂ capture, and resource recovery.

Strategic Acquisitions

We operate in a growing and highly fragmented market with thousands of potential acquisition targets. Given our success in identifying, executing and integrating over 70 acquisitions since our inception in 2012, we believe we can continue to selectively acquire additive businesses. We seek to acquire businesses at disciplined valuation levels that:

- are led by high quality scientists and management teams,
- expand our portfolio of services,
- provide access to differentiated technologies or processes, and
- extend our geographic coverage.

We have personnel specifically dedicated to identifying acquisition targets, exploring acquisition opportunities, negotiating terms and overseeing acquisition and post-acquisition integration. Our in-house acquisition team has established extensive relationships throughout the industry and maintains and regularly re-evaluates a pipeline of potential acquisition opportunities, largely driven by word of mouth and personal introductions. Although we are temporarily slowing our cadence of consummating acquisitions, it remains a core part of our growth strategy.

Since January 1, 2022 we have acquired the following businesses:

Acquired Business	Date of Acquisition	Segment	Location
2024 Acquisitions			
Epic Environmental Pty Ltd (Epic)	January 31, 2024	Remediation and Reuse	Brisbane, Australia
Two Dot Consulting, LLC (2DOT)	February 29, 2024	Remediation and Reuse	Denver, Colorado
Engineering & Technical Associates, Inc. (ETA)	April 1, 2024	Assessment, Permitting and Response	Walbridge, Ohio
Paragon Soil and Environmental Consulting Inc. (Paragon)	May 31, 2024	Remediation and Reuse	Edmonton, Canada
Spirit Environmental, LLC. (Spirit)	July 1, 2024	Assessment, Permitting and Response	Houston, Texas
Origins Laboratory, Inc. (Origins)	September 3, 2024	Measurement and Analysis	Denver, Colorado
2023 Acquisitions			
Frontier Analytical Laboratories (Frontier)	January 3, 2023	Measurement and Analysis	El Dorado Hills, CA
Environmental Alliance, Inc. (EAI)	February 1, 2023	Remediation and Reuse	Wilmington, DE
GreenPath Energy LTD (GreenPath)	May 1, 2023	Measurement and Analysis	Calgary, Canada
Matrix Solutions, Inc. (Matrix)	June 1, 2023	Remediation and Reuse	Calgary, Canada
Vandrensning ApS. (Vandrensning)	July 31, 2023	Remediation and Reuse	Copenhagen, Denmark
2022 Acquisitions			
Environmental Standards, Inc. (Environmental Standards)	January 31, 2022	Assessment, Permitting and Response	Valley Forge, PA
Industrial Automation Group, Inc. (IAG)	January 31, 2022	Remediation and Reuse	Atlanta, GA
TriAD Environmental Consultants, Inc. (TriAD)	August 1, 2022	Remediation and Reuse	Nashville, TN
AirKinetics, Inc. (AirKinetics)	September 1, 2022	Measurement and Analysis	Anaheim, CA
Huco Consulting, Inc. (Huco)	November 30, 2022	Assessment, Permitting and Response	Houston, TX

We strive to add value to acquired businesses by emphasizing a team-centric culture focused on innovation and investment, expanding career opportunities for new employees from smaller businesses, enhancing front and back-office support to facilitate an enhanced focus on project delivery and growth, providing a larger eco-system of environmental services and capabilities to further client relationships, and implementing award-winning safety programs and operating processes. Each business we acquire is systematically integrated into our systems and processes, thereby creating meaningful revenue synergy opportunities and operating leverage.

Clients

We provide environmental services to approximately 6,300 clients operating in a number of sectors and industries, including but not limited to oil & gas, utilities, local, state, provincial and federal government entities, technical services, industrial manufacturing, transportation, chemicals, renewable energy generation, aerospace, telecommunications and engineering. We have long-term, and through our legacy companies, decades-old relationships. We serve a diversified client base in both the private and public sectors, with the vast majority of revenue being generated from clients in the private sector.

Our largest client represented approximately 4.6% of revenue for fiscal year ended December 31, 2024, with these revenues derived from over 14 separate projects. As a result of the nature of our environmental emergency response business, our Assessment, Permitting and Response segment may at times experience higher customer concentration levels based on the severity, duration and outcome of certain types of environmental emergencies for which we provide response services, as was the case in 2024 when 31.4% of our Assessment, Permitting and Response segment revenues were attributable to three customers. See Item 1A. “Risk Factors.”

For the fiscal year ended December 31, 2024, 53.3% of our revenue came from customers engaging us to provide more than one service, an increase of 2.3 percentage points from the 51.0% we generated from customers buying more

than one service in the fiscal year ended December 31, 2023. We have expanded our relationships with our existing customer base with our vertically integrated business model. Our maturing client relationships coupled with our integrated structure across all our business lines has increased the level of client engagement.

Contracts

Our client contracts are generally fixed price, including milestone-based fixed price contracts in our Remediation and Reuse segment, and, for out-of-scope work, T&M based. Our Assessment, Permitting and Response client contracts are generally T&M based. Our client contracts vary from purchase-order based contracts utilizing standard terms and conditions to comprehensive master services agreements with terms of multiple years. In accordance with industry practice, most of our contracts, both in the private and public sector, are subject to termination at the discretion of the client. In such situations, our contracts typically provide for reimbursement of costs incurred and payment of fees earned through the date of termination. See Item 1A. “Risk Factors.”

Competition

We operate in a competitive, but fragmented, market. No single company or group of companies dominates across the entire environmental services market in which we operate. Our primary competitors are divisions of large companies, various small companies, which generally are limited to a specific service and focused on a niche market or geographic region and our clients’ own in-house resources. We believe that few, if any, of our competitors currently provide the full range of environmental solutions that we offer. Instead, each of our segments has competitors with narrower service offerings and/or geographies. Our Assessment, Permitting and Response segment competitors include the environmental divisions of ERM, Ramboll, Geosyntec, Exponent, WSP and other large engineering companies and small businesses. Our Measurement and Analysis segment competitors include the environmental divisions of SGS, TRC Companies, Eurofins, Pace Analytical and other large testing companies and small businesses. Our Remediation and Reuse segment competitors include the environmental divisions or remediation segments of Tetra Tech, AECOM, Xylem, Veolia, Mead & Hunt, and other large engineering companies and other small businesses.

We compete based on the following factors, among others: reputation, safety track record, quality, geographic reach, price, technical capabilities, access to innovative technology and breadth of services. We believe that our current capabilities position us to compete favorably in each of these factors.

The environmental services industry has significant barriers to entry which would make it difficult for new competitors to enter the market. These barriers include:

- highly technical, costly and time-consuming accreditation and licensure requirements;
- ability to deploy/services client needs across geographies;
- advanced quality and safety programs and mandated scores;
- the complex and geographically varying regulatory landscape that requires significant industry experience;
- the need to acquire or develop innovative technologies and processes that are acceptable to regulatory bodies, which in our case occurred over many years of client and regulator engagements and at significant research and development expense; and
- emphasis by large clients on size and scale, length of relationship and past service record.

Intellectual Property

We utilize a combination of intellectual property safeguards, including patents, copyrights, trademarks, trade secrets and licenses, as well as employee and third-party confidentiality agreements, to protect our intellectual property. However, we do not principally rely on any single piece of intellectual property, nor is any single piece of intellectual property material to our financial condition or results of operations.

Seasonality

Because demand for environmental services is not driven by specific or predictable patterns in one or more fiscal quarters, our business is better assessed based on yearly results. Additionally, due to the field-based nature of certain of our services, weather patterns generally impact our field-based teams' ability to operate in the winter months. As a result, our operating results in our Measurement and Analysis segment and our Remediation and Reuse segment, experience some quarterly variability with generally lower revenues and lower earnings in the first and fourth quarters and typically we experience higher overall revenues and earnings in the second and third quarters. As we continue to grow and expand into new geographies and service lines, quarterly variability in our Measurement and Analysis and Remediation and Reuse segments may deviate from historical trends.

Human Capital Resources

Our employees are our most valuable asset and are committed to innovation and providing exceptional service to our clients. We prioritize fostering a diverse, fair and inclusive workplace that values respect, trust and a sense of belonging. We invest in our employees' success by implementing people-centric strategies for recruiting, engagement, development, and retention.

Our SVP of Human Resources (HR) leads the HR function and is responsible for the development and execution of our human capital strategy. The SVP is supported by a robust HR team, consisting of both corporate-level resources as well as business-specific HR partners. The Board of Director's Compensation Committee actively oversees our human capital programs, initiatives, and performance and receives regular updates from the SVP of HR.

Employees

As of December 31, 2024, we had approximately 3,410 employees (which includes full-time, part-time and stand-by environmental emergency response personnel). Approximately 2,560, or 75%, of our employees, work in our U.S. operations and approximately 850 or 25% work in foreign operations. Other than in Sweden, none of our facilities are covered by collective bargaining agreements.

Talent Attraction

In 2024, we engaged with over 20 top-tier universities in the United States and Canada. These outreach efforts have strengthened our partnerships with these institutions, allowing us to connect with skilled individuals and identify top talent for both internships and full-time positions.

Furthermore, we expanded our workforce in 2024 through six strategic acquisitions. As a result of both our acquisitions and recruiting efforts, we welcomed 310 incremental new employees in 2024, excluding contingent workers.

Employee Engagement

We believe that employee engagement is critical to fostering a positive work culture. It can act as a multiplier for organizational success, influencing nearly every aspect of business performance and employee satisfaction.

In 2024, we launched a company-wide employee engagement survey aimed at understanding and improving our workplace culture. This survey was designed to provide actionable, data-driven insights that can help us retain talent and position ourselves as an employer of choice.

Throughout the year, our business leaders lead quarterly virtual town hall meetings to communicate corporate initiatives, reinforce key messages, and recognize employee achievements while also encouraging feedback from our teams. Our monthly newsletter serves as an additional communication channel, allowing us to showcase ongoing projects, share key initiatives, and provide updates from functional areas such as HR and cybersecurity.

Given that a significant portion of our growth has been attributed to strategic acquisitions, we also continued to optimize and enhance our acquisition integration process in 2024, including direct engagement with acquired employees and leaders throughout the onboarding and integration periods.

We believe being a diverse and inclusive organization enhances our ability to address complex environmental challenges by incorporating a variety of experiences and viewpoints into our decision-making processes. At Montrose, we embrace one another's unique perspectives and differences and strive to maintain an inclusive, safe and fair environment for our employees.

Employee Training and Development

We are dedicated to empowering our employees by supporting skills development and investing in comprehensive training and development programs. These programs provide the essential resources our teams need to succeed and thrive. We regularly review and update our training and development programs based on employee feedback and industry advancements with a goal of improving and evolving our programs. Beyond our in-house training, we also offer other avenues for continued learning, including mentoring, on-the-job training, external training courses, and tuition reimbursement. We also encourage our employees to obtain professional licenses and certifications to stay current in their fields.

Employee Retention and Rewards

We recognize that high-potential and high-performing employees seek meaningful career growth in impactful organizations; this, in turn, helps foster a sense of belonging and supports overall employee retention. Our business managers engage directly with employees to identify career aspirations, establish goals and action plans for achieving those goals, and support professional development.

We have continued to improve our talent retention efforts by incorporating talent retention metrics into business leaders' annual incentive plans, expanding our existing mentorship programs to facilitate knowledge transfer, offering ongoing professional development opportunities with our Montrose Leadership Excellence (MLE) program and Montrose Sales Leadership Development Program (MSLDP), and supporting flexible work arrangements to support unique situations and work-life balance.

Our carefully designed and comprehensive compensation package is a key element of our talent retention strategy. We strive to maintain a fair and equitable compensation program for comparable roles, experiences, and performance, regardless of employee's race, ethnicity, gender, sexual orientation, or other personal characteristics. We also have incentive plans in place to reward division and employee performance with cash bonuses.

Under our stock incentive plan, we offer long-term equity incentives to many of our employees. We firmly believe in employee ownership of Montrose, and we believe that these equity incentives support employee retention and create value for our clients, our employees, and our stockholders.

We also provide a variety of competitive benefits including comprehensive healthcare, life and disability insurance, retirement plans, and paid time-off, all designed with our employees' physical and mental health in mind. Our various plan offerings differ by country, allowing us to remain competitive while addressing the diverse needs of our employees.

Health, Safety and Wellness

The safety and wellbeing of our employees is embedded in our culture and supported by a dedicated team of health and safety professionals. Employees are regularly engaged to give input and involve themselves in the programs that support safe operations. Operational, business, and safety leaders frequently communicate about safety-related objectives and events to keep employees informed.

The foundation of the safety program focuses on confirming that our employees are competent, equipment is in good condition, and personal protective equipment such as gloves, eyewear and respirators are readily available. Processes are in place to identify job hazards and implement safeguards prior to work commencement. This entire process is documented for in-field use and for review to improve performance.

All employee time associated with safety preparation and training is fully paid to employees. Current initiatives are focused on improving driver safety, health, safety and environment (HSE) system enhancements, improving safety training content and incident analysis and learning.

A third party occupational medical provider is available to employees 24/7/365 to provide full access to discuss occupational health and safety concerns. Finally, all of our employees have complete stop work authority and can stop any project or task if there is any concern about a safety issue without any fear of retribution.

Compliance with Federal, State/Provincial and Local Laws

Our operations subject us to environmental, health and safety laws and regulations in jurisdictions where we operate, including the United States, Canada, Australia and Europe. Such laws and regulations relate to, among other things, the discharge of wastewater, the discharge of hazardous materials into the environment, the handling, storage, use, transport, treatment and disposal of hazardous materials and solid, hazardous and other wastes and workplace health and safety. These laws and regulations impose a variety of requirements and restrictions on some of our operations and the services we provide. The failure by us to comply with these laws and regulations could result in fines, penalties, enforcement actions, third-party claims, damage to property or natural resources and personal injury claims, requirements to investigate or cleanup property or to pay for the costs of investigation or cleanup or regulatory or judicial orders requiring corrective measures, and could negatively impact our reputation with clients. We are not aware of any pending environmental compliance or remediation matters that, in the opinion of management, are reasonably likely to have a material effect on our business, financial condition, results of operations or prospects.

A portion of our revenue is derived from working with the U.S. federal government. When working with U.S. governmental agencies and entities, we must comply with laws and regulations relating to the formation, administration and performance of contracts. Internationally, we are subject to various government laws and regulations (including the U.S. Foreign Corrupt Practices Act, or FCPA, and similar non-U.S. laws and regulations). To help promote compliance with these and other laws and regulations, our employees are sometimes required to complete tailored ethics and other compliance training relevant to their position and our operations.

Information About Our Executive Officers

Vijay Manthripragada, 48 – Mr. Manthripragada joined Montrose Environmental as our President in September 2015. In June 2016 Mr. Manthripragada also joined our Board of Directors and, since February 2016, he has served as our President and Chief Executive Officer. Before joining Montrose Environmental, Mr. Manthripragada most recently served as the Chief Executive Officer of PetCareRx, Inc., from 2013 to 2015. Prior to PetCareRx, Mr. Manthripragada was at Goldman Sachs where he held various positions from 2006 to 2013. Mr. Manthripragada received his Master of Business Administration from The Wharton School, University of Pennsylvania and his Bachelor of Science in Biology from Duke University.

Allan Dicks, 52 – Mr. Dicks has been our Chief Financial Officer since August 2016. Before joining Montrose Environmental, Mr. Dicks first served as a consultant interim Chief Financial Officer from February 2015 to April 2015 and then Chief Financial Officer from April 2015 to June 2016 of Convalo Health International, Corp., a public Canadian healthcare company. Prior to that, Mr. Dicks held a number of finance-focused executive positions starting in 2000, including Chief Financial Officer of Universal Services of America, Chief Financial Officer of Moark, LLC, a division of Land O’ Lakes, Inc., Vice President of Finance of White Cap Construction Supply, a division of HD Supply, and first as assistant Corporate Controller and subsequently as a division Chief Financial Officer of Dole Food Company, Inc. Mr. Dicks started his career at PricewaterhouseCoopers where he spent nine years, three of which were in the mergers and acquisitions group. Mr. Dicks received his Bachelor of Commerce and Accounting degrees from the University of the Witwatersrand in South Africa. He is a Chartered Accountant in South Africa and is a Certified Public Accountant (inactive) in the State of California.

Nasym Afsari, 42 – Ms. Afsari has been our General Counsel since November 2014 and our Secretary since August 2015. Before joining Montrose Environmental, Ms. Afsari was an attorney in the corporate practice of Paul Hastings LLP, an international law firm, from September 2007 to October 2014. At Paul Hastings, Ms. Afsari represented a variety of business entities in all aspects of corporate and business law, including domestic and cross-border mergers and acquisitions, venture capital financing, private placements and joint venture transactions. Ms.

Afsari earned her Juris Doctorate from the University of California at Los Angeles and a dual Bachelor of Arts degree in Economics and Psychology from the University of California at Berkeley.

Jose M. Revuelta, 43 – Mr. Revuelta has served as our Chief Strategy Officer since June 2017, prior to which he was our Vice President and served in several other interim executive positions with Montrose Environmental since March 2014. Prior to joining Montrose Environmental, Mr. Revuelta was a Vice President with the Infrastructure and Private Equity business of UBS Global Asset Management, a large scale global investment manager, from 2008 to 2014, where he focused on the energy, utility, transportation and environmental sectors, and a member of the Infrastructure Group in the Investment Banking division of UBS from 2006 to 2008. Mr. Revuelta previously served on the Board of Northern Star Generation. Mr. Revuelta received his Master of Business Administration from the Columbia Business School, Columbia University and a Master of Science/Bachelor of Science in Industrial Engineering from Universidad Pontificia Comillas in Madrid, Spain.

Available Information

We are subject to the information and reporting requirements of the Securities Exchange Act of 1934, as amended, or the Exchange Act, and in accordance therewith, we file reports, proxy statements and other information with the Securities and Exchange Commission, or the SEC. Our annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, proxy statements and amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Exchange Act are available through the investor relations section of our website, www.montrose-env.com. Reports are available on our website free of charge as soon as reasonably practicable after we electronically file them with, or furnish them to, the SEC. The information on or that can be accessed through our website is not a part of this Annual Report on Form 10-K or incorporated into any other filings we make with the SEC and the inclusion of our website address is an inactive textual reference only. In addition, the SEC maintains an Internet site that contains our reports, proxy statements and other information that we electronically file with, or furnish to, the SEC at www.sec.gov.

Item 1A. Risk Factors.

Summary

Investing in our common stock involves a high degree of risk. You should carefully consider the risks and uncertainties described below, together with all of the other information in this Annual Report on Form 10-K, including the financial statements and the related notes included in Item 8. “Financial Statements and Supplementary Data,” before making an investment decision. The discussion of these risks is organized by the following sections: Risks Related to Our Industry and the Broader Economy, Risks Related to Our Acquisition Strategy, Risks Related to the Nature of Our Business, Risks Related to Our Contracts and Revenue Streams, Technology and Privacy Related Risks, Risks Related to Our Indebtedness, Risks Related to Ownership of Our Common Stock, Risks Related to Provisions in Our Charter Documents, and General Risks. Some of the more significant risks include:

- general global economic, business and other conditions and the cyclical nature of some of our end markets;
- the highly competitive nature of our business;
- rapidly changing technology and industry and regulatory standards;
- our ability to execute on our acquisition strategy and successfully integrate and realize benefits of our acquisitions;
- the parts of our business that depend on difficult to predict natural or manmade events;
- our work on high profile projects and the risks related thereto;
- our ability to maintain necessary accreditations and other authorizations;
- significant environmental governmental regulation or de-regulation;
- our ability to attract and retain qualified managerial and skilled technical personnel;

- safety-related issues;
- our ability to expand our client base; and
- lack of compliance with prescribed organizational policies and procedures may result in poor performance or suboptimal transactions.

If any of the risks described below actually occurs, our business, financial condition and results of operations could be materially and adversely affected and the trading price of our common stock could decline, causing you to lose all or part of your investment in our common stock. Some of the risks and uncertainties discussed below may have occurred in the past, and the disclosures below are not representations or warranties as to whether or not any risks or uncertainties have occurred in the past, but are discussed herein because future occurrences of such risks and uncertainties could have a material adverse effect on our business, financial condition and results of operations.

Risks Related to Our Industry and the Broader Economy

General global economic, business and other conditions and our vulnerability to the cyclical nature of the sectors and industries in which our clients operate, may adversely affect our business.

We compete in various end markets and geographic regions domestically and around the world. We provide environmental services to clients operating in a number of sectors and industries, including the oil & gas, utilities, local, state, provincial and federal government entities, technical services, industrial manufacturing, transportation, chemicals, renewable energy generation, aerospace, telecommunications and engineering. These sectors and industries and the resulting demand for our services have been, and we expect will continue to be, cyclical and subject to significant fluctuations due to a variety of factors beyond our control, including economic conditions, such as inflation and supply chain difficulties, regulatory requirements, appropriation levels and changes in client capital spending, particularly during periods of economic or political uncertainty. Important factors for our business and the businesses of our clients include macroeconomic conditions, the overall strength of, and our clients' confidence in, the economy, industrial and governmental capital spending, governmental fiscal and trading policies, environmental and regulatory policies the strength of the residential and commercial real estate markets, unemployment rates, consumer spending, availability of financing, interest rates, tax rates and changes in tax laws, political conditions, energy and commodity prices and programs such as renewable fuel standard programs and low-carbon fuel standard programs.

While we attempt to minimize our exposure to economic or market fluctuations by serving a balanced mix of end markets and geographic regions, any of the above factors, individually or in the aggregate, or a significant or sustained downturn in a specific end market or geographic region, can impact our business and that of our clients. These factors may make it difficult for our clients and us to accurately forecast and plan future business activities; neither we nor our clients can predict the timing, strength or duration of any economic downturn or subsequent recovery. Furthermore, if a significant portion of our clients or projects are concentrated in a specific geographic area or industry, our business may be disproportionately affected by negative trends or economic downturns in those specific geographic areas or industries. These factors may also cause our clients to reduce their capital expenditures, alter the mix of services purchased, seek more favorable prices and other contract terms and otherwise slow their spending on our services. In addition, due to these conditions, many of our competitors may be more inclined to take greater or unusual risks or accept terms and conditions in contracts that we might not deem acceptable. These conditions and factors may reduce the demand for our services and solutions, and more generally may adversely affect our business, financial condition and results of operations.

We engage in a highly competitive business and any failure to effectively compete could have a material adverse effect on us.

The assessment, permitting and response, measurement and analysis and remediation and reuse industries are highly fragmented and competitive. Our primary competitors in these industries include companies that specialize in one or more services similar to those offered by us on a local or regional basis. We also compete with global, national, regional and local firms specializing in testing, environmental engineering and consulting services, remediation services and other services we provide. Some of our primary competitors include, in our Assessment, Permitting and Response segment, the environmental divisions of ERM, Ramboll, Geosyntec, Exponent, WSP and other large engineering companies and small businesses, in our Measurement and Analysis segment, the environmental divisions of SGS, TRC Companies, Eurofins, Pace Analytical and other large testing companies and small businesses, and in

our Remediation and Reuse segment, the environmental divisions or remediation segments of Tetra Tech, AECOM, Xylem, Veolia, Mead & Hunt, and other large engineering companies and other small businesses. It is also possible that our clients may establish in-house capabilities to perform certain services that we currently provide.

We operate in markets that are characterized by client demand that is often broad in scope but localized in delivery. We compete with companies that may be better positioned to capitalize on highly localized relationships and knowledge that are difficult for us to replicate. Our potential clients may prefer local providers, whether because of existing relationships or local legal restrictions or incentives that favor local businesses. Smaller regional companies may also have lower cost structures with fewer fixed costs. As a result, efforts to expand, whether organically or through acquisition, or support our service network may not improve our ability to penetrate new local markets or expand our footprint in existing markets. New entrants to our key markets could cause us to lose clients and otherwise harm our competitive position.

Competition in our industry is based on many factors, but we believe the principal points of competition in our markets are the quality, range, pricing, technology and availability of services. Maintaining and improving our competitive position will require successful management of these factors, including continued investment by us in research and development, sales, marketing, technology, customer service and support, personnel and our professional networks. Our future growth rate depends upon our ability to compete successfully, which is impacted by a number of factors, including our ability to identify emerging technological trends in our target end markets, develop and maintain a wide range of competitive and appropriately priced services and solutions, defend our market share against competitors, including new and non-traditional competitors, expand into new markets and attract, develop and retain individuals with the requisite technical expertise and understanding of clients' needs to develop and sell new services.

We may not be successful in maintaining or growing our competitive position for a number of reasons. Some of our competitors may have access to greater financial or other resources than we do, which may afford them greater power, efficiency, financial flexibility, geographical reach or capital resources for growth. In addition, some of our competitors are vertically integrated and can leverage this structure to their advantage. We may fail to identify optimal service or geographic markets, focus our attention in suboptimal service or geographic markets or fail to execute an appropriate business model in certain service or geographic markets. Our competitors may develop new services or technologies that are superior to ours, develop more efficient or effective methods of providing services or adapt more quickly, efficiently or effectively than we do to new technologies. Our competitors may be positioned to provide better service or influence client requirements, or more quickly respond to changing client requirements, and thereby establish stronger relationships with clients. Our competitors may offer their services at lower prices because, among other things, they possess the ability to provide similar services more efficiently, as part of a bundle with other services or generally at a lower cost. These pricing pressures could cause us to lower the price for any one or more of our services to at or below our costs, requiring us to sacrifice margins or incur losses. Alternatively, we may choose to forgo entering certain markets or exit others, which would limit our growth and competitive reach.

Any failure by us to compete or to generally maintain and improve our competitive position could have a material adverse effect on our business, financial condition and results of operations.

If we are unable to develop successful new services or adapt to rapidly changing technology and industry standards or changes to regulatory requirements, our business could be harmed.

The market for our services is characterized by rapid technological change and evolving industry standards and, to a lesser extent, changing regulatory requirements. This constant evolution may reduce the effectiveness of or demand for our services or render them noncompetitive or obsolete. Our continued success and growth depend upon our ability to anticipate these challenges and to innovate by enhancing our existing services and developing and successfully implementing new services to keep pace with the ever-changing and increasingly sophisticated needs of our clients.

New service introductions that are responsive to new technologies and changing industry and regulatory standards can be complex and expensive as they require significant planning, design, development and testing. We may find it difficult or costly to update our services and to develop new services quickly enough to work effectively with new or changed technologies, to keep the pace with evolving industry standards or to meet our clients' needs. In addition, our industry may be slow to accept new technologies that we develop because of, among other things,

existing regulations or standards written specifically for older technologies and general unfamiliarity of clients with new technologies. As a result, any new services that we may develop may not be successful for a number of years, if at all. If we are unable to successfully enhance or update existing services or develop new services to meet these challenges, our business, financial condition and results of operations may be adversely affected.

Risks Related to Our Acquisition Strategy

The success of our business depends, in part, on our ability to execute on our acquisition strategy.

A significant portion of our historical growth has occurred through acquisitions, and though we are temporarily slowing our cadence of consummating acquisitions, we anticipate continued growth through acquisitions in the future. Our growth strategy is partially dependent on acquiring and integrating the operations of companies in the environmental services industry. Since January 1, 2020, we have acquired 25 companies. We are presently evaluating, and we expect to continue to evaluate on an ongoing basis, a variety of possible acquisition transactions. We cannot predict the timing of any contemplated transactions, and there can be no assurances that we will identify suitable acquisition opportunities or, if we do identify such opportunities, that any transaction can be consummated on terms acceptable to us. We also compete for acquisitions with other potential acquirers, some of which may have greater financial or operational resources than we do. A significant change in our business or the economy, an unexpected decrease in our cash flows or any restrictions imposed by our debt may limit our ability to obtain the necessary capital for acquisitions or otherwise impede our ability to complete an acquisition. Certain proposed acquisitions or dispositions may also trigger a review by the U.S. Department of Justice, or DOJ, and the U.S. Federal Trade Commission, or FTC, under their respective regulatory authority, focusing on the effects on competition, including the size or structure of the relevant markets and the pro-competitive benefits of the transaction. Any delay, prohibition or modification required by regulatory authorities could adversely affect the terms of a proposed acquisition or could require us to modify or abandon an otherwise attractive acquisition opportunity. The terms of our Series A-2 Preferred Stock also restrict our ability to make certain acquisitions without the consent of the holder majority, including acquisitions in excess of \$75.0 million. The failure to identify suitable transaction partners and to consummate transactions on acceptable terms could have a material adverse effect on our business, financial condition and results of operations.

Our acquisition strategy exposes us to significant risks and additional costs.

Acquisitions involve risks that the businesses acquired will not perform as expected and that judgments concerning the value, strengths and weaknesses of acquired businesses will prove wrong. We may not accurately assess the value, strengths, weaknesses or potential profitability of an acquisition target, and our acquisition strategy for a particular business may prove to be unsuccessful or expose us to additional risks. We may become liable for certain unforeseen pre-acquisition liabilities of an acquired business, including, among others, tax liabilities, environmental liabilities, contingent consideration and liabilities for employment practices, and these liabilities could be significant. In addition, an acquisition could result in the impairment of client relationships and other acquired assets such as goodwill. We may also incur costs and experience inefficiencies to the extent an acquisition expands the industries, products, markets or geographies in which we operate due to our limited exposure to and experience in a given industry, market or region. Acquisitions may require that we incur additional debt to finance the transaction, which could be substantial and limit our operating flexibility or, alternatively, acquisitions may require that we issue stock as consideration, which could dilute share ownership. Acquisitions can also involve post-transaction disputes regarding a number of matters, including a purchase price or working capital adjustment, earn-out or other contingent payments, environmental liabilities or other obligations. Our recent growth and our acquisition strategy have placed, and will continue to place, significant demands on our management's time, which may divert their attention from our day-to-day business operations, and may lead to significant due diligence and other expenses regardless of whether we pursue or consummate any acquisition. We may also not be able to manage our growth through acquisitions due to the number and the diversity of the businesses we have acquired or for other reasons. If any of these risks were to occur, our business, financial condition and results of operations may be adversely affected.

Any inability to successfully integrate our recent or future acquisitions, or realize their anticipated benefits, could have a material adverse effect on us.

Acquisitions have required, and in the future will require, that we integrate into our existing operations separate companies that historically operated independently or as part of another, larger organization, and had different systems, processes and cultures. Acquisitions may require integration of finance and administrative organizations and involve exposure to different legal and regulatory regimes in jurisdictions in which we have not previously operated.

We may not be able to successfully integrate any business we have acquired or may acquire, or may not be able to do so in a timely, efficient or cost-effective manner. Our inability to effectively complete the integration of new businesses on schedule and in an orderly manner could increase costs and lower profits. Risks involved with the successful integration of an acquired business include, but are not limited to:

- diverting the attention of our management and that of the acquired business;
- merging or linking different accounting and financial reporting systems and systems of internal controls and, in some instances, implementing new controls and procedures;
- merging computer, technology and other information networks and systems, including enterprise resource planning systems;
- assimilating personnel, human resources and other administrative departments and potentially contrasting corporate cultures;
- integrating our governmental contracting work with similar services provided by acquired companies;
- incurring or guaranteeing additional indebtedness;
- disrupting relationships with or losses of key clients and suppliers of our business or the acquired business;
- interfering with, or loss of momentum in, our ongoing business or that of the acquired company;
- failure to retain our key personnel or that of the acquired company; and
- delays or cost-overruns in the integration process.

Our inability to manage our growth through acquisitions, including the integration process, and to realize the anticipated benefits of an acquisition could have a material adverse effect on our business, financial condition and results of operations.

Risks Related to the Nature of Our Business

Parts of our business may depend on certain natural or manmade events which are impossible to predict, and our revenue and customer concentration resulting from these businesses may fluctuate significantly based on the frequency and scale of these events.

Certain of our businesses depend on specific environmental circumstances, including both naturally occurring and manmade events. Our Assessment, Permitting and Response segment, in particular, which includes our environmental emergency response business that engages in response activities following an environmental incident or a natural disaster. There is no way for us to predict the occurrence of these events, nor the significance, duration or outcome of the events. As a result, this segment may experience revenues one year that are not indicative of future results due to the occurrence of an incident that was neither typical nor predictable. For example, this segment's revenues significantly increased during in the fiscal year ended December 31, 2021, due in significant part to the contribution of COVID-19 work during the heights of the pandemic. The volatile nature of our environmental emergency response business, and its dependency on factors beyond our control, makes it difficult to predict its potential profitability or success and, therefore, at times, ours as well. Any extended period without these types of events or other downturn in activity for these business lines may negatively impact our business, financial condition and results of operations.

In addition, as a result of the nature of these services, our Assessment, Permitting and Response segment may at times experience higher customer concentration levels based on the severity, duration and outcome of environmental emergencies (e.g. those caused by natural disasters and industrial accidents) for which we provide response services. For example, for the fiscal year ended December 31, 2023, 43% of total Assessment, Permitting and Response segment revenues, were attributable to just three customers, each of whom engaged us in connection with environmental emergency response related support across multiple projects. We cannot predict from period to period whether we will experience risks associated with high customer concentration, including the inability of such customers to pay for our services, and such concentration could have a material adverse effect on our business, financial condition and results of operations.

We may work on high profile projects, and any negative publicity or perceived failures of those projects, or litigation resulting from such projects, could damage our reputation and harm our operating results.

We may be engaged on high profile projects that garner public attention and scrutiny, particularly with respect to the emergency response division of our Assessment, Permitting and Response segment. This business line conducts environmental sampling and provides toxicological assessments, among other services, in emergency situations and natural disasters, many of which are widely covered by the press and in the public eye, such as Intercontinental Terminals Co fires in 2019, the COVID-19 pandemic from 2020 to 2022 and the Norfolk Southern train derailment in 2023. Any mishandling of these situations, even if not our own could lead to negative publicity. The negative publicity may be attributed to our business and services at no fault of our own other than our association with the project. Our involvement with these high-profile projects exposes us to the risk of reputational damage which may have a material adverse effect on our business, financial condition and results of operations. In addition, such high-profile projects often lead to an enhanced risk of litigation, and we may be brought into such litigation regardless of our role in the project. Any such litigation proceedings are inherently costly and uncertain, and could have a material adverse effect on our business, financial condition and results of operations.

We may not be able to maintain or expand our accreditation and other authorizations, which may adversely affect our ability to provide our services.

A significant part of our business is subject to obtaining and maintaining accreditations, approvals, licensing permits, delegated authority, official recognition and general authorizations at the federal, state, provincial and local level, including in some instances accreditations and licenses for individual professionals. A major risk inherent in our operations is the need to obtain and renew these authorizations. Our operations are also subject to inspection and regulation by various governmental agencies, including the Occupational Safety and Health Administration and equivalent state, provincial and local agencies, as well as their counterparts in the various foreign jurisdictions in which we operate. These authorizations are issued by public authorities or professional organizations following application processes, reviews and investigations which are often long and complex, at times resulting in delays in our ability to bid on and execute certain projects. These authorization requirements can also be costly or difficult to meet, and often vary from jurisdiction to jurisdiction, meaning our capacity to obtain such authorizations could affect our ability to provide services in certain regions, states, provinces or localities. Certain authorizations are granted for limited periods of time and are subject to periodic renewal, requiring us to go through similar processes on multiple occasions, which necessitates that we utilize additional financial and operational resources. Authorizations or the requirements to obtain an authorization may also change without notice and we may not be able to comply with the revised or new requirements to maintain one or more of these authorizations.

Although we closely monitor the quality of services performed under our various authorizations, as well as the need to obtain any new authorizations and the renewal and maintenance of our existing portfolio of authorizations, any failure to meet the applicable requirements, whether actual or perceived, could cause us to lose, either temporarily or permanently, one or more of our authorizations. A public authority or professional organization that has granted us one or more authorizations may also decide unilaterally to withdraw such authorizations. Further, we may not be able to obtain or renew the required authorizations for businesses we acquire in the future, or for an organic expansion we wish to pursue, and the failure to obtain these authorizations could limit the opportunity to expand our business.

If we fail to secure or maintain any such authorizations, or if the relevant bodies place burdensome restrictions or limitations on our ability to obtain or maintain the necessary authorizations, we may not be able to operate in one

or more jurisdictions and our business, financial condition and results of operations may be materially adversely affected as a result.

Our clients are subject to significant governmental regulation with respect to the environment and any changes to these laws and regulations could have a material adverse effect on our business.

As a company involved in the provision of environmental services, our clients operate in a heavily regulated environment. Our clients are subject to federal, state, provincial and local laws and regulations, including laws and regulations relating to, among other things, air emissions, the release or discharge of materials into the environment and the management, use, generation, treatment, processing, handling, storage, transport or disposal of hazardous wastes and materials. In addition, because of the site-specific nature of our services, the laws and regulations to which we are subject may vary from one state, province or region to another, sometimes substantially. We and our clients are also required to obtain various government approvals, certificates, permits and licenses in order to conduct our respective businesses, which may require making significant capital, operating and maintenance expenditures to comply with applicable laws and regulations.

Any future changes to laws and regulations applicable to our clients could have a material impact on their businesses and their service needs. If the needs of our clients change, we may be required to incur significant capital and operating expenditures to shift the environmental services we provide in order to address such needs. If we are unable to address the changing needs of our clients in a timely manner, or at all, demand for our services may decrease, which would have a material adverse effect on our financial condition, results of operations and liquidity.

Our future growth and performance are dependent in part on the impact and timing of potential new laws and regulations, as well as potential changes to existing laws and regulations, including the potential impact of environmental policies of the current presidential administration in the United States or other executives in the foreign countries in which we operate. If stricter laws or regulations are delayed or are not enacted, are enacted with prolonged phase-in periods, or not enforced, if existing laws and regulations are repealed or amended to be less strict or if a generally less restrictive regulatory framework develops, as is anticipated with the new presidential administration, demand for our services may be reduced. Conversely, the strengthening or enforcement of regulations may also create operating conditions that limit our business areas or more generally slow our development. In extreme cases, such changes in the regulatory environment could lead us to exit certain markets.

Rapid and/or important changes in current regulations or less stringent enforcement of regulation may in the future have a significant adverse effect on our business, financial position and results of operations. Federal and state, provincial legislatures may review and consider legislation that could impact our business and our industry. Such legislation or enforcement policies may intensify competition in the markets that we serve, impact demand for some or all of our services or require us to develop new or modified services in order to meet the needs of and compete effectively in the marketplace. Any of the foregoing could have a material adverse effect on our business, financial condition and results of operations.

If we fail to attract and retain qualified management and skilled technical personnel, our business may be adversely affected.

Our long-term success depends, in significant part, upon the continued service and performance of our senior management and other key personnel. We rely on knowledgeable, experienced and skilled technical personnel, particularly engineers, analysts, technicians, scientists, policy experts and service personnel to provide environmental services in stringent regulatory markets. Certain of our employees, including our senior management and the key employees of the various businesses we have acquired, have exceptionally strong knowledge of our businesses, sectors and clients. Their departure could lead to the loss of know-how and information of value to us, and their departure could pose a risk to key client relationships. Our continued growth will also depend upon our ability to attract and retain additional skilled management and other key employees, including skilled technical personnel in new markets, whether organically or through acquisitions. For certain of our businesses, there may be a limited number of qualified people to fulfill roles in such businesses, particularly given the recent competition in the job market. The loss of the services of one or more members of our management team or of qualified employees and other key personnel, or the

inability to identify, hire and retain the key personnel that may be necessary to grow our business, could have a material adverse effect on our business, financial condition and results of operations.

Safety-related issues could adversely impact our business.

We often work on complex projects, sometimes in geographically remote locations and in challenging environments. These sites often put our employees and others in close proximity with chemical, manufacturing, construction and other dangerous processes and highly regulated materials. In addition, our employees sometimes handle hazardous materials, including pressurized gases or concentrated toxins and other highly regulated materials, which, if improperly handled, could subject us to civil and/or criminal liabilities. If we fail to implement proper safety procedures or if the procedures we implement are ineffective, or if others working at the site fail to implement and follow appropriate safety procedures, our employees and others may become injured, disabled or even lose their lives, the completion or commencement of our projects may be delayed and we may be exposed to litigation or investigations. Unsafe work sites also have the potential to increase employee turnover, increase project costs, damage our reputation and brand and raise our operating and insurance costs. Any of the foregoing could result in, among other things, financial losses or reputational harm, which could have a material adverse effect on our business, financial condition and results of operations.

We are responsible for the training and safety of our employees at work, and, on occasion, we take on expanded site safety responsibilities, which subjects us to regulations dealing with occupational health and safety. Although we implement what we believe to be appropriate health, safety and environmental work procedures throughout our organization, including hazardous sites, we cannot guarantee the safety of our personnel and others for whom we may be responsible. If our employees or others become injured, if we fail to implement appropriate training and health and safety procedures, or if we fail to comply with applicable regulations, among other things, we may be subject to claims, investigations or litigation or required to pay penalties or fines, and our business, financial condition and results of operations could be harmed.

Our safety record is critical to our reputation. Many of our clients require that we meet certain safety criteria to be eligible to bid for contracts or perform on-site services. If our safety record is not within the levels required by our clients, or compares unfavorably to our competitors, we could lose business, incur significant costs or reputational damage, be prevented from working at certain facilities or suffer other adverse consequences. Additionally, we may incur costs to defend our position even if we do not believe we have any liability for a release of or exposure to a hazardous substance or waste or other environmental damage. Any of the foregoing could, among other things, negatively affect our profitability or cause us to lose one or more projects or clients, or otherwise could have a material adverse impact on our business, financial condition and results of operations.

Our environmental emergency response business places our employees in dangerous situations which may present serious and enhanced safety issues that could adversely affect our business.

Our environmental emergency response business is focused on assisting companies, governments and communities with responses to and recovery from environmental emergencies. A significant portion of our environmental emergency response employees work in emergency situations that pose threats to the environment and surrounding communities. Danger of injury or death is inherent in this role, despite safety precautions, training and compliance with federal, state and local health and safety regulations. These employees and any subcontractors we use for such projects are at an enhanced risk of workplace-related injuries given the dangers of their workplace environment. Oftentimes, the risks of the emergency situations are not yet known, and there is no way to predict the magnitude of the danger. While we have insurance coverage in place that we believe is reasonable in addition to policies and procedures designed to minimize these risks, including stringent training, we may nonetheless be unable to avoid material liabilities for an injury or death arising out of these emergency-related hazards. In light of the potential cost and uncertainty involved in litigation, we may settle matters even when we believe we have a meritorious defense. Litigation and its related costs, as well as the damage to our reputation should any employee or subcontractor injury or death occur during these emergency situations, could have a material adverse effect on our business, financial condition and results of operations.

Allegations regarding whether we have complied with professional standards, duties and statutory obligations or our failure to provide accurate results may have an adverse effect on our business.

Our services typically involve difficult analytical assignments and carry risks of professional and other similar liabilities, both directly and through the actions of our testing personnel. In delivering our measurement and analytics services, we provide reports regarding emissions and other testing results to our clients who rely on the accuracy of the data that we gather or analyze on their behalf. Similarly, in delivering our remediation and reuse services, we provide environmental engineering solutions which our clients rely on to design and implement major projects. We take our professional responsibilities very seriously in light of this reliance and the fact that many of our engagements involve matters that could have a significant impact on a client's business, create substantial financial obligations for the client or prevent the client from pursuing desirable business opportunities. Notwithstanding the fact that our professionals maintain credentials and we perform our services based on our professional expertise and these professional credentials, we face exposure to a variety of claims, ranging from alleged or actual breaches of applicable professional standards, duties and statutory obligations to allegedly inaccurate data and/or faulty analysis.

In certain instances, in performing our services, we may rely on our interpretation of reports or data prepared or gathered by third parties. If such information is not properly prepared or gathered, or is not accurate or complete, we may become subject to claims or litigation, regardless of whether we had any responsibility for the error. Our emergency response business is often responsible for the presentation of plans and advice in emergency situations, including natural disasters and manmade accidents. While our emergency response employees are not responsible for the ultimate approval of such plans, the failure or minimized success of a plan could expose us to potential litigation and damage to our reputation. Further, claims that we performed negligently, disclosed client confidential information, infringed on intellectual property, falsified data, are required to withdraw due to an apparent or actual conflict, or otherwise breached our obligations to a client, including as a result of actions of our employees, could expose us to significant liabilities to our clients and other third parties and tarnish our brand and reputation.

A client who is dissatisfied with our performance could threaten or bring litigation on the basis of our failure to perform our professional duties in order to recover damages or to contest its obligation to pay our fees, even if our results were accurate or our services were otherwise performed without issue. If the results or design we provided do turn out to be errant or we otherwise fail to meet our contractual obligations, because some of the agreements that we have in place with clients require us to indemnify them for losses that they suffer as a result of errors and omissions or negligence by us, we may be subject to legal liability or required to pay significant damages, and the client relationship could be harmed. Our contracts typically include provisions to limit our exposure to legal claims relating to our services, but these provisions may not protect us or may not be enforceable in all cases. Further, we maintain professional liability insurance and such other coverage as we believe appropriate based on our experience to date, this coverage may prove insufficient. Regardless of any contractual provision or insurance, any client claims could have an adverse effect on our business, financial condition and results of operations.

We use small aircraft to transport employees to project sites from time to time which exposes us to risks associated with air travel.

We use a small aircraft in our business, particularly in connection with our emergency response services. There are inherent risks associated with air travel, including aviation accidents due to weather, technical malfunctions or human error. While we will strive to comply with all safety regulations and ensure the aircraft undergoes necessary and adequate maintenance, accidents or incidents may occur while the aircraft is transporting employees, as occurred on February 22, 2023, when our airplane crashed killing five employees. An accident or incident involving our aircraft could result in significant claims of injured employees and others, as well as repair or replacement of the damaged aircraft and its consequential loss from service. In the event of an accident, our liability insurance may not be adequate to offset our exposure to potential claims and we may be forced to bear losses from the accident. The success of our environmental emergency response business depends on its employees, and an aviation accident or incident that results in the serious injury or death of those employees could have a material adverse effect on the business.

ESG matters, including those related to climate change, sustainability and the goals and initiatives we set and implement and the public statements and disclosures we make in respect of these matters, may have an adverse effect on our business.

Companies across all industries are facing increasing scrutiny relating to their environmental, social and governance, or ESG, practices and disclosures from a number of divergent perspectives. This scrutiny and demand could require additional transparency, due diligence and reporting, or lead to scrutiny for such practices, and could cause us to incur additional costs or to make changes to our operations to comply with these demands. Further, the landscape of legal and regulatory frameworks related to the disclosure of ESG performance and impacts is rapidly evolving and may introduce new, potentially burdensome, and potentially inconsistent disclosure requirements. Specific to climate change, while not anticipated that the proposed U.S. Securities and Exchange Commission's climate rules will come into effect over the course of the current administration, the State of California has signed into law requirements that include the disclosure of greenhouse gas (GHG) emissions as well as climate-related financial risk. We are currently subject to some of those requirements, and the applicability of additional requirements to our business may expand depending on our financial growth. Similarly, while we are not currently subject to the European Union's Corporate Sustainability Reporting Directive (CSRD), a significant EU-based acquisition could trigger applicability and substantially increase the amount and nature of ESG information we are required to publicly disclose. Increased regulatory requirements may be more aggressive than any sustainability measures we may be currently undertaking or may implement in the future may cause disruptions in supply chains or an increase in operating and compliance costs. If we do not adapt to or comply with these and other new regulations or if we are perceived to have not responded appropriately to the growing concern for ESG matters, we may face legal or regulatory actions or the imposition of fines, penalties, or other sanctions and adverse publicity, any of which could materially harm our reputation or have a material adverse effect on our business, financial condition or results of operations. The U.S. federal government has also indicated an intention to challenge companies that historically had more progressive ESG practices, which could lead to claims, litigation and regulatory proceedings as well as adverse publicity, any of which could adversely affect our business.

We have developed near-term targets and a long-term goal for reducing our GHG emissions. These goals and targets reflect our current plans and do not constitute a guarantee that they will be achieved. Our ability to achieve any stated goal or target is subject to numerous factors and conditions, many of which are outside of our control. Examples of these factors include the availability of decarbonization technologies, participation of our vendors and our employees, and the availability of requisite financing. A failure or perceived failure to meet our goals and targets or to satisfy various reporting standards with respect to these matters could negatively impact our reputation, our ability to attract or retain employees, and our attractiveness as an investment, business partner, or as an acquirer could be negatively impacted. Additionally, even if we achieve our goals and targets, we may not realize all of the benefits that we expected at the time they were established

Our business may face increased scrutiny from the investment community, the media, and other stakeholders regarding our sustainability approach and actions, including the goals and targets that we announce and our methodologies and timelines for pursuing them. Additionally, as an environmental company, we may be subject to higher expectations or greater scrutiny than other companies when it comes to environmental sustainability. If our approach to sustainability does not meet investor or other stakeholder expectations and standards, which continue to evolve, we may be negatively impacted as noted above.

Product and systems offerings subject us to risks that could adversely affect our business.

Certain of our environmental solutions include product or system offerings, primarily within our Remediation and Reuse Segment. We have a limited history in offering products and designing and building systems as compared to the services we offer, and this expansion subjects us to new and different risks generally associated with offering products manufactured by third parties, including but not limited to:

- production difficulties of third-party manufacturers, including problems involving changes in their production capacity and yields, quality control and assurance, component supply and shortages of qualified personnel;
- failure to establish or maintain supplier relationships;
- supply chain issues of third-party manufacturers and the failure of suppliers to produce components to specification or supply us with a sufficient amount or adequate quality of materials;
- increases in the cost of raw materials, components or the overall cost of production passed to us;
- failure to adequately design new or improved products or respond to changing regulatory requirements;
- use of defective materials or workmanship in the manufacturing process;
- improper use of our products;
- failure to satisfy any warranty or performance guarantee;
- product liability claims; and
- lack of market acceptance, delays in product development and failure of products to operate properly.

Under any of these circumstances, demand may suffer, we may incur substantial expense to remedy the problem, may incur penalties under the customer agreement and may be required to obtain replacement products if available. If we fail to remedy any such problem in a timely manner, we risk the loss of revenue resulting from the inability to sell those products or systems and related increased costs. If product or system defects or other issues are not discovered until after they are purchased by our clients, our clients could lose confidence in our products and our brand and reputation may be negatively impacted. Any failure to successfully respond to the foregoing risks or any others that we may not appreciate as a result of our limited history of production could have material adverse effect on our business, financial condition and results of operations.

Our operations are subject to environmental laws and regulations and any liabilities may have a material adverse effect on our business.

We are in regular contact with waste, renewable energy, chemicals and other hazardous materials in the ordinary course of providing services to our clients. As a result, our business is subject to numerous U.S. and international laws and regulations relating to the protection of the environment. For example, we must comply with a number of U.S. federal and state laws that strictly regulate the handling, removal, treatment, transportation and disposal of toxic and hazardous substances. When operating at a client site, if there is a spill of a hazardous substance or other contamination event at one of these sites, under the Comprehensive Environmental Response Compensation and Liability Act of 1980, as amended, or CERCLA, and comparable state, provincial and local laws, we may be required to investigate, mitigate and remediate any contamination, including addressing natural resource damage, compensating for human exposure or property damage and installing costly pollution control equipment. CERCLA and comparable state, provincial and local laws typically impose strict, joint and several liabilities without regard to whether an entity knew of or caused the release of hazardous substances. Other environmental laws affecting our business include, but are not limited to, the Federal Water Pollution Control Act of 1972, as amended, also known as the Clean Water Act, Resource Conservation and Recovery Act, National Environmental Policy Act, the Clean Air Act, the Occupational Safety and Health Act, the Federal Mine Safety and Health Act of 1977, the Toxic Substances Control Act and the Superfund Amendments and Reauthorization Act. Our business operations may also be subject to similar international laws relating to environmental protection. Liabilities related to contamination or violations of these laws and regulations could result in material costs to us, including clean-up costs, fines, civil or criminal sanctions and third-party claims for property damage or personal injury, any of which could have a material adverse effect on our business, financial condition and results of operations.

Seasonality of demand for certain of our services and weather conditions and other factors outside our control may adversely affect, or cause volatility in, our financial results.

We experience seasonal demand with respect to certain of the services we provide, particularly in our Measurement and Analysis segment, and, following the acquisition of Matrix in Canada, the Remediation and Reuse

segment, as demand for those services can follow weather trends. Seasonal effects may vary from year to year and are impacted by weather patterns, particularly by temperatures, rainfall and droughts. In addition, we may experience earnings volatility as a result of the timing of large contract wins and the timing of large emergency response projects following an incident or natural disaster due to the unpredictable nature thereof. Further, we generated meaningful revenues related to COVID-19 response work, particularly in 2021, and as a result of the pandemic subsiding, we may not be able to replace these revenue streams in future periods. Our business, financial condition and results of operations could be materially and adversely affected by severe weather, natural disasters or environmental factors. Furthermore, our ability to deliver services on time to our clients can be significantly impeded by such conditions and events.

Our business could be disrupted by catastrophic events.

Occurrence of any catastrophic event, including earthquake, fire, flood, tsunami or other weather event, pandemic, power loss, telecommunications failure, software or hardware malfunctions, cyber-attack, war or terrorist attack, could result in lengthy interruptions in our services. Our insurance coverage may not compensate us for losses that may occur in the wake of such events. In addition, acts of terrorism could cause disruptions to the internet or the economy as a whole. Even with our disaster recovery arrangements, our services could be interrupted. If our systems were to fail or be negatively impacted as a result of a natural disaster or other event, our ability to deliver services to our clients would be impaired or we could lose critical data. If we are unable to develop or, in the event of a disaster or emergency, successfully execute on, adequate plans to ensure that our business functions continue to operate during and after a disaster, our business, results of operations, financial condition and reputation would be harmed.

Risks Related to Our Contracts and Revenue Streams

We may not be successful in expanding our client base or the services we provide to existing clients, which could adversely affect our business.

Our success and the planned growth and expansion of our business depends on our ability to expand into new markets and further penetrate existing markets. Our ability to expand is to a large extent contingent on our services and solutions achieving greater and broader acceptance, resulting in a larger client base, a broader array of prospective clients and expanded services provided to existing clients. However, demand for our services is uncertain, and there can be no assurance that clients will purchase our offerings, or that we will be able to continually expand our client base within existing geographies or into new geographies, whether we expand organically or through acquisition. Expanding our client base is also subject to external factors, many of which are beyond our control, including the overall demand for the services we offer, the actions of our competitors and the finite number of prospective clients in a given market. We cannot provide any assurances regarding our immediate or long-term growth rates in any geographic market or segment, or if we will grow at all. If we are unable to effectively market or expand our offerings to new clients or cross-market our services to existing clients, we may be unable to grow our business or implement our business strategy. Any of the above could materially impair our ability to increase sales and revenue and have a material adverse effect on our business, financial condition and results of operations.

We generally do not have formal long-term agreements with our clients and attempts by clients to change the terms of or terminate their relationships with us may have a negative impact on our business.

Our operations depend upon our relationships with our clients. Our clients are companies operating in a number of sectors and industries, including the financial, oil & gas, utilities, construction, automotive, real-estate, midstream energy, manufacturing, commodities, petrochemical, food and beverage, telecommunications and engineering industries, as well as local, state, provincial and federal government entities. As is customary in our industry, we do not always enter into formal written agreements with our clients, and to the extent we do, such agreements do not generally restrict our clients from altering the terms of the relationship. These arrangements allow clients to attempt to seek concessions, introduce unfavorable terms or limit the services and solutions that we provide to them before a project is finished or as a condition to continued or increased business. The arrangements also generally allow a client to terminate or to decide not to renew their contracts or purchase orders with little or no advanced notice to us. A loss of one or more clients, a meaningful reduction in their purchases from us or an adverse change in the terms on which we provide our services and solutions could have a material adverse effect on our business, financial condition and results of operations.

Public clients involve unique policy, contract and performance risks, and we may face challenges to our government contracts or our eligibility to serve government clients, any of which could materially adversely impact our business.

We derive, and expect to continue to derive in the future, revenues from federal, state, provincial or local government clients, which accounted for approximately 16.3% of our revenues for the fiscal year ended December 31, 2024. Sales to governments and related entities present risks in addition to those involved in sales to many of our other clients, including policy-related risks such as potential disruption due to appropriation and spending patterns, delays in the adoption of new technologies due to political, fiscal or bureaucratic processes, delays in approving budgets and the government's right to cancel contracts and purchase orders for its convenience. General political and economic conditions, which we cannot accurately predict, also directly and indirectly affect policies relating to the quantity and allocation of expenditures by government clients. In addition, government contracts may involve long purchase and payment cycles, competitive bidding requirements, qualification requirements, delays or changes in agreed-to funding, budgetary constraints, political agendas, extensive specification development and price negotiations, milestone requirements and the potential unenforceability of limitations on liability or other contractual provisions, any of which may create price pressure and reduce our margins. As a result, we could experience a material adverse effect on our business, financial condition and results of operations.

Each government entity also maintains its own rules and regulations with which we must comply and which can vary significantly among clients. We face risks associated with the failure to comply with such rules and regulations such as bid protests, in which our competitors could challenge the contracts we have obtained, or suspension, debarment or similar ineligibility from serving government clients. Challenges to our current or future government contracts or to our eligibility to serve government clients could result in a loss of government sales and have a material adverse effect on our business, financial condition and results of operations.

Our contracts with federal, state, provincial and local governments may be terminated or adversely modified prior to completion, which could adversely affect our business.

Government contracts generally contain provisions, and are subject to laws and regulations, that give the government rights and remedies not typically found in commercial contracts, including provisions permitting the government to:

- terminate our existing contracts;
- reduce potential future revenues from our existing contracts;
- modify some of the terms and conditions in our existing contracts;
- suspend or permanently prohibit us from doing business with the government or with any specific government agency;
- impose fines and penalties;
- subject us to criminal prosecution or debarment;
- subject the award of some contracts to protest or challenge by competitors, which may require the contracting agency or department to suspend our performance pending the outcome of the protest or challenge and which may also require the government to solicit new bids for the contract or result in the termination, reduction or modification of the awarded contract;
- suspend work under existing multiple year contracts and related task orders if the necessary funds are not appropriated by the relevant governmental authority; and
- decline to exercise an option to extend an existing multiple year contract.

Governmental authorities may terminate contracts with us either for convenience (for instance, due to a change in perceived needs or a desire to consolidate work under another contract) or if we default by failing to perform under the contract. Upon a termination for convenience, we are generally able to recover the purchase price for delivered items and reimbursement of allowable work-in-process costs. If a governmental authority terminates a contract with us based upon our default, we generally would be denied any recovery for undelivered work, and instead may be liable for excess costs incurred by the government in procuring undelivered work. The exercise by any governmental entity

of one or more of these rights under its agreements with us could have a material adverse effect on our business, financial condition and results of operations.

Technology and Privacy Related Risks

A failure in or breach of our networks or systems, including as a result of cyber-attacks, could have a material adverse effect on our business.

Our efforts to minimize the likelihood and impact of adverse cybersecurity incidents and to protect data and intellectual property may not be successful and our business could be negatively affected by cyber or security threats or other disruptions. We routinely experience various cybersecurity threats to our technology infrastructure, unauthorized attempts to gain access to our company, employee and customer-sensitive information, insider threats and other attacks. Our customers, suppliers, subcontractors, and partners experience similar security threats. In addition to cyber threats, we face threats to the security of our facilities and employees, which could materially disrupt our business if carried out. We could also be impacted by the improper conduct of our employees or others working on behalf of us who have access to export controlled or Controlled Unclassified Information (CUI), which could adversely affect our business and reputation. The threats we face vary from attacks common to most industries, such as ransomware, to more advanced and persistent threats, highly organized adversaries, including nation state actors, which target us and other defense contractors and other companies. These threats can cause disruptions to our business operations. In addition to cyber threats, our cybersecurity and processing systems, as well as those of our third-party service providers, including cloud service providers, newly acquired companies that have not yet been integrated, and those of our clients which we periodically manage, may experience damage or disruption from a number of causes, including power outages, computer and telecommunication failures, internal design, manual or usage errors, workplace violence or wrongdoing, catastrophic events, natural disasters, and severe weather conditions. These systems may also be damaged, disrupted, or fail entirely because of computer viruses or other malicious codes, social-engineering schemes, unauthorized access attempts, and cyber-attacks that could include phishing-attacks, denial-of-service attacks, ransomware, malware, and hacking. If we are unable to protect sensitive information, including complying with evolving information security and data protection/privacy regulations, our customers or governmental authorities could question the adequacy of our threat mitigation and detection processes and procedures. Moreover, depending on the severity of an incident, our customers' data, our employees' data, our intellectual property (including trade secrets and research, development, and engineering know-how), and other third-party data (such as subcontractors, suppliers and vendors) could be compromised. As previously disclosed, on June 11, 2022, we were the target of an organized ransomware attack on our IT systems that, although not ultimately material to our results of operations for the year ended December 31, 2022, and December 31, 2023, or any individual fiscal quarter within those years, the attack led to the temporary disruption of our regular operations and lost revenues in 2022.

We believe our possession of CUI, confidential or protected client information may put us at a greater risk of being targeted. In addition, we manage and operate supervisory control and data acquisition systems at several operations and maintenance, or O&M, client facilities, including water and renewable energy facilities, and another cyber-attack or other system failure could cause the facility to be shutdown, which could create regulatory compliance issues, cause a contamination event or have other adverse consequences for which we could have liability. Because of the persistence, sophistication, and volume of cyber-attacks, we may not be successful in defending against an attack that could have a material adverse effect on us and due to the evolving nature of these security threats, the impact of any future incident cannot be predicted. We also typically work cooperatively with our customers, suppliers, subcontractors, and entities we acquire, who or which are subject to similar threats, to seek to minimize the impact of cyber threats, other security threats or business disruptions. These entities, which are typically outside our control and may have access to our information, have varying levels of cybersecurity expertise and safeguards, and their relationships with government contractors, including us, may increase the likelihood that they are targeted by the same cyber threats we face. The security measures and procedures we, our clients, and third-party service providers have in place to protect sensitive data and other information may not be successful or sufficient to counter data breaches, cyber-attacks, or system failures.

Our systems and those of third parties with whom we do business have been, and will likely continue to be, subject to these types of malicious attacks. To our knowledge, there has not been a significant breach of our systems, and no attack on our systems has had a direct, material impact on us or our business to date. We cannot, however, predict the extent and severity of any additional future attacks that may occur.

Laws and regulations regarding the handling of client confidential data and information may have a negative impact on our business.

Certain aspects of our business rely on the processing of our clients' confidential data in several jurisdictions and the movement of data across borders. Legal requirements relating to the collection, storage, handling, use, disclosure, transfer, and security of this information continue to evolve, and regulatory scrutiny in this area is increasing. Significant uncertainty exists as privacy and data protection laws may be interpreted and applied differently in different jurisdictions and may create inconsistent or conflicting requirements. Although we have procedures and systems in place to address applicable legal and regulatory requirements for those aspects of our business impacted by these laws, enforcement actions and investigations by regulatory authorities related to data security incidents and privacy violations continue to increase, and we could be subject to such activity. The enactment of more restrictive laws, rules, regulations or future enforcement actions or investigations could increase costs or restrictions on certain of our businesses, and noncompliance with existing or future laws could have a material adverse effect on our business, financial condition, and results of operations.

Risks Related to Our Indebtedness

Our current indebtedness, and any future indebtedness we may incur, may limit our operational and financing flexibility and negatively impact our business.

As of December 31, 2024, our Senior Secured Credit Agreement, provided for a \$400.0 million credit facility comprised of a \$225.0 million term loan and a \$175.0 million revolving credit facility, or the 2021 Credit Facility. In February 2024, the Company exercised its option to access the \$100.0 million accordion under our Senior Secured Credit Agreement, and as a result, the Senior Secured Credit Agreement was amended to provide for an additional \$50.0 million term loan, \$50.0 million revolving credit facility and an incremental accordion of \$150.0 million. On February 26, 2025, the Company entered into a new Senior Secured Credit Agreement providing for a \$500.0 million credit facility comprised of a \$200.0 million term loan and a \$300.0 million revolving credit facility, or the 2025 Credit Facility. Pursuant to the 2025 Credit Facility, the Company also has the option to borrow incremental term loans or request an increase in the aggregate commitments under the revolving credit facility up to an aggregate amount of \$200.0 million subject to the satisfaction of certain conditions. The revolving credit facility includes a \$20.0 million sublimit for the issuance of letters of credit. Subject to certain exceptions, all amounts under the 2025 Credit Facility will become due on February 26, 2030. As of December 31, 2024, our total indebtedness was \$222.7 million, consisting of \$214.4 million outstanding under the 2021 Credit Facility, \$189.2 million of which was outstanding under the term loan, \$25.2 million of which was outstanding under the revolving credit facility and \$9.3 million of which was outstanding under our aircraft loan.

See Notes 13 and 22 to our audited consolidated financial statements included in Item 8. "Financial Statements and Supplementary Data."

We also may enter into new borrowing arrangements and incur significant indebtedness in the future to continue to support our organic and acquisition-related growth.

Our existing and any future indebtedness could have important consequences, including:

- making it more difficult for us to make payments on our existing indebtedness;
- increasing our vulnerability to general economic and industry conditions;
- requiring a substantial portion of our cash flow from operations to be dedicated to the payment of principal and interest on our indebtedness, thereby reducing our ability to use our cash flow to fund our operations, capital expenditures and future business opportunities;
- exposing us to the risk of increased interest rates on our borrowings under our 2025 Credit Facility, which is at variable rates of interest;
- restricting us from making strategic acquisitions or causing us to make non-strategic divestitures;

- limiting our ability to obtain additional financing for working capital, capital expenditures, debt service requirements, acquisitions and general corporate or other purposes; and
- limiting our ability to adjust to changing market conditions and placing us at a competitive disadvantage compared to our competitors who are less highly leveraged.

Our ability to make payments on debt, to repay existing or future indebtedness when due, to fund operations and significant planned capital expenditures and to support our acquisition strategy will depend on our ability to generate cash in the future. Our ability to produce cash from operations is, and will be, subject to a number of risks, including those described in “—Risks Related to Our Business and Industry” and elsewhere in this Annual Report on Form 10-K. Our financial condition, including our ability to make payments on our debt, is also subject to external factors such as interest rates, the level of lending activity in the credit markets and other external industry-specific and more general external factors, including those described in “—Risks Related to Our Business and Industry” and elsewhere in this Annual Report on Form 10-K.

We may not be able to borrow additional financing or to refinance our 2025 Credit Facility or other indebtedness we may incur in the future, if required, on commercially reasonable terms, if at all. In addition, our ability to borrow under our 2025 Credit Facility is subject to significant conditions. See Notes 13 and 22 to our audited consolidated financial statements included in Item 8. “Financial Statements and Supplementary Data.”

Despite our current level of indebtedness, we may incur more debt.

We may be able to incur significant additional indebtedness in the future. For example, we may incur additional indebtedness in connection with future acquisitions. Although our 2025 Credit Facility and our Series A-2 Preferred Stock contain restrictions on the incurrence of additional indebtedness, these restrictions are subject to a number of qualifications and exceptions, and the additional indebtedness incurred in compliance with these restrictions could be substantial. These restrictions also do not prevent us from incurring obligations that do not constitute indebtedness. As of December 31, 2024, the 2021 Credit Facility provided for an aggregate unused capacity of \$149.8 million (without giving effect to any outstanding letters of credit, and subject to borrowing base limitations, if any). Immediately following closing of the 2025 Credit Facility, the Company had total available capacity under the 2025 Credit Facility of \$283.8 million (without giving effect to any outstanding letters of credit, and subject to borrowing base limitations). The 2025 Credit Facility also allows us to increase the aggregate borrowings thereunder by up to \$200.0 million. See Notes 13 and 22 to our audited consolidated financial statements included in Item 8. “Financial Statements and Supplementary Data.”

We may not be able to generate sufficient cash to service all of our indebtedness and may be forced to take other actions to satisfy our obligations under our indebtedness, which may not be successful.

Our ability to make scheduled payments on, or to refinance our respective obligations under, our indebtedness, and to fund planned capital expenditures, future acquisitions and other corporate expenses will depend on our future operating performance and on economic, financial, competitive, legislative, regulatory and other factors and any legal and regulatory restrictions on the payment of distributions and dividends to which we may be subject. Many of these factors are beyond our control. We cannot assure you that our business will generate sufficient cash flow from operations, that currently anticipated cost savings and operating improvements will be realized or that future borrowings will be available to us in an amount sufficient to enable us to satisfy our obligations under our indebtedness or to fund our other needs. In order for us to satisfy our obligations under our indebtedness and fund planned capital expenditures and future acquisitions, we must continue to execute on our business strategy. If we are unable to do so, we may need to reduce or delay our planned capital expenditures or execution of our acquisition strategy, seek additional capital, sell assets or refinance all or a portion of our indebtedness on or before maturity, any of which could materially and adversely affect our future revenue prospects.

Our ability to restructure or refinance our indebtedness will depend on the condition of the capital markets and our financial condition at such time. Any refinancing of our existing or future debt could be at higher interest rates and may require us to comply with more onerous covenants, which could further restrict our business operations. Our 2025 Credit Facility, airplane loan, and our Series A-2 Preferred Stock restrict our ability to consummate or use the proceeds from asset sales. We may not be able to consummate those asset sales to raise capital or sell assets at prices that we believe are fair. Any proceeds that we receive may not be adequate to meet any debt service obligations then

due. In addition, any failure to make payments of interest and principal on our outstanding indebtedness on a timely basis would likely result in a reduction of our credit rating, which could harm our ability to incur additional indebtedness.

Our 2025 Credit Facility restricts our ability to engage in some business and financial transactions.

Our 2025 Credit Facility contains a number of covenants that among other things, limit our ability to:

- incur additional indebtedness or guarantees;
- create liens on assets;
- enter into sale and leaseback transactions;
- engage in mergers or consolidations;
- pay dividends and make distributions and other restricted payments;
- make certain investments, loans or advances;
- repay subordinated indebtedness;
- make certain acquisitions;
- engage in certain transactions with affiliates;
- change our lines of business;
- restrict distributions by our restricted subsidiaries;
- amend or otherwise modify organizational documents or certain debt agreements; and
- manage cash and other assets in our deposit accounts and securities accounts.

In addition, our 2025 Credit Facility contains certain financial covenants that, among other things, require us not to exceed specified total debt leverage ratios and to maintain a fixed charge coverage ratio. Among other things, we may not be able to borrow money under our 2025 Credit Facility if we are unable to comply with the financial and other covenants included therein. Our 2025 Credit Facility also contains certain customary representations and warranties, affirmative covenants and events of default (including, among other things, an event of default upon a change of control). If an event of default occurs, our lenders will be entitled to take various actions, including the acceleration of amounts due under our 2025 Credit Facility and all actions permitted to be taken by a secured creditor.

Any future debt that we incur may contain additional and more restrictive negative covenants and financial maintenance covenants. These restrictions could limit our ability to obtain debt financing, repurchase stock, pay dividends, refinance or pay principal on our outstanding debt, complete acquisitions for cash or debt or react to changes in our operating environment or the economy.

Our failure to comply with obligations under our 2025 Credit Facility or the agreements governing any future indebtedness may result in an event of default under the applicable agreement. A default, if not cured or waived, may permit acceleration of some or all of our other indebtedness and trigger other termination and similar rights under other contracts. We cannot be certain that we will be able to remedy any defaults and, if our indebtedness is accelerated, we cannot be certain that we will have sufficient funds available to pay the accelerated indebtedness or that we will have the ability to refinance the accelerated indebtedness on terms favorable to us or at all, any of which could have a material adverse effect on our business, financial condition and results of operations.

See Notes 13 and 22 to our audited consolidated financial statements included in Item 8. “Financial Statements and Supplementary Data.”

Risks Related to Ownership of Our Common Stock

The trading price of our common stock has been and may continue to be volatile and could decline substantially.

The market price of our common stock has been, and may continue to be, highly volatile and subject to wide fluctuations. Some of the factors that could negatively affect the market price of our common stock or result in significant fluctuations in price, regardless of our actual operating performance, include:

- actual or anticipated variations in our quarterly operating results;
- changes in market valuations of similar companies;
- changes in the markets in which we operate;
- additions or departures of key personnel;
- actions by stockholders, including sales of large blocks of our common stock;
- short selling of our common stock or related derivative securities or hedging activities;
- general market, economic and political conditions, including an economic slowdown;
- changes to the regulatory and legal landscape that drives a portion of our revenue;
- the continuation of an active trading market in our common stock or any significant volatility in the liquidity of that market;
- speculation in the press or investment community;
- inflation and changes in interest rates;
- our operating performance and the performance of other similar companies;
- our ability to accurately project future results and our ability to achieve those or meet the expectations of other industry and analyst forecasts; and
- new legislation or other political or regulatory developments that adversely affect us, our markets or our industry.

The trading market for our common stock is also influenced in part by the research and other reports that industry or securities analysts may publish about us or our business or industry. If one or more analysts downgrade our stock, issue other unfavorable commentary about us or our industry or inaccurate research, or cease coverage or fail to regularly publish reports on us, our stock price and trading volume could decline.

Furthermore, in recent years, the stock market has experienced significant price and volume fluctuations. This volatility has had a significant impact on the market price of securities issued by many companies, including companies in our industry, and often occurs without regard to the operating performance of the affected companies. Therefore, factors that have little or nothing to do with us could cause the price of our common stock to fluctuate, and these fluctuations or any fluctuations related to our company could cause the market price of our common stock to decline materially.

We have no present intention to pay dividends on our common stock.

We have no present intention to pay dividends on our common stock. Any determination to pay dividends to holders of our common stock will be at the discretion of our board of directors and will depend upon many factors, including our financial condition, results of operations, projections, liquidity, earnings, legal requirements, restrictions in our 2021 Credit Facility, the terms of our Series A-2 Preferred Stock, agreements governing any other indebtedness we may enter into and other factors that our board of directors deems relevant. See Item 5. “Market for Registrant’s Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities—Dividend Policy.” Accordingly, you may need to sell your shares of our common stock to realize a return on your investment, and you may not be able to sell your shares at or above the price you paid for them.

Oaktree may have conflicts of interest with other stockholders.

OCM Montrose II Holdings, L.P., an affiliate of Oaktree Capital Management, L.P., or collectively, Oaktree, is the holder of all issued and outstanding shares of our Series A-2 Preferred Stock. Oaktree is in the business of making investments in companies and, notwithstanding its ownership of our Series A-2 Preferred Stock and that it has a right to appoint a representative on our board of directors, Oaktree may from time to time acquire and hold interests in businesses that compete directly or indirectly with us. Oaktree may also pursue acquisition opportunities that may be complementary to our business, and as a result, those acquisition opportunities may not be available to us. In recognition that representatives of Oaktree and its affiliated entities and funds may serve as members of our board of directors, our amended and restated certificate of incorporation provides, among other things, that none of Oaktree, its affiliates or any of its representatives (including a representative who may serve on our board of directors) has any duty to refrain from engaging directly or indirectly in the same or similar business activities or lines of business that we do. In the event that any of these persons or entities acquires knowledge of a potential transaction or matter which may be a corporate opportunity for itself and us, we will not have any expectancy in such corporate opportunity, and these persons and entities will not have any duty to communicate or offer such corporate opportunity to us and may pursue or acquire such corporate opportunity for themselves or direct such opportunity to another person. Oaktree also has a right of first offer with respect to its pro rata portion of any new securities we may issue, excluding any shares to be issued by us in certain specified circumstances. These potential conflicts of interest could have a material adverse effect on our business, financial condition and results of operations if, among other things, attractive corporate opportunities are allocated by Oaktree to itself or one of its other affiliates. See “Corporate Opportunities” in the Description of Securities exhibit filed as exhibit 4.2 to this Annual Report on Form 10-K.

Future sales of our common stock in the public market could cause our stock price to fall.

Shares held by our affiliates are eligible for resale in the public market, subject to applicable securities laws, including the Securities Act of 1933, as amended, or the Securities Act. Therefore, unless shares owned by any of our affiliates are registered under the Securities Act, these shares may only be resold into the public markets in accordance with the requirements of an exemption from registration or safe harbor, including Rule 144 and the volume limitations, manner of sale requirements and notice requirements thereof. However, pursuant to the terms of an Investor Rights Agreement, Messrs. Richard Perlman and James Price, Oaktree, and certain other stockholders have the right to demand that we register their shares under the Securities Act as well as the right to include their shares in any registration statement that we file with the SEC, subject to certain exceptions. Approximately 2,500,000 shares of common stock held by affiliates and certain other parties entitled to these registration rights were registered on a shelf registration statement filed with the SEC on August 11, 2021 and declared effective on August 20, 2021. This registration statement also registered approximately 320,000 shares held at such time by other executive officers and directors. Oaktree also holds all outstanding shares of our Series A-2 Preferred Stock, which may be converted into shares of common stock in the future and would also receive the benefit of these registration rights. See Note 16 to our audited consolidated financial statements included in Item 8. “Financial Statements and Supplementary Data.” Registration of these or other shares enables those shares to be sold in the public market, subject to certain restrictions in the Investor Rights Agreement. Any sale by Messrs. Perlman and Price, Oaktree, by our executive officers or other stockholders or any perception in the public markets that such a transaction may occur could cause the market price of our common stock to decline materially.

We have also registered the shares available under our Amended and Restated 2017 Stock Incentive Plan and outstanding awards issued under this plan and our prior stock option plan. Subject to the terms of the awards pursuant to which these shares have been or may be granted, and except for shares held by affiliates who will be subject to the resale restrictions described above, the shares issuable pursuant to awards granted under our stock incentive plans will be available for sale in the public market immediately.

Our ability to raise capital in the future may be limited. We may not be able to secure additional financing on terms that are acceptable to us, or at all.

In order for us to grow and successfully execute our business plan, we will require additional financing. Additionally, our business and operations may consume resources faster than we anticipate. Therefore, in the future, we expect we will raise additional funds through various financings that may include the issuance of new equity securities, debt or a combination of both. However, any sale or perception of a possible sale by Oaktree or our other affiliates, and any related decline in the market price of our common stock, could impair our ability to raise capital. Further, additional financing, whether debt or equity, may not be available on favorable terms, or at all. If adequate

funds are not available on acceptable terms, we may be unable to fund our capital requirements. If we issue new debt securities, the debt holders would have rights senior to common stockholders to make claims on our assets, and the terms of any debt could restrict our operations, including our ability to pay dividends on our common stock. If we issue additional equity securities, existing stockholders will experience dilution, and the new equity securities could have rights senior to those of our common stock. Because our decision to issue securities in any future offering will depend on market conditions and other factors beyond our control, we cannot predict or estimate the amount, timing or nature of our future offerings. Thus, our stockholders bear the risk of our future securities offerings reducing the market price of our common stock and diluting their interest.

Risks Related to Provisions in Our Charter Documents

Provisions of our amended and restated governing documents, Delaware law and other documents could discourage, delay or prevent a merger or acquisition at a premium price.

Provisions in our amended and restated certificate of incorporation and amended and restated bylaws may have the effect of delaying or preventing a change of control or changes in our management. For example, our amended and restated certificate of incorporation and amended and restated bylaws include provisions that:

- permit us to issue, without stockholder approval, preferred stock in one or more series and, with respect to each series, fix the number of shares constituting the series and the designation of the series, the voting powers, if any, of the shares of the series and the preferences and other special rights, if any, and any qualifications, limitations or restrictions, of the shares of the series;
- prevent stockholders from acting by written consent;
- limit the ability of stockholders to amend our certificate of incorporation and bylaws;
- require advance notice for nominations for election to the board of directors and for stockholder proposals;
- do not permit cumulative voting in the election of our directors, which means that the holders of a majority of our common stock may elect all of the directors standing for election; and
- establish a classified board of directors with staggered three-year terms.

These provisions may discourage, delay or prevent a merger or acquisition of our company, including a transaction in which the acquirer may offer a premium price for our common stock.

We are also subject to Section 203 of the Delaware General Corporation Law, or the DGCL, which, subject to certain exceptions, prohibits us from engaging in any business combination with any interested stockholder, as defined in that section, for a period of three years following the date on which that stockholder became an interested stockholder. In addition, our 2017 Stock Plan permits accelerated vesting of stock options and restricted stock, and payments to be made to the employees thereunder in certain circumstances, in connection with a change of control of our company, which could discourage, delay or prevent a merger or acquisition at a premium price. In addition, our 2021 Credit Facility includes, and other debt instruments we may enter into in the future may include, provisions entitling the lenders to demand immediate repayment of all borrowings upon the occurrence of certain change of control events relating to our company, which also could discourage, delay or prevent a business combination transaction. See “Provisions of Our Certificate of Incorporation, Bylaws and Delaware Law That May Have an Anti-Takeover Effect” in the Description of Securities exhibit filed as exhibit 4.2 to this Annual Report on Form 10-K.

Our amended and restated certificate of incorporation includes an exclusive forum clause, which could limit our stockholders’ ability to obtain a favorable judicial forum for disputes with us.

Our amended and restated certificate of incorporation provides that, unless we consent in writing to the selection of an alternative forum, the sole and exclusive forum for any stockholder (including any beneficial owner) to bring (i) any derivative action or proceeding brought on our behalf, (ii) any action asserting a claim of breach of a fiduciary duty owed by any of our directors, officers or employees to us or to our stockholders, (iii) any action asserting a claim arising pursuant to any provision of the DGCL or our certificate of incorporation or bylaws or (iv) any action asserting a claim governed by the internal affairs doctrine, is a state court located within the State of Delaware (or, if no state court located within the State of Delaware has jurisdiction or declines to accept jurisdiction, the federal district court

for the District of Delaware); in all cases subject to such court having personal jurisdiction over the indispensable parties named as defendants.

In addition, our amended and restated certificate of incorporation provides that the federal district courts of the United States are the exclusive forum for resolving any complaint asserting a cause of action arising under the Securities Act but that the forum selection provision does not apply to claims brought to enforce a duty or liability created by the Exchange Act. Although we believe these provisions benefit us by providing increased consistency in the application of Delaware law for the specified types of actions and proceedings, the provisions may have the effect of discouraging lawsuits against us or our directors and officers. Alternatively, if a court were to find the choice of forum provision contained in our amended and restated certificate of incorporation to be inapplicable or unenforceable in an action, we may incur additional costs associated with resolving such action in other jurisdictions, which could harm our business, financial condition, and results of operations.

Any person or entity purchasing or otherwise acquiring any interest in shares of our capital stock is deemed to have notice of and consented to the foregoing provisions. The exclusive forum clause may limit our stockholders' ability to obtain a favorable judicial forum for disputes with us. See "Exclusive Forum Clause" in the Description of Securities exhibit filed as exhibit 4.2 to this Annual Report on Form 10-K.

General Risks

Our profitability will suffer if we are not able to price our services appropriately or control our costs.

Our margins, and therefore our profitability, is largely a function of the rates we are able to charge for our services and the costs incurred to provide such services. Accordingly, if we are not able to maintain, raise or otherwise appropriately set our pricing, or we are not able to maintain or reduce costs as and when needed, we will not be able to sustain our margins and our business and results of operations will be adversely affected. For example, in 2023, we experienced higher labor costs as a result of inflation. If we are not able to raise the rates we charge for our services to offset the impact of any cost increases, we will not be able to sustain our margins and our profitability will suffer.

The rates we are able to charge for our services are affected by a number of factors, including:

- our clients' perception of our ability to add value through our services;
- general competition;
- introduction of new services or solutions by us or our competitors;
- pricing policies of our competitors; and
- general economic conditions.

Our costs are affected by a number of factors, including:

- our cost of labor and our ability to transition our technical personnel from completed projects to new engagements;
- our ability to effectively and efficiently staff projects;
- our ability to forecast demand for our services;
- our ability to manage the costs of indirect expenses and other related factors, including inflation; and
- our overhead costs necessary to support the successful delivery of services.

Our profitability is a function of our ability to raise prices, control our costs and improve our efficiency. We may not be able to raise prices sufficiently to cover higher costs of labor and other input costs. In addition, as we increase the number of our technical personnel and execute both our strategy for growth, we may not be able to manage a significantly larger workforce, control our costs or improve our efficiency.

We have a history of losses and may not be able to achieve or sustain profitability in the future.

While we have been able to generate revenues, we may not be able to increase the amount of revenues we generate, and we might incur net losses for some time as we continue to grow. We experienced net losses in each year since inception, including net losses of \$62.3 million and \$30.9 million for the fiscal years ended December 31, 2024 and 2023, respectively, and we may incur net losses in the future. As of December 31, 2024, we had an accumulated deficit of \$272.7 million. It is difficult for us to predict our future results of operations, and we expect our operating expenses to increase significantly over the next several years as we continue to hire additional personnel, expand our operations and infrastructure, integrate completed acquisitions, make and integrate future acquisitions and invest in research and development. If we fail to increase our revenue to offset the increases in our operating expenses, we may not achieve or sustain profitability in the future.

We may not be successful in promoting and further developing our brands, which could adversely affect our business.

We have a limited operating history as a company and, as a result, the Montrose Environmental brand is not fully established, although many of the brands we use, including those acquired through our acquisition activity, have a longer and more well-established history. Our industry is highly fragmented and we believe that our future success depends in part on our ability to maintain and further strengthen our core brands, including the Montrose Environmental brand across the diverse range of environmental services that we provide. Strengthening our brand will require significant time, expense and the attention of management, and any success will depend largely on our marketing efforts and ability to provide our clients with high-quality services. If a client is not satisfied with our services, including those of our technical employees, it may be more damaging to our brand and business as compared to that of larger, more established companies. Additionally, to the extent our clients draw regulatory or media scrutiny regarding their environmental impact or other areas where we may provide services to them, we may as a consequence also draw scrutiny. We are also investing more in brand development and there can be no assurances that this investment will generate additional revenues or business. If we fail to successfully maintain and continue to grow the Montrose Environmental brand and our other brands through promotion and other efforts, incur excessive unanticipated expenses in attempting to promote and maintain our brands, or lose clients as a result, our business, financial condition and results of operations may be adversely affected.

Our global operations subject us to additional risks that could adversely affect our business.

We have activities outside of the United States. Our operations, as well as those of our clients, are therefore subject to regulatory, economic, political and other events and uncertainties in countries where these operations are located. Further, our growth strategy includes expansion into additional international markets, including our expansion into Europe. In addition to the risks discussed elsewhere herein that are common to both our domestic and international operations, we face risks specific to our foreign activities, including but not limited to:

- political, social, economic and financial instability, including wars, civil unrest, acts of terrorism and other conflicts, including the wars in Ukraine and the Middle East and surrounding areas;
- difficulties and increased costs in developing, staffing and simultaneously managing a large number of varying foreign operations as a result of distance, language and cultural differences;
- restrictions and limitations on the transfer or repatriation of funds and fluctuations in currency exchange rates;
- the economic impact of future tariffs and counter-measures on industries in countries in which we operate;
- complying with varying legal and regulatory environments in multiple foreign jurisdictions, including privacy laws such as the E.U. General Data Protection Regulation;
- laws and business practices that favor local competitors or prohibit foreign ownership of certain businesses;
- potential for privatization and other confiscatory actions; and
- other dynamics in international jurisdictions, any of which could result in substantial additional legal or compliance costs, liabilities or obligations for us or could require us to significantly modify our current business practices or even exit a given market.

Foreign operations bring increased complexity and the costs of managing or overseeing foreign operations, including adapting and localizing services or systems to specific regions and countries, can be material. Further, international operations carry inherent uncertainties regarding the effect of local or domestic actions, such as the United Kingdom's departure from the European Union (Brexit), any of which could be material. These and other risks related to our foreign operations, or the associated costs or liabilities, could have a material adverse effect on our business, financial condition and results of operations.

Any inability to develop or maintain and protect our intellectual property could have a material adverse effect on us.

We rely on a combination of patents, trademarks, trade names, confidentiality and nondisclosure clauses and agreements and other unregistered rights to define and protect our rights to our brand and the intellectual property used in our business. We also rely on industry and market "know-how" that cannot be registered and may not be subject to any confidentiality or nondisclosure clauses or agreements. Our ECT2 acquisition further expanded our IP portfolio. We are also expanding the software and application design work that we do in house, including applications to take real-time measurements of certain contaminants in the air and have increased our research and development spending. These intellectual property rights or others we develop, obtain or acquire may not, however, provide us with a significant competitive advantage because our rights may not be sufficiently broad or may be challenged, invalidated or subject to government march-in or sovereign rights or compulsory licensing, sunshine laws or be subject to freedom of information requests or court-ordered public disclosure. Further, our use of contractual provisions, confidentiality procedures and agreements and other registrations may not be sufficient to protect our intellectual property rights, these protective measures may be circumvented or our rights may be misappropriated, disparaged, diluted or stolen, particularly in countries where intellectual property rights laws are not highly developed, protected or enforced. Others may independently develop similar intellectual property or designed-around ours. Our intellectual property may also be replaced by new technologies to which we have no right of use or can only acquire such use at unreasonable or unsustainable costs. Any inability to develop or acquire and maintain the necessary intellectual property rights for our business or to protect our intellectual property rights could have a material adverse effect on our business, financial condition and results of operations.

Claims that we infringe on the intellectual property rights of others could have a material adverse effect on us.

Technology is an important part of our business and, as a result, from time to time others may claim that we have infringed upon, misappropriated, misused or otherwise violated their intellectual property rights, whether as a result of the use of third party equipment or technologies or those that we may develop in-house. Regardless of the merit of such claims, responding to these types of claims can be expensive, time consuming and may divert a substantial portion of management's time and attention away from running our business. If any aspect of our business is found to infringe the intellectual property rights of others, we could lose critical rights, we may be required to pay substantial damages or on-going licensing or royalty fees or we may be required to redesign, rework, replace or entirely discontinue aspects of our operations, any of which could come at substantial cost and significantly restrict or prohibit our future operations. Further, we may not be able to take any required actions on commercially reasonable terms or at all. Any infringement may also require us to enter into a settlement agreement and could also trigger indemnification obligations to our clients or under other contractual provisions. Any claim that we have misappropriated the intellectual property of others, whether or not valid, could have a material adverse effect on our business, financial condition and results of operations.

Legal and regulatory claims and proceedings could have a material adverse effect on us.

We and our clients are subject to claims, litigation and regulatory proceedings in the normal course of business and could become subject to additional claims in the future, some of which could be material. In addition to those claims discussed in greater detail elsewhere in “—Risks Related to Our Business and Industry,” we have been, and may in the future be, subject to claims involving labor and employment, anti-discrimination, commercial disputes and other matters. We may also be exposed to potential claims arising from the conduct of our employees for which we may be liable. In addition, in the normal course of our business, we are required to make professional judgments and recommendations about environmental conditions of project sites for our clients, and we may be subject to claims that we are responsible for these judgments and recommendations if they are later found to be inaccurate.

Claims and proceedings, whether or not they have merit and regardless of the outcome, are typically expensive and can divert the attention of management and other personnel and require the commitment of significant resources for extended periods of time. Additionally, claims and proceedings can impact client confidence and the general public’s perception of our company and services and solutions, even if the underlying assertions are proven to be false. The outcomes of litigation and similar disputes are often difficult to reliably predict and may result in decisions or settlements that are contrary to or in excess of our expectations and losses may exceed our reserves. Any claims or proceedings, particularly those in which we are unsuccessful or for which we did not establish adequate reserves, could have a material adverse effect on our business, financial condition and results of operations.

We are subject to taxation in multiple jurisdictions. Any adverse development in the tax laws of any of these jurisdictions, any disagreement with our tax positions or any changes in effective tax rates could have a material adverse effect on our business, financial condition or results of operations.

We are subject to taxation in, and to the tax laws and regulations of, multiple jurisdictions, including non-U.S. jurisdictions as a result of the expansion of our international operations and our corporate entity structure. We are also subject to transfer pricing laws with respect to our intercompany transactions. Adverse developments in tax laws or regulations, or any change in position regarding the application, administration or interpretation thereof, in any applicable jurisdiction, could have a material adverse effect on our business, financial condition or results of operations. In addition, the tax authorities in any applicable jurisdiction may disagree with the positions we have taken or intend to take regarding the tax treatment or characterization of any of our transactions. If any applicable tax authorities were to successfully challenge the tax treatment or characterization of any of our transactions, it could have a material adverse effect on our business, financial condition or results of operations.

In addition, our tax obligations and effective tax rates could be adversely affected by recognizing tax losses or lower than anticipated earnings in jurisdictions where we have lower statutory rates and higher than anticipated earnings in jurisdictions where we have higher statutory rates, varying tax rates in the different jurisdictions in which we operate, changes in foreign currency exchange rates or changes in the valuation of our deferred tax assets and liabilities.

If our research and development activities are unsuccessful, our business could be harmed.

The success of our research and development activity is highly uncertain. Research and development efforts can require substantial technical, financial and human resources. We may focus our efforts and resources on potential technologies that ultimately prove to be unsuccessful and technologies that first appear promising may be delayed or fail to reach later stages of development. Decisions regarding the further advancement must sometimes be made with limited and incomplete data, which makes it difficult to ensure or even accurately predict the outcomes. Because we have limited resources, we may forego pursuing one opportunity that later is proven to have greater commercial potential. Even if our efforts do yield new technologies, we may not be able to convert those technologies into commercially viable offerings in the long term. Further, we may not be able to recover any increased investment in our research and development activities if the particular activities do not generate viable commercial services or products we can offer to our customers or use in the provision of services. If our research and development activities are unsuccessful, our technologies and offerings may not keep pace with the market, and we may lose clients and one or more competitive advantages, any of which could have a material adverse effect on our business, financial condition and results of operations.

Failure to comply with anti-corruption and similar laws could subject us to penalties and other adverse consequences.

We are required to comply with the FCPA, and similar laws in other countries that prohibit improper payments or offers of payment to foreign officials and political parties for the purpose of obtaining or retaining business as well as require companies to maintain accurate books and records. Bribery, corruption and trade laws and regulations, and the enforcement thereof, are increasing in frequency, complexity and severity on a global basis. In many foreign countries it may be a local custom that businesses operating in such countries engage in practices that are prohibited by the FCPA or other similar laws and regulations. Although we have implemented policies and procedures requiring our employees, consultants and other third parties with whom we do business to comply with the FCPA and similar laws and regulations, we have limited experience in these areas and there can be no assurance that our policies will be adequate or prevent and deter violations of these types of laws. If our employees, consultants or other third parties with whom we do business do violate these laws or our policies, we may be ultimately held responsible, and any violation could result in severe criminal or civil sanctions, fines and penalties and suspension or debarment from U.S. government contracting, any of which could have a material and adverse effect on our business, financial condition and results of operations.

Insufficient insurance coverage could have a material adverse effect on us.

We maintain property, business interruption, counterparty and liability insurance coverage that we believe is consistent with industry practice. However, our insurance program does not cover, or may not adequately cover, every potential risk associated with our business and the consequences thereof. In addition, market conditions or any significant claim or a number of claims made by or against us could cause our premiums and deductibles to increase substantially and, in some instances, our coverage may be reduced or become entirely unavailable. In the future, we may not be able to obtain meaningful coverage at reasonable rates for a variety of risks. If our insurance coverage is insufficient, if we are not able to obtain sufficient coverage in the future, or if we are exposed to significant losses as a result of any risks for which we may self-insure, any resulting costs or liabilities could have a material adverse effect on our business, financial condition and results of operations.

Our internal control over financial reporting may not be effective and our independent registered public accounting firm may not be able to certify as to their effectiveness, which could have a significant and adverse effect on our business and reputation.

As a public company, we are required to comply with the SEC's rules implementing Sections 302 and 404 of the Sarbanes-Oxley Act, which require management to certify financial and other information in our quarterly and annual reports and provide an annual management report on the effectiveness of internal control over financial reporting. Our independent registered public accounting firm is required to formally attest to the effectiveness of our internal control over financial reporting.

To comply with the requirements of being a public company, we have undertaken and may need to undertake in the future various actions, such as implementing additional internal controls and procedures and hiring additional accounting or internal audit staff. Testing and maintaining internal controls can divert our management's attention from other matters that are important to the operation of our business. If we identify material weaknesses in our internal control over financial reporting or are unable to comply with the requirements of Section 404 or assert that our internal control over financial reporting are effective, or if our independent registered public accounting firm is unable to express an opinion as to the effectiveness of our internal control over financial reporting or issues an adverse report in the event it is not satisfied with the level at which our controls are documented, designed or operating, investors may lose confidence in the accuracy and completeness of our financial reports and the market price of our common stock could be negatively affected, and we could become subject to investigations by the SEC or other regulatory authorities, which could require additional financial and management resources. Further, we have not yet integrated the Epic and Paragon acquisitions completed in 2024 into our internal control over financial reporting and have excluded these businesses from our management's report on internal control over financial reporting for the year ended December 31, 2024 included in Item 9A "Controls and Procedures." We may experience difficulty in completing the integration in a timely and cost-effective manner and cannot provide any assurances that, once this process is completed, if it is completed at all, it will not adversely affect our controls and other systems. Failure to maintain effective controls and procedures and comply with Section 404 could also delay or otherwise adversely affect our

ability to timely produce accurate financial statements and related information, which could restrict our access to capital markets and cause the price of our common stock to fall.

Item 1B. Unresolved Staff Comments.

None.

Item 1C. Cybersecurity

Cybersecurity Risk Management and Strategy

Our cybersecurity risk management program is designed to assess, identify, and manage material risks from potential unauthorized breaches of or access to our electronic information systems, and the information we store on our systems. Our program includes a wide variety of mechanisms, controls, technologies, methods, systems and other processes as further described below that are designed to prevent, detect, or mitigate unauthorized access, data loss, theft, misuse or other security incidents and vulnerabilities affecting our systems and the information we store on our systems. The information we store includes confidential, proprietary, business, and personal information of ours, our customers, our employees and other third parties that we collect, process, store and transmit as part of our business. Our program is aligned with the National Institute for Standards and Technology Risk Management Framework (NIST RMF), other industry-recognized standards and our contractual requirements. We also leverage government partnerships, industry and government associations, third-party benchmarking, the results from regular internal and third-party audits, threat intelligence feeds and other similar resources to inform and guide our cybersecurity processes and resource allocation. Additionally, we use processes and third-party technologies to oversee and minimize impact to our data, including two-factor authentication, encryption, Company secured email and dedicated cybersecurity support personnel.

Our cybersecurity risk management strategy is led by our Chief Information Security Officer (CISO) and a team of information security and other professionals, as detailed further below, who are responsible for implementing and maintaining our cybersecurity data protection practices. This team works in close coordination with the Audit Committee of our Board of Directors, which is responsible for oversight of cybersecurity risk, senior management and other business functions and teams across the Company to identify threats by performing risk assessments and analyzing effectiveness of controls against identified risks.

As part of our risk management process, our cybersecurity risk management team oversees our vulnerability management practices and conducts routine application security assessments, yearly penetration testing, periodic security audits and ongoing risk assessments designed to identify cybersecurity risks to our environment. We continue to leverage third-party services for security operations through a dedicated managed security service provider to monitor and respond to cyber threats. This provider plays a critical role in, mitigating threats to our environment, as well as alerting and responding to events and incidents in close coordination with our internal team. For example, this provider performs searches across live and historical data to provide analysis based on threat intelligence and use cases to develop trends and data models to reduce false positives and enhance search criteria for future use. In addition to our routine practices, we also conduct testing, audits and assessments in connection with acquisitions, the implementation of new software, processes or activities requiring changes in our information technology environment, new cybersecurity events or developments and receipt of new risk intelligence. Further, we have adopted an enterprise-wide cybersecurity training and awareness program requiring all employees to complete annual cybersecurity training. The program is supported with monthly education and simulations with remedial training assignments to increase user awareness.

We maintain an incident response plan (IRP) aligned with NIST RMF when responding to incidents. The IRP sets out a coordinated approach to investigating, containing documenting and mitigating incidents. Our CISO, with oversight from our Chief Information Officer (CIO), is responsible for executing the relevant cybersecurity incident response plan, which includes response criteria for materiality, applicable requirements for incident disclosure and reporting and escalation procedures to various individuals and departments, including our Audit Committee, key

stakeholders, and senior management, including our General Counsel, Chief Financial Officer and Chief Executive Officer, for risks with a potentially material impact for responding to cybersecurity incidents.

In addition to our in-house team and third-party security operations services, we also engage assessors, consultants, auditors and other third parties from time to time to assist with assessing, identifying, and managing cybersecurity risks. For example, we leverage third-party security and compliance companies with subject matter expertise in these areas for threat identification and remediation. We continue to work with the U.S. Department of Defense on assessing cybersecurity risk and on policies and practices aimed at mitigating these risks, including through participation in the Department of Defense's collaborative information sharing. We also partner with other work groups to support understanding and deployment of the Cybersecurity Maturity Model Certification (CMMC) to promote readiness in complying with cybersecurity requirements for handling CUI and federal contract requirements.

As of December 31, 2024, we were not aware of any risks from cybersecurity threats, including as a result of any previous cybersecurity incidents, that have materially affected or are reasonably likely to materially affect us, including our business strategy, results of operations or financial condition.

Cybersecurity and Data Privacy Oversight

Montrose maintains a dedicated cybersecurity team, led by our CISO and reporting to our CIO. Our CIO has deep expertise in cybersecurity and data management, as well as technical strategy and infrastructure, as part of his over 20 years of experience serving in this and similar roles across multiple organizations. Furthermore, our CISO is a Certified Information Security Manager (CISM) and brings over 25 years of experience in information technology, governance, compliance, and risk management.

The CISO is responsible for developing and deploying Montrose's overall cybersecurity and data privacy strategy, policies, procedures, and threat detection and response actions, with the support of Montrose's cybersecurity team. The cybersecurity team implements Montrose's cybersecurity and data privacy policies and procedures, including governance, compliance, and risk management practices, to safeguard Montrose's information systems and data. Collectively, the CISO and the cybersecurity team manage and evolve Montrose's cybersecurity posture with the objective of preventing cybersecurity incidents and increasing system resiliency to minimize business impact should an incident occur.

At the management level, Montrose's Enterprise Cybersecurity Council, consisting of our CIO, CISO, Director of Information Security, Director of Infrastructure, and senior security architects and engineers, meets monthly to review and assess cybersecurity risks and evaluate performance metrics to identify areas for continual improvement and system strengthening. Furthermore, the Council reviews project implementation status for targeted cybersecurity measures and tracks employee cybersecurity training completion and phishing email response rates. Council members have extensive cybersecurity experience and hold certifications including CISM, Certified Information Systems Security Professional (CISSP), Certified Ethical Hacker (CEH) and Cisco Certified Network Associate (CCNA).

The Board of Directors oversees management's processes for identifying and mitigating risks, including cybersecurity risks. The Audit Committee maintains delegated oversight of cybersecurity risks, bringing in third-party expertise as needed to advise on cybersecurity infrastructure, policies, and practices. Our CIO and CISO brief the Audit Committee quarterly, at a minimum, on Montrose's cybersecurity risks, business-impacting incidents, and ongoing and future cybersecurity project implementations. In addition, the Audit Committee's third-party cybersecurity advisor meets regularly with the CIO and CISO to review our cybersecurity strategy and our continued progress toward meeting our objectives. The full Board of Directors receives quarterly updates from the Audit Committee regarding its oversight of cybersecurity risks and is also periodically briefed on our cybersecurity risk management program directly by our CIO and CISO.

In accordance with our Incident Response Plan, in the event of a potentially material cybersecurity event, the Audit Committee as well as our General Counsel, Chief Financial Officer, and CEO would be notified, briefed, and involved in oversight of mitigation, reporting, and recovery measures as appropriate.

Item 2. Properties.

Our principal executive offices are located at 5120 Northshore Drive, North Little Rock, Arkansas. We currently operate out of approximately 120 locations across North America, Australia and Europe, all of which are leased locations other than our corporate headquarters and one environmental laboratory in Richmond, Virginia used in our Measurement and Analysis segment. Our lease terms vary from month-to-month to multi-year current commitments of generally up to 10 years, with our average commitment being 4 years. We believe that our existing facilities are adequate to meet our current requirements and that comparable space is readily available in similar locations.

Item 3. Legal Proceedings.

From time to time, we are subject to various legal proceedings that arise in the normal course of our business activities, including those involving labor and employment, anti-discrimination, commercial disputes and other matters. We are not a party to any litigation the outcome of which, if determined adversely to us, would individually or in the aggregate be reasonably expected to have a material adverse effect on our results of operations or financial position. Regardless of outcome, litigation can have an adverse impact on us because of defense and settlement costs, diversion of management resources and other factors.

Item 4. Mine Safety Disclosures.

Not applicable.

PART II

Item 5. Market for Registrant’s Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities.

Market Information for Common Stock

Our common stock is traded on the New York Stock Exchange under the symbol “MEG”.

Holders of Record

As of February 21, 2025, there were approximately 169 stockholders of record of our common stock. This number does not represent the actual number of beneficial owners of our common stock because shares are often held in “street name” by securities dealers, brokers, institutions and others for the benefit of individual owners who have the right to vote their shares. We are unable to estimate the total number of beneficial owners represented by these record holders.

Dividend Policy

We have no present intention to pay cash dividends on our common stock. Any determination to pay dividends to holders of our common stock will be at the discretion of our board of directors and will depend upon many factors, including our financial condition, results of operations, projections, liquidity, earnings, legal requirements, restrictions in the agreements governing our existing indebtedness and any other indebtedness we may enter into and other factors that our board of directors deems relevant.

The agreements governing our existing indebtedness and the terms of our Series A-2 Preferred Stock contain, and debt instruments that we enter into in the future may contain, covenants that place limitations on the amount of dividends we may pay. Additionally, holders of our Series A-2 Preferred Stock are entitled to receive cumulative dividends, accruing daily and compounded quarterly, at a rate of 9% per annum on the then-stated value of each share, whether or not earned or declared by our board of directors, and in preference to the holders of any and all other series or classes of our capital stock, including our common stock. In addition, under Delaware law, our board of directors may declare dividends only to the extent of our surplus, which is defined as total assets at fair market value minus total liabilities, minus statutory capital, or, if there is no surplus, out of our net profits for the then current and immediately preceding year.

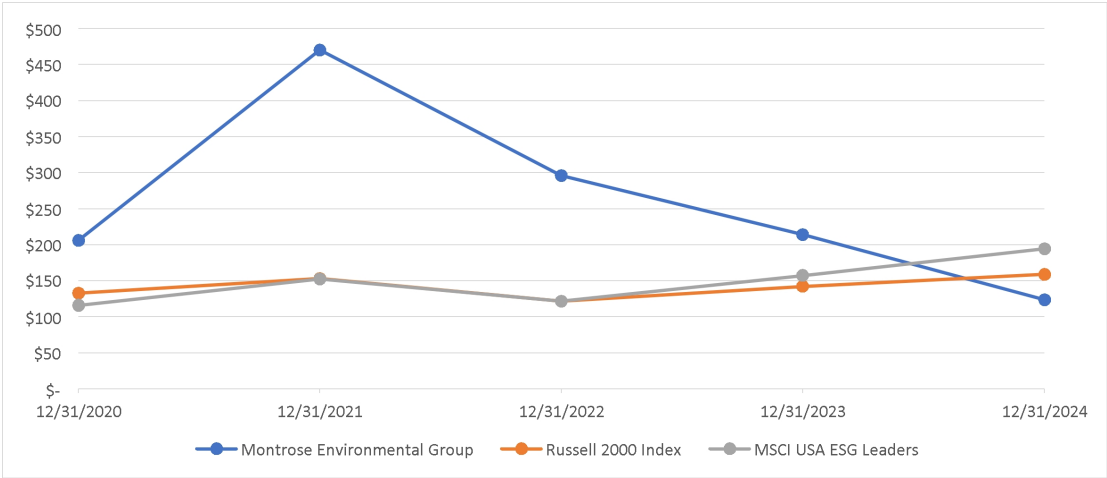
Unregistered Sales of Equity Securities

None.

Stock Performance Graph

The following performance graph and related information shall not be deemed “soliciting material” or to be “filed” with the SEC, nor shall such information be incorporated by reference into any future filing under the Securities Act or the Exchange Act, whether made before or after the date hereof and irrespective of any general incorporation language in any such filing, or otherwise subject to the liabilities under the Securities Act or Exchange Act, except to the extent that we specifically incorporate it by reference into such filing.

The following graph depicts the total cumulative stockholder return on our common stock from July 23, 2020, the first day of trading of our common stock on the NYSE, through December 31, 2024, relative to the performance of the Russell 2000 Index and MSCI USA ESG Leaders. The graph assumes an initial investment of \$100.00 at the close of trading on July 23, 2020 and that all dividends paid by companies included in these indices have been reinvested. The performance shown in the graph below is not intended to forecast or be indicative of future stock price performance.



Date	Montrose Environmental Group		Russell 2000 Index		MSCI USA ESG Leaders	
12/31/2020	\$	206.00	\$	133.00	\$	116.00
12/31/2021		470.07		153.03		152.66
12/31/2022		295.93		121.75		121.81
12/31/2023		214.20		142.37		157.30
12/31/2024		123.67		158.79		194.41

Securities Authorized for Issuance Under Equity Compensation Plans

For information on securities authorized for issuance under our equity compensation plans, see Item 12. “Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters.”

Item 6. [Reserved.]

Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations.

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with our audited consolidated financial statements and related notes and other information included in Item 8. “Financial Statements and Supplementary Data.” This discussion contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from such forward-looking statements. Factors that could cause or contribute to those differences include, but are not limited to, those identified below and those discussed in Item 1A. “Risk Factors” and elsewhere in this Annual Report on Form 10-K. See “Forward-looking Statements.”

Overview

Since our inception in 2012, our mission has been to help clients and communities meet their environmental goals and needs. According to data derived from a 2024 Environmental Industry Study prepared by Environmental Business International, Inc., or EBI, which we commissioned, the global environmental industry is estimated to be approximately \$1.6 trillion, with \$540.0 billion concentrated in the United States.

Our Segments

We provide environmental services to our clients through three business segments—Assessment, Permitting and Response, Measurement and Analysis and Remediation and Reuse. For more information on each of our operating segments, see Item 1. “Business” and our audited consolidated financial statements included in Item 8. “Financial Statements and Supplementary Data.”

Assessment, Permitting and Response

Assessment, Permitting and Response segment provides scientific advisory and consulting services to support environmental assessments, environmental emergency response and recovery, toxicology consulting and environmental audits and permits for current operations, facility upgrades, new projects, decommissioning projects and development projects. We work closely with clients to navigate the regulatory process at the local, state, provincial and federal levels, identify the potential environmental and political impacts of their decisions and develop practical mitigation approaches, as needed. In addition to environmental toxicology, and given our expertise in helping businesses plan for and respond to disruptions, our scientists and response teams have helped clients navigate their preparation for and response to emergency response situations.

Measurement and Analysis

Measurement and Analysis segment is one of the largest providers of environmental testing and laboratory services in North America. Our highly credentialed teams test and analyze air, water and soil to determine concentrations of contaminants, as well as the toxicological impact of contaminants on flora, fauna and human health. Our offerings include source and ambient air testing and monitoring, leak detection, and advanced multi-media laboratory services, including air, soil, stormwater, wastewater and drinking water analysis.

Remediation and Reuse

Remediation and Reuse segment provides clients with engineering, design, and implementation services, primarily (i) treatment technologies which treat contaminated water or create renewable energy from waste, or (ii) soil remediation. Our employees, including engineers, scientists and consultants, provide these services to assist our clients in designing solutions, managing products and mitigating environmental risks and liabilities at their locations. We do not own the properties or facilities at which we implement these projects or the underlying liabilities, nor do we own material amounts of the equipment used in projects.

These operating segments have been structured and organized to align with how we view and manage the business with the full lifecycle of our clients’ targeted environmental concerns and needs in mind. Within each segment, we cover similar service offerings, regulatory frameworks, internal operating structures and client types. Corporate activities not directly related to segment performance, including general corporate expenses, interest and taxes, are reported separately.

Key Factors that Affect Our Business and Our Results

Our operating results and financial performance are influenced by a variety of internal and external trends and other factors. Some of the more important factors are discussed briefly below.

Acquisitions

We have been, and expect to continue to be, an acquisitive company. Acquisitions have expanded our environmental service capabilities across all three segments, our access to technology, as well as our geographic reach in the United States, Canada, Europe and Australia. See Item 1. “Business—Strategic Acquisitions.” The table below sets forth the number of acquisitions completed in each of the last three fiscal years, fiscal year revenues contributed by those acquisitions in the year of acquisition, and the percentage of total annual revenues attributable to those acquisitions:

(Revenues in thousands)	Acquisitions Completed	Fiscal Year Revenues Attributable to Acquisitions	Percentage of Fiscal Year Revenues
Fiscal year 2024	6	\$ 44,590	6.4 %
Fiscal year 2023	5	69,059	11.1 %
Fiscal year 2022	5	20,154	3.7 %

Revenues from acquired companies exclude intercompany revenues from revenue synergies realized between business lines within operating segments, as these are eliminated at the consolidated segment and Company level. We expect our revenue growth to continue to be driven in significant part by acquisitions. See Note 8 to our audited consolidated financial statements included in Item 8. “Financial Statements and Supplementary Data.”

As a result of our acquisitions, goodwill and other intangible assets represent a significant proportion of our total assets, and amortization of intangible assets has historically been a significant expense. Our historical financial statements also include other acquisition-related costs, including costs relating to external legal support, diligence and valuation services and other transaction and integration-related matters. In addition, in any year gains and losses from changes in the fair value of business acquisition contingencies such as earn outs could be significant. The amount of each for the last three fiscal years is:

(in thousands)	Year Ended December 31,		
	2024	2023	2022
Amortization expense	\$ 34,943	\$ 30,130	\$ 36,053
Acquisition-related costs	7,827	6,930	1,891
Fair value changes in business acquisition contingencies	534	84	(3,227)

We expect that amortization of identifiable intangible assets and other acquisition-related costs, assuming we continue to acquire, will continue to be significant.

We made earn-out payments of \$1.5 million in March 2024 in connection with our acquisition of Huco Consulting, Inc. (Huco), of which, \$0.4 million was paid in cash, and the remaining \$1.1 million in the Company's common stock. In connection with certain of our acquisitions, we may make up to \$57.6 million in aggregate earn-out payments between the years 2025 and 2026, of which up to \$22.1 million may be paid only in cash, up to \$13.6 million may be paid only in common stock and up to \$21.9 million may be paid, at our option, in cash or common stock. See Note 8 to our audited consolidated financial statements included in Item 8. “Financial Statements and Supplementary Data.”

Organic Growth

We define organic growth as the change in revenues excluding revenues from i) our environmental emergency response business, ii) acquisitions for the first twelve months following the date of acquisition, and iii) businesses held for sale, disposed of or discontinued. Management uses organic growth as one of the means by which it assesses our results of operations. Organic growth is not, however, a measure of revenue growth calculated in accordance with

U.S. generally accepted accounting principles, or GAAP, and should be considered in conjunction with revenue growth calculated in accordance with GAAP. We have grown organically over the long term and expect to continue to do so.

Discontinued Service Lines and Contracts

Periodically, or when circumstances warrant, we evaluate the performance of our business services to ensure that performance and outlook are consistent with expectations, and that the services offered are consistent with the Company's mission.

As part of this evaluation, during the first quarter of 2023, we determined to sell one of our specialty lab testing businesses, the Discontinued Specialty Lab, whose service offering was non-core to our business. On December 29, 2023, we sold the assets of the Discontinued Specialty Lab for a total sales price of \$4.8 million. Proceeds from the sale were paid in cash of \$0.5 million, and a promissory note receivable of \$4.3 million. We recorded a gain on the sale of the assets of approximately \$1.8 million and recorded a current expected loss of \$2.2 million against the promissory note receivable. The Discontinued Specialty Lab, which was part of our Measurement and Analysis segment, generated revenues of \$8.8 million and \$17.0 million in the years ended December 31, 2023 and 2022, respectively. The discontinuation of this specialty service line did not represent a strategic shift that had a major effect on our operations and financial results, therefore it did not meet the requirements to be classified as discontinued operations.

During the fourth quarter of 2022, we determined to exit our lab in Berkeley, California and terminate the related positions. This discontinued lab, which was included in our Measurement and Analysis segment, did not generate any material revenue during the year ended December 31, 2022.

During the second quarter of 2022, we determined to exit all legacy water treatment and renewable energy operations and maintenance contracts, collectively, the Discontinued O&M Contracts. Revenue from our water treatment and renewable energy operations and maintenance contracts, which were included in the results of our Remediation and Reuse segment, were \$3.6 million in the year ended December 31, 2022. This decision did not impact the Company's specialized PFAS water treatment operations and maintenance contracts.

Revenue Mix

Our segments and our business lines within each segment generate different levels of profitability and, accordingly, shifts in the mix of revenues between segments can impact our consolidated reported net income, net loss margin, Segment Adjusted EBITDA and Segment Adjusted EBITDA margin from quarter to quarter and year to year. Inter-company revenues between business lines within segments have been eliminated. See Note 19 to our audited consolidated financial statements included in Item 8. "Financial Statements and Supplementary Data."

Our revenues and certain expenses, including selling, general and administrative expense, vary from period to period due primarily to changes in organic growth, the incremental contribution from recent acquisitions and strategic decisions we may make from time to time. When we refer to changes driven by organic growth, we are referring to the contribution from businesses that have been part of Montrose for more than 12 months, with certain limited exclusions as discussed in greater detail above. In a given reporting period, when we refer to revenue changes driven by acquisitions, we are referring to the revenue contribution from any acquisition from its closing date through the first 12 months of that acquisition, at which point any subsequent contribution therefrom would be organic.

Financing Costs

Total debt at December 31, 2024 was \$222.7 million net of deferred debt issuance costs, which was an increase of \$59.5 million compared to December 31, 2023. The increase was primarily driven by the additional \$50.0 million term loan and additional usage of our revolving credit facility, the outstanding balance under which increased to \$25.2 million under the revolving credit facility as of December 31, 2024 from no outstanding borrowings as of December 31, 2023, partially offset by repayments and amortization of the various debt noted.

Interest expense, net was \$15.9 million, \$7.8 million and \$5.2 million in the years ended December 31, 2024, 2023 and 2022, respectively. We expect interest expense to remain a significant cost as we continue to leverage the 2021 Credit Facility to support our operations, partially fund the redemption of the Series A-2 Preferred Stock, and to fund future acquisitions.

In February 2025, we refinanced our 2021 Credit Facility and replaced it with a new 2025 Credit Facility. See Notes 13 and 22 to our audited consolidated financial statements included in Item 8. “Financial Statements and Supplementary Data.”

Corporate and Operational Infrastructure Investments

Our historical operating results reflect the impact of our ongoing investments in our corporate infrastructure to support our growth. We have made and expect to continue to make investments in our business platform that we believe have laid the foundation for continued growth. Investments in logistics, quality, risk management, sales and marketing, safety, human resources, research and development, finance and information technology and other areas, enable us to support continued growth. These investments should allow us to improve our margins over time.

Seasonality

Due to the field-based nature of certain of our services, weather patterns generally impact our field-based teams’ ability to operate in the winter months. As a result, our operating results could experience quarterly variability with generally lower revenues and lower earnings in the first and fourth quarters and higher overall revenues and earnings in the second and third quarters. As we continue to grow and expand into new geographies and service lines, quarterly variability in our Measurement and Analysis and Remediation and Reuse segments may deviate from historical trends.

Earnings Volatility

In addition to the impact of seasonality on earnings, our emergency response business exposes us to potentially significant revenue and earnings fluctuations tied to large environmental emergency response projects following an incident or natural disaster or more broad scale events such as the COVID-19 pandemic. Total revenue from emergency response related services was \$48.0 million, \$91.4 million, and \$88.0 million in the years ended December 31, 2024, 2023 and 2022, respectively. Demand for environmental emergency response services remains difficult to predict and as a result, we may have experienced revenues and earnings in prior years that are not indicative of future results, making those periods particularly difficult comparisons for future periods. Earnings volatility is also driven by the timing of large projects, particularly in our Remediation and Reuse segment, and the impact of acquisitions. As a result of these factors, and because demand for environmental services is not driven by specific or predictable patterns in one or more fiscal quarters, our business is better assessed based on annual results.

Cybersecurity

As previously disclosed, on June 11, 2022 we were the target of an organized ransomware attack on our IT systems that led to the temporary disruption of our regular operations. The Company's financial systems are cloud based and were not affected. We engaged third party experts, including cyber legal counsel and a cybersecurity firm, to perform a fulsome forensic investigation of this attack and we promptly notified federal law enforcement. Based on the results of the investigation, we do not believe there has been any misuse of confidential or sensitive client data, have made notifications to clients, and have proactively addressed client concerns regarding our security environment. Furthermore, we identified a limited number of individuals whose personally identifiable information may have been accessed from our systems and made appropriate notifications to such individuals and required regulators. The Company has insurance coverage, subject to a \$0.3 million deductible, against recovery costs and business interruption resulting from cyber-attacks. In January 2023, the Company received \$1.0 million in business interruption insurance proceeds related to the cyber-attack. This amount was recorded as insurance income within other income (expense) in the fourth quarter of 2022. These proceeds partially offset the estimated \$1.5 million cost of the cyber-attack recognized in the second and third quarters of 2022.

Results of Operations

Year Ended December 31, 2024 Compared to the Year Ended December 31, 2023

(in thousands, except per share data)	Year Ended December 31,	
	2024	2023
Revenues	\$ 696,395	\$ 624,208
Cost of revenues (exclusive of depreciation and amortization)	418,193	383,903
Selling, general and administrative expense	261,627	222,861
Fair value changes in business acquisition contingencies	534	84
Depreciation and amortization	52,762	45,780
Loss from operations	(36,721)	(28,420)
Other (expense) income, net	(1,735)	4,374
Interest expense, net	(15,862)	(7,793)
Loss before income taxes	(54,318)	(31,839)
Income tax expense (benefit)	7,996	(980)
Net loss	(62,314)	(30,859)
Series A-2 dividend payment	(11,064)	(16,400)
Net loss attributable to common stockholders	<u>\$ (73,378)</u>	<u>\$ (47,259)</u>
Weighted average number of shares — basic and diluted	33,061	30,058
Loss per share — basic and diluted	<u>\$ (2.22)</u>	<u>\$ (1.57)</u>

Revenues

(in thousands, except %)	Year Ended December 31,		Change	
	2024	2023	\$	%
Revenues	\$ 696,395	\$ 624,208	\$ 72,187	11.6%

For the year ended December 31, 2024, we generated revenues of \$696.4 million, an increase of \$72.2 million or 11.6% from the year ended December 31, 2023. The period over period increase in revenues was primarily driven by \$81.6 million from revenues pertaining to acquisitions as well as strong organic growth of 8.3% or \$43.4 million driven by Assessment, Permitting and Response and Measurement and Analysis segments, partially offset by lower non-acquisition related revenue in our Remediation and Reuse segment. These increases were partially offset by \$43.3 million lower environmental emergency response revenues, which we exclude from organic growth, and the December 2023 sale of the Discontinued Specialty Lab, which generated \$8.8 million of revenue in 2023. Environmental emergency response revenues were \$48.0 million and \$91.4 million for the years ended December 31, 2024 and 2023, respectively.

Revenue by segment, and as a percentage of total revenues, was as follows:

	Year Ended December 31,			
	2024		2023	
	Revenues	% of Total Revenues	Revenues	% of Total Revenues
Assessment, Permitting and Response	\$ 214,850	30.9%	\$ 220,727	35.4%
Measurement and Analysis ⁽¹⁾	224,366	32.2	197,095	31.6
Remediation and Reuse	257,179	36.9	206,386	33.1
	<u>\$ 696,395</u>		<u>\$ 624,208</u>	

(1) Includes revenue of \$8.8 million from the Discontinued Specialty Lab for the year ended December 31, 2023. See “—Discontinued Service Lines and Contracts” above.

Cost of Revenues

(in thousands, except %)	Year Ended December 31,		Change	
	2024	2023	\$	%
Cost of revenues (exclusive of depreciation and amortization)	\$ 418,193	\$ 383,903	\$ 34,290	8.9 %
Cost of revenue as a % of revenue	60.1 %	61.5 %		

Cost of revenues consists of all direct costs required to provide services, including fixed and variable direct labor costs, equipment purchases and rental, and other outside services, field and lab supplies, vehicle costs and travel-related expenses. Variable costs of revenues generally follow the same trends as revenue, while fixed costs tend to change primarily as a result of acquisitions.

Cost of revenues for the year ended December 31, 2024 increased from the year ended December 31, 2023 driven primarily by an increase in revenues. Cost of revenues as a percentage of revenue dropped to 60.1% from 61.5% in 2023, primarily due to operating leverage in our labs, improved margins in our treatment technology and consulting businesses, and the benefit from acquisitions. Year-over-year cost of revenues as a percentage of revenue dropped in all three of our segments.

Selling, General and Administrative Expense

(in thousands, except %)	Year Ended December 31,		Change	
	2024	2023	\$	%
Selling, general and administrative expense	\$ 261,627	\$ 222,861	\$ 38,766	17.4 %

Selling, general and administrative expense consists of general corporate overhead, including executive, legal, finance, safety, risk management, human resource, marketing and information technology related costs, as well as indirect operational costs of labor, rent, insurance and stock-based compensation.

Selling, general and administrative expense for the year ended December 31, 2024 increased \$38.8 million or 17.4% compared to the year ended December 31, 2023. This increase was primarily driven by an increase of \$16.6 million related to acquisitions, an increase of \$15.9 million in stock based compensation expense, primarily related to the expensing of the unamortized value of executive team stock appreciation rights (SARs), which were canceled on December 31, 2024, with the remaining changes due to inflationary increases and investments in IT infrastructure.

See Item 7A. "Quantitative and Qualitative Disclosures About Market Risk" for additional information regarding the impact of inflation on our business and Note 17 to our audited consolidated financial statements included in Item 8. "Financial Statements and Supplementary Data." for details on the SARs cancellation.

Fair Value Changes in Business Acquisition Contingencies

(in thousands, except %)	Year Ended December 31,		Change	
	2024	2023	\$	%
Fair value changes in business acquisition contingencies	\$ 534	\$ 84	\$ 450	535.7 %

For the year ended December 31, 2024, fair value changes in business acquisition contingencies resulted in an expense of \$0.5 million versus a gain of \$0.1 million for the year ended December 31, 2023.

Depreciation and Amortization

(in thousands, except %)	Year Ended December 31,		Change	
	2024	2023	\$	%
Depreciation and amortization	\$ 52,762	\$ 45,780	\$ 6,982	15.3 %

The increase in depreciation and amortization expense was driven primarily by \$4.8 million of additional amortization related to intangibles acquired through acquisition, and \$1.7 million higher depreciation related to equipment purchases.

See Notes 6, 7, 8 and 9 to our audited consolidated financial statements included in Item 8. “Financial Statements and Supplementary Data.”

Other (Expense) Income

(in thousands, except %)	Year Ended December 31,		Change	
	2024	2023	\$	%
Other (expense) income, net	\$ (1,735)	\$ 4,374	\$ (6,109)	n/a

Other expense for the year ended December 31, 2024 of \$1.7 million was driven by a \$1.9 million loss related to fair value adjustments on our interest rate swap and a \$1.2 million loss related to fair value adjustments on the Series A-2 Preferred Stock conversion option, partially offset by \$1.4 million gain from other income.

Other income for the year ended December 31, 2023 of \$4.4 million was driven by a \$6.7 million gain related to fair value adjustments on the Series A-2 Preferred Stock conversion option and a \$0.3 million gain from other income, partially offset by a \$2.6 million loss related to fair value adjustments on our interest rate swap.

See Notes 13, 14 and 16 to our audited consolidated financial statements included in Item 8. “Financial Statements and Supplementary Data.”

Interest Expense, Net

(in thousands, except %)	Year Ended December 31,		Change	
	2024	2023	\$	%
Interest expense, net	\$ (15,862)	\$ (7,793)	\$ (8,069)	103.5%

Interest expense, net incurred in the year ended December 31, 2024, was \$15.9 million, compared to \$7.8 million for the year ended December 31, 2023. The increase in interest expense was primarily due to higher interest rates and higher debt balance outstanding during the year.

Weighted average interest rates as of December 31, 2024 and December 31, 2023 were 7.2% and 6.7%, respectively, before the benefit of interest rate swaps, and 5.8% and 4.1%, respectively, after the benefit of interest rate swaps. See “—Key Factors that Affect Our Business and Our Results—Financing Costs” and Note 7 and 13 to our audited consolidated financial statements included in Item 8. “Financial Statements and Supplementary Data.”

Income Tax Expense (Benefit)

(in thousands, except %)	Year Ended December 31,		Change	
	2024	2023	\$	%
Income tax expense (benefit)	\$ 7,996	\$ (980)	\$ 8,976	(915.9%)

Income tax expense (benefit) was \$8.0 million and \$(1.0) million for the years ended December 31, 2024 and 2023, respectively. The difference between our effective tax rate and the federal statutory rate of 21.0% is primarily attributable to items recorded for GAAP but permanently disallowed for U.S. federal income tax purposes, change in valuation allowance, and state and foreign income tax provisions.

Year Ended December 31, 2023 Compared to the Year Ended December 31, 2022

For a discussion of our consolidated results of operations for the year ended December 31, 2023 compared to the year ended December 31, 2022, please refer to Item 7, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” in our Annual Report on Form 10-K for the year ended December 31, 2023 filed with the SEC on February 29, 2024, or the 2023 Annual Report.

Segment Results of Operations

Year Ended December 31, 2024 Compared to the Year Ended December 31, 2023

	Year Ended December 31,					
	2024			2023		
	Segment Revenues	Segment Adjusted EBITDA ⁽¹⁾	Segment Adjusted EBITDA Margin ⁽²⁾	Segment Revenues	Segment Adjusted EBITDA ⁽¹⁾	Segment Adjusted EBITDA Margin ⁽²⁾
Assessment, Permitting and Response	\$ 214,850	\$ 48,020	22.4 %	\$ 220,727	\$ 52,148	23.6 %
Measurement and Analysis	224,366	50,521	22.5	197,095	37,217	18.9
Remediation and Reuse	257,179	38,339	14.9	206,386	27,087	13.1
Total Operating Segments	\$ 696,395	\$ 136,880	19.7 %	\$ 624,208	\$ 116,452	18.7 %
Corporate and Other		\$ (41,092)	(5.9) %		\$ (37,876)	(6.1) %

- (1) For purposes of evaluating segment profit, the Company's chief operating decision maker reviews Segment Adjusted EBITDA as a basis for making the decisions to allocate resources and assess performance. See Note 19 to our audited consolidated financial statements included in Item 8. "Financial Statements and Supplementary Data."
- (2) Represents Segment Adjusted EBITDA as a percentage of revenues.

Revenues

(in thousands, except %)	Year Ended December 31,		Change	
	2024	2023	\$	%
Assessment, Permitting and Response	\$ 214,850	\$ 220,727	\$ (5,877)	(2.7) %
Measurement and Analysis	224,366	197,095	27,271	13.8
Remediation and Reuse	257,179	206,386	50,793	24.6
Total Operating Segments	\$ 696,395	\$ 624,208	\$ 72,187	11.6 %

Assessment, Permitting and Response segment revenues for the year ended December 31, 2024 decreased compared to the year ended December 31, 2023 due to a decline in emergency response revenues of \$43.3 million, partially offset by strong organic growth of 25.0% or \$32.3 million, mainly within our consulting and advisory services, and the impact of acquisitions, which contributed \$5.1 million. Emergency response revenue was \$48.0 million and \$91.4 million for the year ended December 31, 2024 and December 31, 2023, respectively.

Measurement and Analysis segment revenues for the year ended December 31, 2024 increased compared to the year ended December 31, 2023 as a result of strong organic growth of 15.2% or \$28.2 million and the impact of acquisitions, which contributed \$8.5 million, partially offset by the sale of the Discontinued Specialty Lab in December 2023, which contributed \$8.8 million to revenues in 2023.

Remediation and Reuse segment revenues for the year ended December 31, 2024 increased compared to the year ended December 31, 2023, primarily driven by acquisitions which contributed \$68.0 million to the increase in revenues in 2024. These increases were partially offset by \$17.2 million revenue decrease in our existing business, primarily attributable to lower treatment technology revenues.

Segment Adjusted EBITDA

(in thousands, except %)	Segment Adjusted EBITDA		Segment Adjusted EBITDA Margin		Change	
	Year Ended December 31,		Year Ended December 31,			
	2024	2023	2024	2023	\$	Margin %
Assessment, Permitting and Response	\$ 48,020	\$ 52,148	22.4 %	23.6 %	\$ (4,128)	(1.2) %
Measurement and Analysis	50,521	37,217	22.5	18.9	13,304	3.6
Remediation and Reuse	38,339	27,087	14.9	13.1	11,252	1.8
Total Operating Segments	\$ 136,880	\$ 116,452	19.7 %	18.7 %	\$ 20,428	1.0 %
Corporate and Other	\$ (41,092)	\$ (37,876)	(5.9) %	(6.1) %	\$ (3,216)	

Assessment, Permitting and Response Segment Adjusted EBITDA and Segment Adjusted EBITDA margin for the year ended December 31, 2024 decreased compared to the year ended December 31, 2023 primarily due to a reduction in certain higher margin emergency response revenues that did not recur from the prior year.

Measurement and Analysis Segment Adjusted EBITDA and Segment Adjusted EBITDA margin for the year ended December 31, 2024 increased compared to the year ended December 31, 2023 primarily due to operating leverage driven by higher revenues.

Remediation and Reuse Segment Adjusted EBITDA for the year ended December 31, 2024 increased compared to the year ended December 31, 2023 due to higher revenues. Improved Segment Adjusted EBITDA margin in 2024 was driven primarily by improved operating efficiency and higher margin acquisitions.

Corporate and other costs for the year ended December 31, 2024 increased \$3.2 million primarily due to increased investments in IT and cybersecurity infrastructure as well as an increase in professional fees. Corporate costs as a percentage of revenues were 5.9% in 2024 compared to 6.1% in the prior year.

Year Ended December 31, 2023 Compared to the Year Ended December 31, 2022

For a discussion of our segment results of operations for the year ended December 31, 2023 compared to the year ended December 31, 2022, please refer to Item 7, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” in our 2023 Annual Report.

Liquidity and Capital Resources

Liquidity describes the ability of a company to generate sufficient cash flows to meet the cash requirements of its business operations, including working capital needs, debt service, acquisitions, other commitments and contractual obligations. We consider liquidity in terms of cash flows from operations and other sources, including availability under our credit facility, and their sufficiency to fund our operating and investing activities.

Our principal sources of liquidity have been cash generated by operating activities, borrowings under our credit facilities, other borrowing arrangements, and proceeds from the issuance of common and our Series A-2 Preferred Stock. Historically, we have financed our operations and acquisitions from a combination of cash generated from operations, periodic borrowings under senior secured credit facilities, and proceeds from the issuance of common stock and our Series A-2 Preferred Stock. Our primary cash needs are for day-to-day operations, to fund working capital requirements, to fund our acquisition strategy and any related cash earn-out obligations, to pay interest and principal on our indebtedness and dividends on our Series A-2 Preferred Stock, and to make capital expenditures. Additionally, in connection with certain acquisitions, we agree to earn-out provisions and other purchase price adjustments that may require future payments. We may make up to \$57.6 million in aggregate earn-out payments between the years 2025 and 2026 in connection with certain of our acquisitions of which up to \$22.1 million may be paid only in cash, up to \$13.6 million may be paid only in common stock and up to \$21.9 million may be paid in cash or, at our option, in common stock. See Note 8 to our audited consolidated financial statements included in Item 8. “Financial Statements and Supplementary Data.” As of December 31, 2024, the Company had \$149.8 million available under its 2021 Credit Facility (without giving effect to any outstanding letters of credit, and subject to borrowing base limitations), and \$12.9 million of cash on hand. In February 2025, the Company refinanced its Credit Facility (2025 Credit Facility) bringing total available capacity under the 2025 Credit Facility to \$283.8 million (without giving effect to any outstanding letters of credit, and subject to borrowing base limitations).

We expect to continue to finance our liquidity requirements, including any cash earn-out payments that may be required in connection with acquisitions, through cash generated from operations and borrowings under our credit facility. We believe these sources will be sufficient to fund our cash needs in the short-term and long-term.

Cash Flows

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

(in thousands)	Year Ended December 31,		
	2024	2023	2022
Net cash provided by (used in):			
Operating activities	\$ 22,235	\$ 56,022	\$ 20,649
Investing activities	(138,045)	(101,624)	(38,687)
Financing activities	106,002	(20,110)	(38,764)
Change in cash, cash equivalents and restricted cash	<u>\$ (9,808)</u>	<u>\$ (65,712)</u>	<u>\$ (56,802)</u>

Operating Activities

Cash flows from operating activities can fluctuate from period-to-period as earnings, working capital needs and the timing of payments for contingent consideration, taxes, bonus payments and other operating items impact reported cash flows.

Net cash provided by operating activities was \$22.2 million for the year ended December 31, 2024, compared to \$56.0 million for the year ended December 31, 2023. The period-over-period decrease of \$33.8 million, was primarily due to a higher increase in working capital in the current period of \$40.4 million versus \$3.3 million in the prior year period, as well as higher interest payment of \$6.7 million and higher tax payments of \$3.2 million, partially offset by higher cash from operating activities before changes in working capital, interest, tax and contingent earnout payment of \$4.3 million, and lower contingent earnout payment of \$0.6 million.

Working capital (which excludes contingent consideration payments and changes in right-of-use assets) increased by \$40.4 million in the year ended December 31, 2024, primarily due to an increase in accounts receivable of \$42.0 million driven by higher revenues in the fourth quarter versus the prior year, and the previously disclosed receivables from a large US government project for the City of Tustin, CA. This increase was partially offset by an increase in accounts payable and other accrued liabilities (including accrued payroll) of \$2.1 million, due to the timing of payments and growth in the company.

For the year ended December 31, 2023, net cash provided by operating activities was \$56.0 million, compared to net cash provided by operating activities of \$20.6 million for the year ended December 31, 2022. Cash provided by operating activities for the years ended December 31, 2023 and December 31, 2022, includes payment of contingent consideration of \$0.6 million and \$19.5 million, respectively. Excluding payment of contingent consideration, cash provided by operating activities was \$56.6 million and \$40.1 million in the years ended December 31, 2023 and December 31, 2022, respectively. The period-over-period increase of \$16.5 million, excluding the impact of contingent consideration, was primarily due to a lower increase in working capital in the current period of \$3.3 million versus an increase in working capital in the prior year period of \$14.1 million, as well as higher earnings before non-cash items of \$6.5 million.

Working capital increased by \$3.3 million in the year ended December 31, 2023, primarily due to a decrease in accounts payable and other accrued liabilities of \$8.9 million, an increase in accounts receivable and contract assets of \$2.9 million and an increase in prepaid expenses and other current assets of \$0.9 million, partially offset by an increase in accrued payroll and benefits of \$9.5 million.

Investing Activities

For the year ended December 31, 2024, net cash used in investing activities was \$138.0 million, driven by cash paid for the acquisitions of EPIC, 2DOT, ETA, Paragon, Spirit, and Origins, net of cash acquired, of \$113.1 million, \$21.3 million in purchases of property and equipment, \$3.3 million in payment of other purchase price obligations, and \$2.5 million of proprietary software development costs, partially offset by \$2.1 million proceeds received from the sale of property and equipment.

For the year ended December 31, 2023, net cash used in investing activities was \$101.6 million, driven by cash paid for the acquisitions of Matrix, GreenPath, Vandrensnng, Frontier and EAI, net of cash acquired, of \$66.2 million,

as well as \$29.6 million in cash consideration for purchases of property and equipment (which included the purchase of a \$12.2 million replacement aircraft for use in emergency responses following an aircraft crash in February 2023), \$3.4 million in proprietary software development costs, \$2.6 million related to the minority investment in certain companies and the payment of assumed purchase price obligations of \$1.4 million, partially offset by proceeds received from the sale of property and equipment of \$1.0 million.

For the year ended December 31, 2022, net cash used in investing activities was \$38.7 million, primarily driven by cash paid for the acquisitions of Environmental Standards, IAG, Triad, AirKinetics and Huco, net of cash acquired of \$28.6 million and purchases of property and equipment for cash consideration of \$9.6 million.

Financing Activities

For the year ended December 31, 2024, net cash provided by financing activities was \$106.0 million. Cash provided by financing activities was driven by proceeds from borrowing of \$453.1 million, net proceeds from the issuance of common stock through a public offering of \$121.8 million, and proceeds from the exercise of stock options of \$2.1 million, partially offset by repayment of borrowing of \$393.7 million, a partial redemption of the Series A-2 Preferred Stock of \$60.0 million, and dividends on the Series A-2 Preferred Stock of \$11.1 million.

For the year ended December 31, 2023, net cash used in financing activities was \$20.1 million. Cash used in financing activities was driven by the payment of the quarterly dividends on the Series A-2 Preferred Stock of \$16.4 million, amortization payments on the 2021 Credit Facility term loan and the aircraft loan of \$12.2 million and \$0.6 million, respectively, the repayment of finance leases of \$4.6 million and the payment of acquisition-related contingent consideration of \$1.9 million, partially offset by proceeds received from the aircraft loan of \$10.9 and proceeds from the exercise of stock options of \$4.7 million.

For the year ended December 31, 2022, net cash used in financing activities was \$38.8 million. Cash used in financing activities was driven by the payment of the quarterly dividends on the Series A-2 Preferred Stock of \$16.4 million, the payment of acquisition-related contingent consideration of \$11.1 million, term loan amortization payments of \$8.8 million related to our 2021 Credit Facility, and the repayment of finance leases of \$4.0 million, partially offset by proceeds received from the exercise of stock options of \$1.6 million.

Credit Facilities

In February 2025, we replaced the 2021 Credit Facility with a new senior secured credit facility, the 2025 Credit Facility (and jointly the Senior Credit Facilities). Refer to Note 22 to our audited consolidated financial statements included in Item 8. "Financial Statements and Supplementary Data." for details on the new facility.

Our obligations under the Senior Credit Facilities are guaranteed by certain of our existing and future direct and indirect subsidiaries, and such obligations are secured by substantially all of our assets. The Senior Credit Facilities includes a number of covenants imposing certain restrictions on our business. The Senior Credit Facilities also include financial covenants requiring us to remain below a maximum total net leverage ratio and a minimum fixed charge coverage ratio. As of December 31, 2024, our consolidated total leverage ratio as reported under our bank compliance certificate, which was delivered under our 2025 Credit Facility, was 2.1 times and we were in compliance with all covenants under the Senior Credit Facilities.

The weighted average interest rate on the 2021 Credit Facility for the years ended December 31, 2024 and 2023 was 7.2% and 6.7%, respectively, before the benefit of our interest rate swaps. Weighted average interest rates, net of the benefit of our interest rate swaps, as of December 31, 2024 and 2023 were 5.8% and 4.1%, respectively.

In February 2024, we partially exercised our option to access the \$150.0 million accordion under our Senior Secured Credit Agreement, and as a result, the Senior Secured Credit Agreement was amended to provide for an additional \$100.0 million credit availability under the 2021 Credit Facility, comprised of an additional \$50.0 million term loan and \$50.0 million revolving credit facility. Furthermore, we exercised our credit facility covenant holiday, increasing its leverage capacity from 3.75 times to 4.25 times for four quarters beginning with the first quarter of 2024.

See Note 13 and 22 to our audited consolidated financial statements included in Item 8. “Financial Statements and Supplementary Data.” for details on the 2021 Credit Facility and our new credit facility.

Series A-2 Preferred Stock

In January 2024, we repaid \$60.0 million of the outstanding principal balance of the Series A-2 Preferred Stock.

In January 2025, we received a notice of conversion from Oaktree in respect of \$60.0 million in stated value of the Series A-2 Preferred Stock. We intend to exercise our option to redeem the shares of Series A-2 Preferred Stock for cash. We expect to pay the \$60.0 million on or before April 13, 2025 from cash on hand and debt. Following the redemption, approximately \$62.2 million of A-2 Preferred Stock will remain outstanding.

See Note 16 and 22 to our audited consolidated financial statements included in Item 8. “Financial Statements and Supplementary Data.” for details regarding the Series A-2 Preferred Stock.

Critical Accounting Policies and Estimates

The Company's significant accounting policies and estimates are described in Notes 2 and 3 to our audited consolidated financial statements included in Item 8. “Financial Statements and Supplementary Data.” , which were prepared in accordance with U.S. GAAP. Critical accounting policies are those that we believe are both most important to the portrayal of our financial condition and results of operations, and require complex, subjective judgments, often as a result of the need to make estimates and assumptions about the effect of matters that are inherently uncertain. Management bases its estimates and judgments on historical experience and various other factors that are believed to be reasonable under the circumstances and judgments and uncertainties affecting the application of those policies may result in materially different amounts being reported under different conditions or using different assumptions. The Company considers the following policies and estimates to be the most critical in understanding the judgments that are involved in preparing its consolidated financial statements:

Use of Estimates

U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the audited consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Significant estimates inherent in the preparation of the audited consolidated financial statements include, but are not limited to, management’s forecast of future cash flows used as a basis to assess recoverability of long-lived assets, the allocation of purchase price to tangible and intangible assets, allowances for doubtful accounts, the estimated useful lives over which property and equipment is depreciated and intangible assets are amortized, subsequent measurement of goodwill, fair value of contingent consideration payables, fair value of embedded derivatives, equity-based compensation expense and deferred taxes. Actual results could materially differ from those estimates.

Revenue Recognition

Revenue is recognized in accordance with Financial Accounting Standards Board Accounting Standards Codification, or ASC, Topic 606, Revenue from Contracts with Customers. The following is considered in the recognition of revenue under ASC 606:

We account for individual promises in contracts as separate performance obligations if the promises are distinct. The assessment requires judgment. The majority of our contracts have a single performance obligation as the promise to transfer the individual goods or services is not separately identifiable from other promises in the contracts and is, therefore, not distinct. Certain contracts in our Measurement and Analysis have multiple performance obligations, most commonly due to the contracts providing for multiple laboratory tests which are individual performance obligations.

For the Measurement and Analysis contracts with multiple performance obligations, we allocate the transaction price to each performance obligation based on the relative standalone selling price of each performance obligation. The standalone selling price of each performance obligation is generally determined by the observable price of a service when sold separately.

On the majority of fixed fee contracts, we recognize revenue, over time, using either the proportion of actual costs incurred to the total costs expected to complete the contract performance obligation (cost to cost method), or the time-elapsed basis.

There are inherent uncertainties in the estimation process for cost to cost contracts, as the estimation of total contract costs and estimates to complete is complex, subject to many variables, and requires judgment. It is possible that estimates of costs to complete a performance obligation will be revised in the near-term based on actual progress and costs incurred. These uncertainties primarily impact our contracts in the Remediation and Reuse segment.

Time-and-materials contracts contain variable consideration. However, performance obligations qualify for the “Right to Invoice” practical expedient. Under this practical expedient, we recognize revenue, over time, in the amount to which we have a right to invoice.

Accounting for Acquisitions and Business Acquisition Contingencies

We account for acquisitions using the acquisition method of accounting. The most critical areas of judgment in applying the acquisition method include selecting the appropriate valuation techniques and assumptions that are used to measure the acquired assets and assumed liabilities at fair value, particularly for intangible assets, contingent consideration, acquired tangible assets such as property, plant and equipment. We may use independent valuation specialists to assist in determining the estimated fair values of assets acquired and liabilities assumed.

Subsequent changes in the fair value of contingent consideration are recognized as a gain or loss in our consolidated statements of operations. Payments of contingent consideration are reflected in financing activities in our consolidated statements of cash flows to the extent included as part of the initial purchase price, or in operating activities if the payment exceeds the amount included in the initial purchase price.

Impairments of Long Lived Assets and Goodwill

Certain events or changes in circumstances may indicate that the recoverability of the carrying amount of long lived assets should be assessed. When such events or changes in circumstances are present, we estimate the future cash flows expected to result from the use of the asset (or asset group) and its eventual disposition. If the sum of the expected undiscounted future cash flows is less than the carrying amount, we recognize an impairment based on the fair value of such assets.

Goodwill is tested for impairment at least annually. Should an event or circumstances indicate that a reduction in fair value of the reporting unit may have occurred during the year, goodwill would also be tested at such occasion.

We use a two-step process to assess the realizability of goodwill. The first step (generally referred to as a "step 0" analysis) is a qualitative assessment that analyzes current economic indicators associated with a particular reporting unit. For example, we analyze changes in economic, market and industry conditions, business strategy, cost factors, and financial performance, among others, to determine if there are indicators of a significant decline in the fair value of a particular reporting unit. If the qualitative assessment indicates a stable or improved fair value, no further testing is required. If a qualitative assessment indicates it is more likely than not that the fair value of a reporting unit is less than its carrying amount, we will proceed to the quantitative second step (generally referred to as a "step 1" analysis) where the fair value of a reporting unit is calculated based on weighted income and market-based approaches.

Step 1 of the quantitative test requires comparison of the fair value of each of the reporting units to the respective carrying value. If the carrying value of the reporting unit is less than the fair value, no impairment exists. Otherwise, we would recognize an impairment charge for the amount by which the carrying amount of a reporting unit exceeds its fair value up to the amount of goodwill allocated to that reporting unit.

Embedded Derivatives

Embedded derivatives that are required to be bifurcated from the underlying host instrument are accounted for and valued as a separate financial instrument. These embedded derivatives are bifurcated, accounted for at their estimated fair value, which is based on certain estimates and assumptions, and presented separately on the consolidated statements of financial position. Our valuation of embedded derivatives follows the With and Without method of the income approach, where the value of the derivative is derived by comparing projected cash flows with and without the embedded feature. The discount rate reflects the level of risk associated with these cash flows and is determined based on an evaluation of the Company's credit risk and market required yields for comparable securities with similar credit risk. To derive a credit rating indication, the Company utilizes the Synthetic Credit Rating Model, and the recovery rate method is employed to establish the Company's discount rate. Changes in fair value of the embedded derivatives are recognized as a component of other income/ expense on our consolidated statements of operations.

Stock-based Compensation

We sponsor stock incentive plans that allow for issuance of employee stock options and other forms of equity incentives.

Awards that are issued to non-employees in exchange for their services are accounted for under ASC 505, Equity-Based Payments to Non-Employees. ASC 505 requires that the fair value of the equity instruments issued to a non-employee be measured on the earlier of: (i) the performance commitment date or (ii) the date the services required under the arrangement have been completed.

Certain of the performance based restricted stock units will only meet the requirements for establishing a grant date when the final calculated financial performance metrics and the amount of awards have been approved by our Board of Directors, which will then trigger the service inception date, the fair value of the awards, and the associated expense recognition period.

The fair value of the remaining stock-based payment awards is expensed over the vesting period of each tranche on a straight-line basis. Any modification of an award that increases its fair value will require us to recognize additional expense. The fair value of stock options under its employee stock incentive plan are estimated as of the grant date using the Black-Scholes option valuation model, which is affected by its estimates of the risk-free interest rate, its expected dividend yield, expected term and the expected share price volatility of its common shares over the expected term. No dividend rates are used in the calculation as these are not applicable to us. Forfeitures are recognized as incurred. Employee options are accounted for in accordance with the guidance set forth by ASC 718.

The fair value of stock appreciation rights is estimated at the grant date using the geometric Brownian motion model.

Item 7A. Quantitative and Qualitative Disclosures About Market Risk.***Interest Rate Risk***

We have market risk exposure arising from changes in interest rates on our credit facility, which bears interest at rates that are benchmarked subject to the Company's leverage ratio and SOFR. Based on our overall interest rate exposure to variable rate debt outstanding as of December 31, 2024, which factors in our interest rate swaps on \$150.0 million of debt, a 1.0% increase or decrease in interest rates on the term loan, aircraft loan, and revolver would impact our annual income (loss) before income taxes by approximately \$0.7 million.

Inflation Risk

We experienced, and continue to experience, higher labor and significantly higher travel and other direct costs in the fiscal year ended December 31, 2024 and December 31, 2023 as a result of inflation, particularly in our Measurement and Analysis and Remediation and Reuse segments. In the year ended December 31, 2024, we also experienced, and continue to experience, higher labor costs as a result of inflation. We believe we have successfully raised prices in businesses with short term contracts to offset these inflationary effects. We also have and are continuing to raise prices on medium term (one to four quarter) contracts as these contracts are renewed or new contracts are won, and as a result have been able to offset much of the impact of inflation to date. We expect to continue to raise prices if direct costs continue to increase, and although inflation has increased our Selling, general and administrative expense in the year ended December 31, 2024, we do not believe over a longer period of time that inflation will have a material effect on our business, financial condition or results of operations. If our costs were to become subject to additional and unanticipated significant sustained inflationary pressures, we may not be able to fully offset such higher costs through price increases. Our inability or failure to do so could adversely affect our business, financial condition and results of operations.

Foreign Exchange Risk

Foreign exchange risk exposure arises because we sell our services throughout the United States, Canada, Australia and Europe. Our exposure to this risk has increased significantly due to our acquisitions of Paragon and Matrix in Canada, EPIC in Australia, and to a lesser extent, Vandrensning in Europe. Revenues in certain foreign countries as well as certain expenses related to those revenues are transacted in currencies other than the U.S. dollar. As such, our future operating results are exposed to changes in exchange rates. When the U.S. dollar weakens against foreign currencies, the dollar value of revenues denominated in foreign currencies increases. When the U.S. dollar strengthens, the opposite situation occurs. Additionally, previously invoiced amounts can be positively or negatively affected by changes in exchange rates in the course of collection. A 1.0% increase or decrease in the U.S. dollar exchange rate would impact revenues by approximately \$1.5 million and would have a negligible impact on annual net (loss) income.

Item 8. Financial Statements and Supplementary Data.

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the stockholders and the Board of Directors of Montrose Environmental Group, Inc.

Opinion on the Financial Statements

We have audited the accompanying consolidated statements of financial position of Montrose Environmental Group, Inc. and subsidiaries (the "Company") as of December 31, 2024 and 2023, the related consolidated statements of operations and comprehensive loss, convertible and redeemable series A-2 preferred stock and stockholders' equity, and cash flows, for each of the three years in the period ended December 31, 2024, and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2024 and 2023, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2024, in conformity with accounting principles generally accepted in the United States of America.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of December 31, 2024, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission and our report dated March 3, 2025, expressed an unqualified opinion on the Company's internal control over financial reporting.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current-period audit of the financial statements that was communicated or required to be communicated to the audit committee and that (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Revenue recognition for fixed fee contracts with customers under the cost-to-cost method — Refer to Note 2 to the financial statements

Critical Audit Matter Description

The Company has certain contracts with customers in which revenue is recognized over time using the proportion of actual costs incurred to the total costs expected to complete the contract performance obligation ("cost-to-cost method"). The Company has determined that the cost-to-cost method best represents the transfer of services as the proportion closely depicts the efforts or inputs completed towards the satisfaction of a fixed fee contract performance obligation. There are inherent uncertainties in the estimation process for cost-to-cost contracts, as the estimation of total contract costs and estimates to complete is complex, subject to many variables, and requires judgment. Further, it is possible that estimates of costs to complete a performance obligation will be revised in the near-term based on actual progress and costs incurred. These judgments and estimation directly affect the amount of revenue recognized during the period relative to the total contract value.

Given the judgments necessary to estimate the total costs of fixed fee contract performance obligations, auditing such estimates required extensive audit effort due to the subjectivity involved in assessing the estimates to complete and a high degree of auditor judgment when performing audit procedures and evaluating the results of those procedures.

How the Critical Audit Matter Was Addressed in the Audit

Our audit procedures related to management's estimates of the proportion of actual costs incurred to the total costs expected to complete contract performance obligations included the following, among others:

- We selected a sample of long-term cost-to-cost contracts and performed the following:
 - o Evaluated whether the contracts were properly included in management's calculation of long-term cost-to-cost revenue based on the terms and conditions of each contract, including whether continuous transfer of control to the customer occurred as progress was made toward fulfilling the performance obligation.
 - o Compared the transaction price to the consideration expected to be received based on current rights and obligations under the contracts and any modifications that were agreed upon with the customers.
 - o Tested the accuracy and completeness of the costs incurred to date for the performance obligation.
 - o Evaluated the estimates of total costs for the performance obligation by:
 - Comparing costs incurred to date to the costs management estimated to be incurred to date.
 - Evaluating management's ability to achieve the estimates of total costs by performing corroborating inquiries with the Company's project managers, and comparing the estimates to management's work plans, budgets, and supplier contracts.
 - Comparing management's estimates for the selected contracts to costs and profits of similar performance obligations, when applicable.
 - o Testing the mathematical accuracy of management's calculation of revenue for the performance obligation.
- We evaluated management's ability to estimate total costs accurately by comparing actual costs to historical estimates for performance obligations that have been fulfilled.

/s/ Deloitte & Touche LLP

Costa Mesa, California
March 3, 2025

We have served as the Company's auditor since 2016.

MONTROSE ENVIRONMENTAL GROUP, INC.
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(In thousands, except share data)

	December 31, 2024	December 31, 2023
Assets		
Current assets		
Cash, cash equivalents and restricted cash	\$ 12,935	\$ 23,240
Accounts receivable, net	158,883	112,360
Contract assets	52,091	51,629
Prepaid and other current assets	14,090	13,668
Income tax receivable	—	27
Total current assets	237,999	200,924
Non-current assets		
Property and equipment, net	63,776	56,825
Operating lease right-of-use asset, net	39,755	32,260
Finance lease right-of-use asset, net	19,643	13,248
Goodwill	467,789	364,449
Other intangible assets, net	152,756	140,813
Other assets	8,635	8,267
Total assets	\$ 990,353	\$ 816,786
Liabilities, Convertible and Redeemable Series A-2 Preferred Stock and Stockholders' Equity		
Current liabilities		
Accounts payable and other accrued liabilities	\$ 63,704	\$ 59,920
Accrued payroll and benefits	34,248	34,660
Business acquisitions contingent consideration, current	26,872	3,592
Current portion of operating lease liabilities	11,345	9,963
Current portion of finance lease liabilities	4,627	3,956
Current portion of long-term debt	17,866	14,196
Total current liabilities	158,662	126,287
Non-current liabilities		
Business acquisitions contingent consideration, long-term	6,255	2,448
Other non-current liabilities	5,550	6,569
Deferred tax liabilities, net	13,312	6,064
Conversion option related to Series A-2 Preferred Stock	20,224	19,017
Operating lease liability, net of current portion	30,880	25,048
Finance lease liability, net of current portion	11,460	8,185
Long-term debt, net of deferred financing fees	204,818	148,988
Total liabilities	\$ 451,161	\$ 342,606
Commitments and contingencies		
Convertible and redeemable Series A-2 Preferred Stock \$0.0001 par value:		
Authorized, issued and outstanding shares: 11,667 and 17,500 at December 31, 2024 and December 31, 2023, respectively; aggregate liquidation preference of \$122.2 million and \$182.2 million at December 31, 2024 and December 31, 2023, respectively	92,928	152,928
Stockholders' equity:		
Common stock, \$0.000004 par value; authorized shares: 190,000,000 at December 31, 2024 and December 31, 2023; issued and outstanding shares: 34,309,788 and 30,190,231 at December 31, 2024 and December 31, 2023, respectively	—	—
Additional paid-in-capital	721,067	531,831
Accumulated deficit	(272,670)	(210,356)
Accumulated other comprehensive loss	(2,133)	(223)
Total stockholders' equity	446,264	321,252
Total liabilities, convertible and redeemable Series A-2 Preferred Stock and Stockholders' Equity	\$ 990,353	\$ 816,786

The accompanying notes are an integral part of these consolidated financial statements.

MONTROSE ENVIRONMENTAL GROUP, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS
(In thousands, except per share data)

(in thousands except per share data)	Year Ended December 31,		
	2024	2023	2022
Revenues	\$ 696,395	\$ 624,208	\$ 544,416
Cost of revenues (exclusive of depreciation and amortization shown below)	418,193	383,903	351,882
Selling, general and administrative expense	261,627	222,861	176,295
Fair value changes in business acquisition contingencies	534	84	(3,227)
Depreciation and amortization	52,762	45,780	47,479
Loss from operations	(36,721)	(28,420)	(28,013)
Other (expense) income, net	(1,735)	4,374	3,683
Interest expense, net	(15,862)	(7,793)	(5,239)
Total other income (expense), net	(17,597)	(3,419)	(1,556)
Loss before expense from income taxes	(54,318)	(31,839)	(29,569)
Income tax (benefit) expense	7,996	(980)	2,250
Net loss	<u>\$ (62,314)</u>	<u>\$ (30,859)</u>	<u>\$ (31,819)</u>
Equity adjustment from foreign currency translation	(1,910)	(231)	(28)
Comprehensive loss	(64,224)	(31,090)	(31,847)
Convertible and redeemable Series A-2 Preferred Stock dividend	(11,064)	(16,400)	(16,400)
Net loss attributable to common stockholders	(73,378)	(47,259)	(48,219)
Weighted average common shares outstanding— basic and diluted	33,061	30,058	29,688
Net loss per share attributable to common stockholders— basic and diluted	<u>\$ (2.22)</u>	<u>\$ (1.57)</u>	<u>\$ (1.62)</u>

The accompanying notes are an integral part of these consolidated financial statements.

MONTROSE ENVIRONMENTAL GROUP, INC.
CONSOLIDATED STATEMENTS OF CONVERTIBLE AND REDEEMABLE SERIES A-2 PREFERRED STOCK AND STOCKHOLDERS'
EQUITY
(In thousands, except share data)

	Convertible and Redeemable Series A-2 Preferred Stock		Common Stock		Additional Paid-In Capital	Accumulated Deficit	Accumulated Other Comprehensive Income (Loss)	Total Stockholders' Equity
	Shares	Amount	Shares	Amount				
Balance at December 31, 2021	17,500	\$ 152,928	29,619,921	\$ —	\$ 464,143	\$ (147,678)	\$ 36	\$ 316,501
Net loss	—	—	—	—	—	(31,819)	—	(31,819)
Stock-based compensation	—	—	—	—	43,290	—	—	43,290
Dividend payment to the Series A-2 Preferred shareholders	—	—	—	—	(16,400)	—	—	(16,400)
Common stock issuances pursuant to exercises and vesting of equity awards	—	—	126,872	—	1,643	—	—	1,643
Accumulated other comprehensive loss	—	—	—	—	—	—	(28)	(28)
Balance at December 31, 2022	<u>17,500</u>	<u>\$ 152,928</u>	<u>29,746,793</u>	<u>\$ —</u>	<u>\$ 492,676</u>	<u>\$ (179,497)</u>	<u>\$ 8</u>	<u>\$ 313,187</u>
Net loss	—	—	—	—	—	(30,859)	—	(30,859)
Stock-based compensation	—	—	—	—	47,267	—	—	47,267
Dividend payment to the Series A-2 Preferred shareholders	—	—	—	—	(16,400)	—	—	(16,400)
Common stock issuances pursuant to exercises and vesting of equity awards	—	—	330,173	—	4,690	—	—	4,690
Acquisitions consideration paid in common stock	—	—	86,577	—	2,598	—	—	2,598
Acquisitions contingent consideration paid in common stock	—	—	26,688	—	1,000	—	—	1,000
Accumulated other comprehensive loss	—	—	—	—	—	—	(231)	(231)
Balance at December 31, 2023	<u>17,500</u>	<u>\$ 152,928</u>	<u>30,190,231</u>	<u>\$ —</u>	<u>\$ 531,831</u>	<u>\$ (210,356)</u>	<u>\$ (223)</u>	<u>\$ 321,252</u>
Net loss	—	—	—	—	—	(62,314)	—	(62,314)
Stock-based compensation	—	—	—	—	64,665	—	—	64,665
Redemption of Series A-2 Preferred Stock	(5,833)	(60,000)	—	—	—	—	—	—
Dividend payment to the Series A-2 preferred shareholders	—	—	—	—	(11,064)	—	—	(11,064)
Common stock issuances pursuant to exercises and vesting of equity awards	—	—	320,903	—	2,060	—	—	2,060
Issuance of common stock pursuant to follow-on offering	—	—	3,450,000	—	121,776	—	—	121,776
Acquisitions consideration paid in common stock	—	—	313,394	—	10,712	—	—	10,712
Acquisitions contingent consideration paid in common stock	—	—	35,250	—	1,087	—	—	1,087
Accumulated other comprehensive loss	—	—	—	—	—	—	(1,910)	(1,910)
Balance at December 31, 2024	<u>11,667</u>	<u>\$ 92,928</u>	<u>34,309,778</u>	<u>\$ —</u>	<u>\$ 721,067</u>	<u>\$ (272,670)</u>	<u>\$ (2,133)</u>	<u>\$ 446,264</u>

The accompanying notes are an integral part of these consolidated financial statements.

MONTROSE ENVIRONMENTAL GROUP, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands)

	For the Year Ended December 31,		
	2024	2023	2022
Operating activities:			
Net loss	\$ (62,314)	\$ (30,859)	\$ (31,819)
Adjustments to reconcile net loss to net cash provided by operating activities:			
Depreciation and amortization	52,762	45,780	47,479
Amortization of right-of-use asset	11,572	10,194	9,289
Stock-based compensation expense	64,665	47,267	43,290
Fair value changes in financial instruments	3,123	(4,129)	(3,396)
Deferred income taxes	4,286	(980)	2,250
Other operating activities, net	608	3,142	(3,975)
Changes in operating assets and liabilities, net of acquisitions:			
Accounts receivable and contract assets	(41,977)	(2,923)	4,394
Prepaid expenses and other current assets	(552)	(918)	(1,763)
Accounts payable and other accrued liabilities	3,798	(8,912)	(9,878)
Accrued payroll and benefits	(1,709)	9,464	(6,830)
Payment of contingent consideration	—	(611)	(19,457)
Change in operating leases	(12,027)	(10,493)	(8,935)
Net cash (used in) provided by operating activities	\$ 22,235	\$ 56,022	\$ 20,649
Investing activities:			
Proceeds from corporate owned and property insurance	224	573	329
Purchases of property and equipment	(21,333)	(29,578)	(9,583)
Proceeds from the sale of property and equipment	2,148	971	174
Proprietary software development and other software costs	(2,501)	(3,352)	(593)
Purchase price true ups	(3,287)	(1,425)	(389)
Minority investments	(210)	(2,626)	—
Cash paid for acquisitions, net of cash acquired	(113,086)	(66,187)	(28,625)
Net cash used in investing activities	\$ (138,045)	\$ (101,624)	\$ (38,687)
Financing activities:			
Proceeds from line of credit	403,116	—	—
Repayment of the line of credit	(377,615)	—	—
Proceeds from the aircraft loan	—	10,935	—
Repayment of aircraft loan	(1,071)	(591)	—
Proceeds from term loan	50,000	—	—
Repayment of term loan	(15,000)	(12,211)	(8,750)
Payment of contingent consideration and other purchase price true ups	(363)	(1,949)	(11,107)
Repayment of finance leases	(5,489)	(4,584)	(3,967)
Payments of deferred financing costs	(348)	—	(183)
Proceeds from issuance of common stock for exercised stock options	2,060	4,690	1,643
Proceeds from issuance of common stock in follow-on offering	121,776	—	—
Dividend payment to the series A-2 stockholders	(11,064)	(16,400)	(16,400)
Repayment to the series A-2 stockholders	(60,000)	—	—
Net cash provided by (used in) financing activities	\$ 106,002	\$ (20,110)	\$ (38,764)
Change in cash, cash equivalents and restricted cash	(9,808)	(65,712)	(56,802)
Foreign exchange impact on cash balance	(497)	(876)	(111)
Cash, cash equivalents and restricted cash:			
Beginning of year	23,240	89,828	146,741
End of year	\$ 12,935	\$ 23,240	\$ 89,828

The accompanying notes are an integral part of these consolidated financial statements.

MONTROSE ENVIRONMENTAL GROUP, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands)

	For the Year Ended December 31,			
	2024	2023	2022	
Supplemental disclosures of cash flows information:				
Cash paid for interest	\$ 14,780	\$ 8,059	\$ 6,514	
Cash paid for income tax	\$ 4,194	\$ 997	\$ 789	
Supplemental disclosures of non-cash investing and financing activities:				
Accrued purchases of property and equipment	\$ 983	\$ 1,098	\$ 2,261	
Property and equipment purchased under finance leases	\$ 9,435	\$ 8,298	\$ 5,061	
Common stock issued to acquire new businesses	\$ 10,712	\$ 2,598	\$ —	
Acquisitions unpaid contingent consideration	\$ 33,127	\$ 6,040	\$ 8,255	
Acquisitions contingent consideration paid in common stock	\$ 1,087	\$ 1,000	\$ —	
Accrued lease surrender liability (Note 7)	\$ —	\$ 5,947	\$ —	

The accompanying notes are an integral part of these consolidated financial statements.

MONTROSE ENVIRONMENTAL GROUP, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(In thousands, except where otherwise indicated)

1. DESCRIPTION OF THE BUSINESS AND BASIS OF PRESENTATION

Description of the Business—Montrose Environmental Group, Inc. (Montrose or the Company) is a corporation formed on November 2013, under the laws of the State of Delaware. The Company has approximately 120 offices across the United States, Canada, Australia and Europe and approximately 3,410 employees as of December 31, 2024.

Montrose is an environmental services company serving the recurring environmental needs of a diverse client base, including Fortune 500 companies and federal, state and local governments through the following three segments:

Assessment, Permitting and Response segment provides scientific advisory and consulting services to support environmental assessments, environmental emergency response and recovery, toxicology consulting and environmental audits and permits for current operations, facility upgrades, new projects, decommissioning projects and development projects. The Company works closely with clients to navigate the regulatory process at the local, state, provincial and federal levels, to identify the potential environmental and political impacts of their decisions and develop practical mitigation approaches, as needed. In addition to environmental toxicology, and given the Company's expertise in helping businesses plan for and respond to disruptions, the Company's scientists and response teams have helped clients navigate their preparation for and response to emergency response situations.

Measurement and Analysis segment is one of the largest providers of environmental testing and laboratory services in North America. The Company's highly credentialed teams test and analyze air, water and soil to determine concentrations of contaminants, as well as the toxicological impact of contaminants on flora, fauna and human health. The Company's offerings include source and ambient air testing and monitoring, leak detection, and advanced multi-media laboratory services, including air, soil, stormwater, wastewater and drinking water analysis.

Remediation and Reuse segment provides clients with engineering, design, and implementation services, primarily to treat contaminated water, remove contaminants from soil or create renewable energy from waste. The Company's team, including engineers, scientists and consultants, provides these services to assist clients in designing solutions, managing products and mitigating environmental risks and liabilities at their locations. The Company does not own the properties or facilities at which it implements these projects or the underlying liabilities, nor does the Company own material amounts of the equipment used in projects.

Basis of Presentation—The accompanying consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States (GAAP). Intercompany balances and transactions are eliminated.

Reclassifications—Certain reclassifications have been made to prior period amounts in the audited consolidated financial statements to conform to the current period presentation. Within the consolidated statement of cash flows, the Company reclassified \$3.1 million and (\$1.1) million of provision for bad debt, \$0.1 million and (\$3.2) million of fair value changes and (\$0.1) million and \$0.3 million of other activities to other operating activities, net, for 2023 and 2022, respectively. Within the consolidated statements of convertible and redeemable Series A-2 Preferred Stock and stockholders' equity, the Company disaggregated 443,438 shares or \$8.2 million of common stock issued in 2023 to separate line items. Within Note 12, Income Taxes, in the table of significant components of deferred tax assets for 2023, the Company disaggregated (i) the employee related line item of \$12.6 million into a \$4.9 million accrued compensation line item and a \$7.7 million equity compensation line item and (ii) the other line item of \$6.8 million into a \$3.4 million Section 163(j) interest limitation line item and a \$0.7 million Section 174 research and experimental expenditures line item, and (iii) the allowance for bad debt line item of \$0.7 million was reclassified to the other line item. Within Note 12 Income Taxes significant components of deferred tax liability for 2023, the Company reclassified \$1.5 million of Section 481A adjustment into other line item. These reclassifications did not have a material impact on previously reported amounts.

2. SIGNIFICANT ACCOUNTING POLICIES

Use of Estimates—The preparation of the consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and

disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Significant estimates inherent in the preparation of the accompanying consolidated financial statements include, but are not limited to, management's forecasts of future cash flows used as a basis to assess recoverability of goodwill and long-lived assets, the allocation of purchase price to tangible and intangible assets, allowances for doubtful accounts, the estimated useful lives over which property and equipment is depreciated and intangible assets are amortized, subsequent measurement of goodwill, the fair value of contingent consideration payables, the fair value of embedded derivatives, equity-based compensation expense and deferred taxes. These estimates could materially differ from actual results.

Cash, Cash Equivalents and Restricted Cash—The Company maintains its cash in bank deposit accounts, which at times may exceed federally insured limits. The Company considers cash deposits in banks as cash with original maturities at purchase of three months or less as cash equivalents.

Cash, long-term debt and financial instruments subject the Company to concentrations of credit risk. To minimize the risk of credit loss, these financial instruments are primarily held with large, reputable financial institutions. The Company has not experienced losses in such accounts and believes it is not exposed to any significant credit risk associated with these accounts.

Cash that is restricted as to withdrawal or use under the terms of certain contractual agreements is recorded in restricted cash in the Company's consolidated statements of financial position. The Company's \$1.5 million restricted cash balance as of December 31, 2024 primarily consisted of a \$1.0 million sublease deposit (Note 8).

Accounts Receivables-Net—Accounts receivable are presented in the consolidated statements of financial position, net of an allowance for doubtful accounts. The allowance for doubtful accounts is established at the origination of an account in accordance with Accounting Standard Update (ASU) 2016-13, Financial Instruments—Credit Losses (Topic 326). Accounting Standards Codification (ASC) 326 requires the Company to estimate the lifetime expected credit losses on such instruments and to record an allowance to offset the receivables.

Financial Instruments—The Financial Accounting Standards Board (FASB) ASC 820, Fair Value Measurements and Disclosures, defines fair value as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in principal or most advantageous market for the asset or liability in an orderly transaction between market participants at the measurement date. ASC 820 establishes a three-level fair value hierarchy that prioritizes the inputs and minimizes the use of unobservable inputs. The three levels of inputs used to measure fair values are as follows:

Level 1—Quoted prices in active markets for identical assets or liabilities.

Level 2—Observable inputs other than quoted prices included in Level 1, such as quoted prices for similar assets and liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not active; or other inputs that are observable or can be corroborated by observable market data.

Level 3—Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities. This includes certain pricing models, discounted cash flow methodologies and similar techniques that use significant unobservable inputs. The inputs to the determination of fair value are based upon the best information in the circumstances and may require significant management judgment or estimation.

The Company considers the carrying values of cash, cash equivalents, restricted cash, accounts receivable, accounts payable, and accrued expenses to approximate fair value for these financial instruments due to the short maturities of these instruments. The Company's interest rate swap, embedded derivatives, and any acquisition's contingent consideration are carried at fair value and determined according to the fair value hierarchy above.

The Company's variable rate borrowings under its Credit Facility (Note 13) is tied to market indices and, thus, approximate fair value. The estimated fair value of the long-term debt under the credit facility is based on borrowing rates currently available to the Company for loans with similar terms and remaining maturities.

Impairment of Long-Lived Assets—Certain events or changes in circumstances may indicate that the recoverability of the carrying amount of long lived assets should be assessed. When such events or changes in circumstances are present, the Company estimates the future cash flows expected to result from the use of the asset (or asset group) and its eventual disposition. If the sum of the expected undiscounted future cash flows is less than the carrying amount, the Company recognizes an impairment based on the fair value of such assets.

Acquisitions—The Company first assesses whether the acquisition represents a purchase of assets or a business. If the transaction is a business acquisition, the Company accounts for the acquisition using business combination accounting, which requires that assets acquired and liabilities assumed be recognized at fair value as of the acquisition date. The purchase price of acquisitions is allocated to the tangible and identifiable intangible assets acquired and liabilities assumed based on estimated fair values, and any excess purchase price over the identifiable assets acquired and liabilities assumed is recorded as goodwill. Goodwill represents the premium the Company pays over the fair value of the net tangible and intangible assets acquired. The Company may use independent valuation specialists to assist in determining the estimated fair values of assets acquired and liabilities assumed, which could require certain significant management assumptions and estimates. Transaction costs associated with acquisitions of businesses are expensed as they are incurred.

Business Acquisition Contingencies— Some of the Company's acquisition agreements include contingent consideration arrangements, which are generally based on the achievement of future performance thresholds. For each transaction, the Company estimates the fair value of contingent consideration payments as part of the initial purchase price and record the estimated fair value of contingent consideration as a liability. Subsequent changes in the fair value of contingent consideration are recognized as a gain or loss in the consolidated statements of operations. Payments of contingent consideration are reflected in financing activities in the consolidated statements of cash flows to the extent included as part of the initial purchase price, or in operating activities if the payment exceeds the amount included in the initial purchase price.

Goodwill—Goodwill is not amortized but instead qualitatively or quantitatively tested for impairment at least annually. Should an event or circumstances indicate that a reduction in fair value of the reporting unit may have occurred during the year, goodwill would also be tested at such occasion. The Company performs its goodwill test at the reporting unit level. If necessary, the goodwill quantitative impairment test is performed on October 1st every year.

The Company uses a two-step process to assess the realizability of goodwill. The first step (generally referred to as a "step 0" analysis) is a qualitative assessment that analyzes current economic indicators associated with a particular reporting unit. For example, the Company analyzes changes in economic, market and industry conditions, business strategy, cost factors, and financial performance, among others, to determine if there are indicators of a significant decline in the fair value of a particular reporting unit. If the qualitative assessment indicates a stable or improved fair value, no further testing is required. If a qualitative assessment indicates it is more likely than not that the fair value of a reporting unit is less than its carrying amount, the Company will proceed to the quantitative second step (generally referred to as a "step 1" analysis).

Step 1 of the quantitative test requires comparison of the carrying value of each of the reporting units to the respective fair value, calculated based on weighted income and market-based approaches. If the carrying value of the reporting unit is less than the fair value, no impairment exists. Otherwise, the Company would recognize an impairment charge for the amount by which the carrying amount of a reporting unit exceeds its fair value up to the amount of goodwill allocated to that reporting unit.

During 2024 and 2023, the Company elected to perform a step 1 impairment analysis. Based on the analysis performed, management determined that no impairment of goodwill existed in any of the Company's reporting units as of the testing date (October 1, 2024). Also, no triggering events or changes in circumstances occurred during the period October 1, 2024 through December 31, 2024 that warranted retesting goodwill for impairment.

Embedded Derivatives—Embedded derivatives that are required to be bifurcated from the underlying host instrument are accounted for and valued as a separate financial instrument. These embedded derivatives are bifurcated, accounted for at their estimated fair value, which is based on certain estimates and assumptions, and presented

separately on the consolidated statements of financial position. Our valuation of embedded derivatives follows the With and Without method of the income approach, where the value of the derivative is derived by comparing projected cash flows with and without the embedded feature. The discount rate reflects the level of risk associated with these cash flows and is determined based on an evaluation of the Company's credit risk and market required yields for comparable securities with similar credit risk. To derive a credit rating indication, the Company utilizes the Synthetic Credit Rating Model, and the recovery rate method is employed to establish the Company's discount rate. Changes in fair value of the embedded derivatives are recognized as a component of other income/expense on the Company's consolidated statements of operations (Note 16).

Foreign Currency—The Company has operations in the United States, Canada, Australia and Europe. The results of its non-U.S. dollar based functional currency operations are translated to U.S. dollars at the average exchange rates during the period. The Company's assets and liabilities are translated using the exchange rate as of the date of the consolidated statement of financial position and equity is translated using historical rates. Adjustments resulting from the translation of the consolidated financial statements of the Company's foreign functional currency subsidiaries into U.S. dollars are excluded from the determination of net income (loss) and instead are accumulated in a separate component of stockholders' equity. Foreign exchange transaction gains and losses are included in selling, general and administrative expense on the consolidated statements of operations.

Accumulated Other Comprehensive Income (Loss)—Accumulated other comprehensive income (loss), as presented on the consolidated statements of redeemable convertible and redeemable Series A-2 Preferred Stock and stockholders' equity (deficit), consists of unrealized gains and losses on foreign currency translation. Comprehensive income (loss) is not included in the computation of income tax benefit.

Accumulated other comprehensive loss increased by \$1.9 million in 2024 due to the strengthening of the U.S. dollar at the end of 2024.

Revenue Recognition—Revenue is recognized in accordance with ASC Topic 606, Revenue from Contracts with Customers. The following is considered by the Company in the recognition of revenue under ASC 606:

The Company's services are performed under two general types of contracts (i) fixed-price and (ii) time-and-materials. Under fixed-price contracts, customers pay an agreed-upon amount for a specified scope of work agreed to in advance of the project. Under time-and-materials contracts, customers pay for the hours worked and resources used based on agreed-upon rates. Certain of the Company's time-and-materials contracts are subject to maximum contract amounts. The duration of the Company's contracts ranges from less than one month to over a year, depending on the scope of services provided. Payment terms are agreed upon at the time of contract approval and are typically net 30. Costs to obtain and fulfill contracts associated with system sales are expensed as a cost of revenue when the Company has fulfilled its performance obligations.

The Company accounts for individual promises in contracts as separate performance obligations if the promises are distinct. The assessment requires judgment. The majority of the Company's contracts have a single performance obligation as the promise to transfer the individual goods or services is not separately identifiable from other promises in the contracts and is, therefore, not distinct. Certain contracts in the Company's Measurement and Analysis segment have multiple performance obligations, most commonly due to the contracts providing for multiple laboratory tests which are individual performance obligations.

For the Measurement and Analysis contracts with multiple performance obligations, the Company allocates the transaction price to each performance obligation based on the relative standalone selling price of each performance obligation. The standalone selling price of each performance obligation is generally determined by the observable price of a service when sold separately.

Fixed fee contracts—On the majority of fixed fee contracts, the Company recognizes revenue, over time, using either the proportion of actual costs incurred to the total costs expected to complete the contract performance obligation (cost to cost method), or the time-elapsed basis. The Company determined that the cost to cost method best represents the transfer of services as the proportion closely depicts the efforts or inputs completed towards the satisfaction of a fixed fee contract performance obligation. Under the time-elapsed basis, the arrangement is considered a single performance obligation comprised of a series of distinct services that are substantially the same and that have the same

pattern of transfer (i.e. distinct days of service). The Company applies a time-based measure of progress to the total transaction price, which results in ratable recognition over the term of the contract. For a portion of the Company's laboratory service contracts, revenue is recognized as performance obligations are satisfied over time, with recognition reflecting a series of distinct services using the output method. The Company determined that this method best represents the transfer of services as the customer obtains equal benefit from the service throughout the service period.

There are inherent uncertainties in the estimation process for cost to cost contracts, as the estimation of total contract costs and estimates to complete is complex, subject to many variables, and requires judgment. It is possible that estimates of costs to complete a performance obligation will be revised in the near-term based on actual progress and costs incurred. These uncertainties primarily impact the Company's contracts in the Remediation and Reuse segment.

Time-and-materials contracts—Time-and-materials contracts contain variable consideration. However, these arrangements qualify for the "Right to Invoice" practical expedient. Under this practical expedient, the Company recognized revenue, over time, in the amount to which the Company has a right to invoice. In addition, the Company is not required to estimate such variable consideration upon inception of the contract and reassess the estimate each reporting period. The Company determined that this method best represents the transfer of services as, upon billing, the Company had a right to consideration from a customer in an amount that directly corresponded with the value to the customer of the Company's performance completed to date.

Segment Reporting—Operating segments are components of an enterprise for which discrete financial reporting information is available and evaluated regularly by the chief operating decision maker (CODM) in deciding how to allocate resources and in assessing performance. The Company has identified its Chief Executive Officer as the CODM. The CODM views the Company's operations and manages the businesses as three operating segments, which are also the Company's reportable segments: (i) Assessment, Permitting and Response, (ii) Measurement and Analysis, and (iii) Remediation and Reuse.

Stock-Based Compensation—The Company sponsors stock incentive plans that allow for issuance of employee stock options, restricted stock awards, restricted stock units and stock appreciation rights awards.

There are certain awards that were issued to non-employees in exchange for their services and are accounted for under ASC 505, Equity-Based Payments to Non-Employees. ASC 505 requires that the fair value of the equity instruments issued to a non-employee be measured on the earlier of: (i) the performance commitment date or (ii) the date the services required under the arrangement have been completed.

Certain of the performance based restricted stock units will only meet the requirements for establishing a grant date when the final calculated financial performance metrics and the amount of awards have been approved by the Company's Board of Directors, which will then trigger the service inception date, the fair value of the awards, and the associated expense recognition period.

The fair value of the remaining stock-based payment awards is expensed over the vesting period of each tranche on a straight-line basis. Any modification of an award that increases its fair value will require the Company to recognize additional expense. The fair value of stock options under its employee stock incentive plan are estimated as of the grant date using the Black-Scholes option valuation model, which is affected by its expected dividend yield, expected term and the expected share price volatility of its common shares over the expected term. No dividend rates are used in the calculation as these are not applicable to the Company. Forfeitures are recognized as incurred. Employee options are accounted for in accordance with the guidance set forth by ASC 718, Stock Based Compensation.

The fair value of stock appreciation rights is estimated at the grant date using the geometric Brownian motion model. This process has been widely used to model stock prices and is the underpinning of the Black-Scholes option pricing model and other extensions of the Random Walk Hypothesis of stock price movements and the Efficient Market Hypothesis. The stock appreciation rights were accounted for as equity classified awards and were cancelled as of December 31, 2024.

Income Taxes— The Company accounts for income taxes under the asset and liability method, which requires recognition of deferred tax assets and liabilities for the expected future tax consequences of events that have been included in the financial statements or tax returns. Under this method, deferred tax assets and liabilities are determined based on the difference between the financial statement and tax basis of assets and liabilities using enacted tax rates in effect for the year in which the differences are expected to reverse. The effect of a change in tax rates on deferred tax assets and liabilities is recognized in the period that includes the enacted date.

A valuation allowance is recorded when it is more-likely-than-not some of the deferred tax assets may not be realized. Significant judgment is applied when assessing the need for a valuation allowance and the Company considers all available positive and negative evidence, including future taxable income, reversals of existing deferred tax assets and liabilities and ongoing prudent and feasible tax planning strategies in making such assessment. Should a change in circumstances lead to a change in judgment regarding the utilization of deferred tax assets in future years, the Company will adjust the related valuation allowance in the period such change in circumstances occurs.

For acquired business entities, if the Company identifies changes to acquired deferred tax asset valuation allowances or liabilities related to uncertain tax positions during the measurement period, and they relate to new information obtained about facts and circumstances existing as of the acquisition date, those changes are considered a measurement period adjustment and the offset is recorded to goodwill.

The Company records uncertain tax positions on the basis of the two-step process in which (i) it determines whether it is more-likely-than-not that the tax positions will be sustained on the basis of the technical merits of the position and (ii) for those tax positions that meet the more-likely-than-not recognition threshold, the Company would recognize the largest amount of tax benefit that is more than 50.0% likely to be realized upon ultimate settlement with the related tax authority. The Company has determined that there are no uncertain tax positions as of December 31, 2024 and 2023. The Company classifies interest and penalties recognized on uncertain tax positions as a component of income tax expense.

3. SUMMARY OF NEW ACCOUNTING PRONOUNCEMENTS

Recently Adopted Accounting Pronouncements

ASU 2023-07 —In November 2023, the FASB issued ASU 2023-07, Improvements to Reportable Segment Disclosures. The amendments improve reportable segment disclosure requirements, primarily through enhanced disclosures about significant segment expenses. In addition, the amendments enhance interim disclosure requirements, clarify circumstances in which an entity can disclose multiple segment measures of profit or loss, provide new segment disclosure requirements for entities with a single reportable segment, and contain other disclosure requirements. The purpose of the amendments is to enable investors to better understand an entity's overall performance and assess potential future cash flows. ASU 2023-07 was effective for the Company's fiscal year beginning January 1, 2024 and required the use of a retrospective approach to all periods presented. The Company adopted the standard on January 1, 2024, and plans to adopt the standard for interim periods beginning January 1, 2025. The Company determined that such an adoption will not have a material impact on the Company's consolidated financial statements.

Recently Issued Accounting Pronouncements Not Yet Adopted

ASU 2024-03 —In November 2024, the FASB issued ASU 2024-03, Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses (ASU 2024-03), which is intended to improve the disclosures about a public business entity's expenses and address requests from investors for more detailed information about the types of expenses in commonly presented expense captions (such as cost of sales; selling, general, and administrative expenses; and research and development). ASU 2024-03 is effective for the Company's fiscal year beginning January 1, 2027 and interim periods within fiscal years beginning after December 15, 2027, and allows the use of a prospective or retrospective approach. The Company plans to adopt the standard on January 1, 2027 and is currently evaluating the impact of the adoption of the standard on its consolidated financial statements.

ASU 2023-05 —In August 2023, the FASB issued ASU 2023-05 Business Combinations — Joint Venture Formations (Subtopic 805-60): Recognition and Initial Measurement, under which an entity that qualifies as either a joint venture or a corporate joint venture is required to apply a new basis of accounting upon the formation of the joint venture. Specifically, the ASU provides that a joint venture or a corporate joint venture must initially measure its

assets and liabilities at fair value on the formation date. The amendments in ASU 2023-05 are effective for all joint ventures within the ASU’s scope that are formed on or after January 1, 2025. Early adoption is permitted. The Company is currently evaluating the impact of the adoption of the standard on its consolidated financial statements.

ASU 2023-09 —In December 2023, the FASB issued ASU 2023-09, Improvements to Income Tax Disclosures, which improves the transparency of income tax disclosures by requiring consistent categories and greater disaggregation of information in the rate reconciliation and income taxes paid disaggregated by jurisdiction. It also includes certain other amendments to improve the effectiveness of income tax disclosures. ASU 2023-09 is effective for the Company beginning January 1, 2025 and allows the use of a prospective or retrospective approach. The Company is currently evaluating the impact of the adoption of the standard on its consolidated financial statements.

4. REVENUES AND ACCOUNTS RECEIVABLE

The Company’s main revenue sources derive from the following revenue streams:

Assessment, Permitting and Response Revenues are generated from multidisciplinary environmental consulting services. The majority of the contracts are fixed-price or time-and-material based.

Measurement and Analysis Revenues are generated from emissions sampling, testing and reporting services, leak detection services, ambient air monitoring services and laboratory testing services. The majority of the contracts are fixed-price or time-and-materials based.

Remediation and Reuse Revenues are generated from engineering, design, implementation and operating and maintenance (O&M) services primarily to treat contaminated water, remove contaminants from soil or create renewable energy from waste. Engineering, design and implementation contracts are predominantly fixed-fee and time-and-materials based. Services on the majority of O&M contracts are provided under long-term fixed-fee contracts.

Disaggregation of Revenue—The Company disaggregates revenue by its operating segments and geographic location. The Company believes disaggregating revenue into these categories achieves the disclosure objectives to depict how the nature, amount, and uncertainty of revenue and cash flows are affected by economic factors. Disaggregated revenue disclosures are provided in Note 19.

Contract Balances

The Company presents contract balances for unbilled receivables (contract assets), as well as customer advances, deposits and deferred revenue (contract liabilities) within contract assets and accounts payable and other accrued expenses, respectively, on the consolidated statements of financial position. Amounts are generally billed at periodic intervals (e.g. weekly, bi-weekly or monthly) as work progresses in accordance with agreed-upon contractual terms. The Company utilizes the practical expedient to not adjust the promised amount of consideration for the effects of a significant financing component for the arrangements in which the period between when the Company transfers services to a customer and when the customer pays for those services is one year or less. Amounts recorded as unbilled receivables are generally for services the Company is not entitled to bill based on the passage of time. Under certain contracts, billing occurs subsequent to revenue recognition, resulting in contract assets. The Company sometimes receives advances or deposits from customers before revenue is recognized, resulting in contract liabilities.

The following table presents the Company’s contract balances as of December 31:

	December 31, 2024	December 31, 2023
Contract assets	\$ 52,091	\$ 51,629
Contract liabilities	9,297	8,132

Contract assets acquired through business acquisitions amounted to \$2.6 million and \$2.2 million as of December 31, 2024 and 2023, respectively. No contract liabilities were acquired through business acquisitions as of both December 31, 2024 and 2023.

Revenue recognized during the year ended December 31, 2024, included in the contract liability balance at the beginning of the year was \$5.1 million. The revenue recognized from the contract liabilities consisted of the Company satisfying performance obligations during the normal course of business.

Remaining Unsatisfied Performance Obligations

Remaining unsatisfied performance obligations represent the total dollar value of work to be performed on contracts awarded and in progress. The amount of remaining unsatisfied performance obligations increases with new contracts or additions to existing contracts and decreases as revenue is recognized on existing contracts. Contracts are included in the amount of remaining unsatisfied performance obligations when an enforceable agreement has been reached. As of December 31, 2024 and 2023, the estimated revenue expected to be recognized in the future related to performance obligations that are unsatisfied was approximately \$77.3 million and \$81.9 million, respectively. As of December 31, 2024, the Company expected to recognize approximately 71% of this amount as revenue within a year, and the remaining 29% to be recognized as revenue beyond one year.

Accounts Receivable, Net

Accounts receivable, net consisted of the following:

	December 31, 2024	December 31, 2023
Accounts receivable, invoiced	\$ 160,976	\$ 115,084
Allowance for doubtful accounts	(2,093)	(2,724)
Accounts receivable, net	<u>\$ 158,883</u>	<u>\$ 112,360</u>

The Company did not have any customers that exceeded 10.0% of its gross receivables as of December 31, 2024 and 2023. The Company did not have any customers that exceeded 10.0% of revenues as of December 31, 2024 and had a customer who accounted for approximately 10.0%, and 14.4% of revenue for the years ended December 31, 2023 and 2022, respectively.

The Company performs ongoing credit evaluations and based on past collection experience, the Company believes that the receivable balances from these largest customers do not represent a significant credit risk.

The allowance for doubtful accounts consisted of the following:

	Beginning Balance	Bad Debt Expense (Recovery)	Charged to Allowance	Ending Balance
Year ended December 31, 2024	\$ 2,724	\$ (146) ⁽¹⁾	\$ (485) ⁽¹⁾	\$ 2,093
Year ended December 31, 2023	1,915	3,142 ⁽¹⁾	(2,333) ⁽¹⁾	2,724
Year ended December 31, 2022	4,581	(1,097)	(1,569)	1,915

(1) Amount includes \$2.2 million of current expected losses on the Discontinued Specialty Lab promissory note receivable as described in Note 8.

5. PREPAID AND OTHER CURRENT ASSETS

Prepaid and other current assets consisted of the following:

	December 31, 2024	December 31, 2023
Deposits	\$ 1,073	\$ 1,764
Prepaid expenses	10,223	8,085
Supplies	2,794	3,819
Prepaid and other current assets	<u>\$ 14,090</u>	<u>\$ 13,668</u>

6. PROPERTY AND EQUIPMENT, NET

Property and equipment are stated at cost or estimated fair value for assets acquired through business combinations. Depreciation and amortization are provided using the straight-line method over the estimated useful lives of the assets. Leasehold improvements are amortized using the straight-line method over the shorter of the remaining lease term, including options that are deemed to be reasonably assured, or the estimated useful life of the improvement.

Property and equipment, net consisted of the following:

	Estimated Useful Life	December 31, 2024	December 31, 2023
Lab and test equipment	7 years	\$ 24,421	\$ 20,341
Vehicles	5 years	6,360	6,033
Equipment	3-7 years	60,763	50,387
Furniture and fixtures	7 years	3,221	2,963
Leasehold improvements	7 years	14,029	10,808
Aircraft	10-20 years	12,386	12,312
Building	39 years	5,763	5,748
		126,943	108,592
Land		1,089	1,089
Construction in progress		3,993	3,956
Less: Accumulated depreciation		(68,249)	(56,812)
Total property and equipment—net		<u>\$ 63,776</u>	<u>\$ 56,825</u>

Total depreciation expense for property and equipment, net included on the consolidated statements of operations was \$12.0 million, \$10.3 million and \$7.2 million for the years ended December 31, 2024, 2023, and 2022, respectively.

7. LEASES

Leases are classified as either finance or operating leases based on criteria in ASC 842. The Company has finance leases for its vehicle and equipment leases and operating leases for its real estate space and office equipment leases. The Company's operating and finance leases generally have original lease terms between 1 year and 15 years, and in some instances include one or more options to renew. The Company includes options to extend the lease term if the options are reasonably certain of being exercised. The Company currently considers some of its renewal options to be reasonably certain to be exercised. Some leases also include early termination options, which can be exercised under specific conditions. The Company does not have material residual value guarantees or restrictive covenants associated with its leases.

Finance and operating lease assets represent the right to use an underlying asset for the lease term, and finance and operating lease liabilities represent the obligation to make lease payments arising from the lease.

The Company calculates the present value of its finance and operating leases using an estimated incremental borrowing rate (IBR), which requires judgment. For real estate operating leases, the Company estimates the IBR based on prevailing market rates for collateralized debt in a similar economic environment with similar payment terms and

maturity dates commensurate with the terms of the lease. For all other leases, the Company estimates the IBR based on the stated interest rate on the contract. Since many of the inputs used to calculate the rate implicit in the leases are not readily determinable from the lessee's perspective, the Company does not use the implicit interest rate.

Certain leases contain variable payments, these payments are expensed as incurred and not included in the Company's operating lease right-of-use (ROU) assets and operating lease liabilities. These amounts primarily include payments for maintenance, utilities, taxes, and insurance and are excluded from the present value of the Company's lease obligations.

The Company does not record operating lease right-of-use assets or operating lease liabilities for leases with an initial term of 12 months or less. The Company also combines lease and non-lease components on all new or modified operating leases into a single lease component for all classes of assets.

When a lease is terminated before the expiration of the lease term, irrespective of whether the lease is classified as a finance lease or an operating lease, the lessee would derecognize the ROU asset and corresponding lease liability. Any difference would be recognized as a gain or loss related to the termination of the lease. Similarly, if a lessee is required to make any payments or receives any consideration when terminating the lease, it would include such amounts in the determination of the gain or loss upon termination.

The components of lease expense were as follows:

		For the Twelve Months Ended December 31,	
	Statement of Operations Location	2024	2023
Operating lease cost			
Lease cost	Selling, general and administrative expense	\$ 13,667	\$ 11,663
Variable lease cost	Selling, general and administrative expense	2,217	1,313
Lease termination gain-net ⁽¹⁾	Selling, general and administrative expense	—	(737)
Total operating lease cost		\$ 15,884	\$ 12,239
Finance lease cost			
Amortization of ROU assets	Depreciation and amortization	\$ 5,814	\$ 5,351
Interest on lease liabilities	Interest expense, net	611	655
Total finance lease cost		\$ 6,425	\$ 6,006
Total lease cost		\$ 22,309	\$ 18,245

- (1) During the year ended December 31, 2023, the Company became responsible for a lease surrender liability of \$8.3 million as a result of terminating one of its newly acquired businesses' lease agreements. The lease surrender fee is payable in equal installments beginning on February 28, 2024, through December 31, 2031. The present value of the current and long term portion of the surrender fee liability of \$0.5 million and \$5.4 million, on a discounted basis, is included in accounts payable and other accrued liabilities and other non-current liabilities, respectively, on the consolidated statements of financial position. Upon the termination of the lease, the Company wrote off the related \$2.3 million and \$8.9 million, ROU asset and lease liability, respectively, and recorded a gain of \$0.7 million, net of the surrender fee, within selling, general and administrative expense on the consolidated statements of operations. The outstanding lease surrender liability balance as of December 31, 2024 is \$4.8 million.

Supplemental cash flows information related to leases was as follows:

	For the Twelve Months Ended December 31,	
	2024	2023
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows used in operating leases	\$ 13,202	\$ 11,931
Operating cash flows used for interest related to finance leases	661	655
Financing cash flows used in finance leases	5,489	5,797
Lease liabilities arising from new ROU assets:		
Operating leases	20,951	31,459
Finance leases	8,841	7,636

Weighted average remaining lease terms and weighted average discount rates were:

	December 31, 2024	
	Operating Leases	Finance Leases
Weighted average remaining lease term (years)	4.6	3.7
Weighted average discount rate	4.8 %	6.7 %

	December 31, 2023	
	Operating Leases	Finance Leases
Weighted average remaining lease term (years)	4.4	3.5
Weighted average discount rate	4.2 %	6.3 %

The following is a schedule by year of the maturities of lease liabilities with original terms in excess of one year:

	Operating Leases	Finance Leases
2025	\$ 13,067	\$ 5,736
2026	10,827	4,823
2027	7,843	3,801
2028	6,239	2,525
2029	4,889	1,265
2030 and thereafter	4,397	—
Total undiscounted future minimum lease payments	\$ 47,262	\$ 18,150
Less imputed interest	(5,037)	(2,063)
Total discounted future minimum lease payments	\$ 42,225	\$ 16,087

8. BUSINESS ACQUISITIONS AND DISPOSITIONS

In line with the Company's strategic growth initiatives, the Company acquired a number of businesses during the years ended December 31, 2024, 2023 and 2022. The results of each of those acquired businesses are included in the consolidated financial statements beginning on the respective acquisition dates. Each transaction qualified as an acquisition of a business and was accounted for as a business combination. All acquisitions resulted in the recognition of goodwill. The Company paid these premiums resulting in such goodwill for a number of reasons, including expected synergies from combining operations of the acquiree and the Company while also growing the Company's customer base, acquiring assembled workforces, expanding its presence in certain markets and expanding and advancing its product and service offerings. The Company recorded the assets acquired and liabilities assumed at their acquisition date fair value, with the difference between the fair value of the net assets acquired and the acquisition consideration reflected as goodwill.

The identifiable intangible assets for acquisitions are valued using the excess earnings method discounted cash flow approach for customer relationships, the relief from royalty method for trade names, external proprietary software and developed technology, the “with and without” method for covenants not to compete and the replacement cost method for the internal proprietary software by incorporating Level 3 inputs as described under the fair value hierarchy of ASC 820. These unobservable inputs reflect the Company’s own assumptions about which assumptions market participants would use in pricing an asset on a non-recurring basis. These assets will be amortized over their respective estimated useful lives.

Other purchase price obligations (primarily deferred purchase price liabilities and target working capital liabilities or receivables) are included on the consolidated statements of financial position in accounts payable and other accrued liabilities, other non-current liabilities or accounts receivable, net in the case of working capital deficits. Contingent consideration outstanding from acquisitions are included on the consolidated statements of financial position in business acquisition contingent consideration, current or in business acquisitions contingent consideration, long-term. The contingent consideration elements of the purchase price of the acquisitions are related to earn-outs which are based on the expected achievement of revenue or earnings thresholds as of the date of the acquisition and for which the maximum potential amount is limited.

The Company considers several factors when determining whether or not contingent consideration liabilities are part of the purchase price, including the following: (i) the valuation of its acquisitions is not supported solely by the initial consideration paid, (ii) the former stockholders of acquired companies that remain as key employees receive compensation other than contingent consideration payments at a reasonable level compared with the compensation of the Company’s other key employees and (iii) contingent consideration payments are not affected by employment termination. The Company reviews and assesses the estimated fair value of contingent consideration at each reporting period.

The Company may be required to make up to \$57.6 million in aggregate earn-out payments between the years 2025 and 2026, of which up to \$22.1 million may be paid only in cash, up to \$13.6 million may be paid only in common stock and up to \$21.9 million may be paid, at the Company's option, in cash or common stock.

Transaction costs related to business combinations totaled \$7.8 million, \$6.9 million and \$1.9 million for the years ended December 31, 2024, 2023, and 2022, respectively. These costs are expensed within selling, general and administrative expense in the accompanying consolidated statements of operations.

The weighted average useful lives of identifiable intangible assets by major intangible asset class acquired during 2024, 2023 and 2022 is as follows:

	2024	2023	2022
Customer relationships	8.2	9.4	7.4
Covenants not to compete	5.0	4.9	4.1
Trade names	2.0	1.8	1.9
Proprietary software	—	3.0	—
Total	5.3	4.7	4.0

2024 Acquisitions

Epic Environmental Pty LTD (EPIC)—In January 2024, the Company completed the acquisition of EPIC by acquiring 100% of its common stock. EPIC is an environmental consultancy, based in Brisbane, Australia, and serving clients across Australia.

Two Dot Consulting, LLC (2DOT)—In February 2024, the Company completed the acquisition of 2DOT by acquiring 100% of its membership interests. 2DOT is a leading environmental consultancy in the Rocky Mountain and adjacent regions, and is based in Denver, Colorado.

Engineering & Technical Associates, Inc. (ETA)—In April 2024, the Company acquired substantially all of the assets of ETA. ETA is a niche consulting firm focusing on providing process safety management, process hazardous analysis, and other safety-focused services to industrial clients throughout the United States.

Paragon Soil and Environmental Consulting Inc. (Paragon)—In May 2024, the Company completed the acquisition of Paragon by acquiring 100% of its ownership and interest. Paragon is an environmental consulting firm that provides services for clients across western Canada.

Spirit Environmental, LLC. (Spirit)—In July 2024, the Company completed the acquisition of Spirit by acquiring 100% of its membership interests. Spirit is a leading environmental consultant specializing in air permitting and compliance services across the central U.S. Spirit is based in Houston, Texas.

Origins Laboratory, Inc. (Origins)—In September 2024, the Company acquired substantially all of the assets of Origins. Origins is an accredited environmental analytical testing laboratory based in Denver, Colorado.

The upfront cash payment made to acquire the acquisitions completed during 2024 was funded through cash on hand and borrowings under our revolving credit facility. The other purchase price components mainly consist of deferred purchase price liabilities and working capital amounts.

Preliminarily, goodwill associated with these acquisitions except for EPIC are deductible for income tax purposes.

EPIC, 2DOT, and Paragon are included in the Remediation and Reuse segment, ETA and Spirit are included in the Assessment, Permitting and Response segment, and Origins is included in the Measurements and Analysis segment.

The following table summarizes the elements of the purchase price of the acquisitions completed during 2024:

	Cash	Common Stock	Other Purchase Price Components	Contingent Consideration	Total Purchase Price
EPIC	\$ 19,914	\$ 4,748	\$ 587	\$ 11,113	\$ 36,362
2DOT	39,393	1,832	(704)	—	40,521
ETA	1,600	—	400	—	2,000
Paragon	10,773	2,691	125	—	13,589
Spirit	16,027	1,441	(408)	8,760	25,820
Origins	27,414	—	—	8,000	35,414
Total	<u>\$ 115,121</u>	<u>\$ 10,712</u>	<u>\$ —</u>	<u>\$ 27,873</u>	<u>\$ 153,706</u>

The preliminary purchase price attributable to the 2024 acquisitions was allocated as follows:

	EPIC	2DOT	ETA	Paragon	Spirit	Origins	Total ⁽¹⁾
Cash	\$ 1,045	\$ 143	\$ —	\$ 242	\$ 605	\$ —	\$ 2,035
Accounts receivable and contract assets	1,772	740	—	3,188	2,393	—	8,093
Other current assets	78	—	—	85	119	—	282
Current assets	\$ 2,895	\$ 883	\$ —	\$ 3,515	\$ 3,117	\$ —	\$ 10,410
Property and equipment	43	—	—	341	145	1,787	2,316
Operating lease right-of-use asset	280	301	—	1,798	693	552	3,624
Customer relationships	12,053	9,521	—	4,209	4,090	7,305	37,178
Trade names	523	200	—	350	280	332	1,685
Covenants not to compete	1,817	2,940	—	45	700	87	5,589
Goodwill	25,102	27,273	2,000	6,444	18,285	25,903	105,007
Total assets	\$ 42,713	\$ 41,118	\$ 2,000	\$ 16,702	\$ 27,310	\$ 35,966	\$ 165,809
Current liabilities	1,994	404	—	1,572	1,490	—	5,460
Deferred tax liability	4,214	—	—	—	—	—	4,214
Operating lease liability—net of current portion	—	193	—	1,513	—	552	2,258
Other non-current liabilities	143	—	—	28	—	—	171
Total liabilities	\$ 6,351	\$ 597	\$ —	\$ 3,113	\$ 1,490	\$ 552	\$ 12,103
Purchase price	\$ 36,362	\$ 40,521	\$ 2,000	\$ 13,589	\$ 25,820	\$ 35,414	\$ 153,706

(1) The Company is continuing to obtain information to complete the valuation of certain of these acquisitions' assets and liabilities.

For the acquisitions completed during the year ended December 31, 2024, the results of operations since the acquisition dates have been combined with those of the Company. The Company's consolidated statement of operations for the year ended December 31, 2024 includes revenue and pre-tax income of \$44.6 million and \$8.5 million, respectively, related to these acquisitions.

2023 Acquisitions

Frontier Analytical Laboratories (Frontier) —In January 2023, the Company completed the acquisition of Frontier by acquiring certain of its assets and operations. Frontier is a specialized environmental laboratory based in El Dorado Hills, CA.

Environmental Alliance, Inc. (EAI) —In February 2023, the Company completed the acquisition of EAI by acquiring 100.0% of its common stock. EAI provides environmental remediation and consulting services, and is based in Wilmington, DE.

GreenPath Energy LTD (GreenPath) —In May 2023, the Company completed the acquisition of GreenPath by acquiring 100.0% of its common stock. GreenPath is a leading optical gas imaging and leak detection and management services firm and is based in Calgary, Canada.

Matrix Solutions, Inc. (Matrix) —In June 2023, the Company completed the acquisition of Matrix by acquiring 100.0% of its common stock. Matrix is one of Canada's leading environmental consulting and engineering companies and is based in Calgary, Canada.

Vandrensning ApS. (Vandrensning) —In July 2023, the Company completed the acquisition of Vandrensning by acquiring 100.0% of its common stock. Vandrensning, based outside Copenhagen, Denmark, specializes in water treatment solutions.

The upfront cash payment made to acquire all of the 2023 acquisitions was funded through cash on hand. The other purchase price components mainly consisted of deferred purchase price liabilities and working capital amounts.

Goodwill associated with the Frontier acquisition is deductible for income tax purposes.

Frontier and GreenPath are included in Measurement and Analysis segment. EAI, Matrix and Vandrensning are included in Remediation and Reuse segment.

The following table summarizes the elements of the purchase price of the acquisitions completed during 2023:

	Cash	Common Stock	Other Purchase Price Components	Contingent Consideration	Total Purchase Price
2023 Acquisitions	\$ 68,640	\$ 2,598	\$ 1,603	\$ 1,096	\$ 73,937

The final purchase price attributable to the 2023 acquisitions was allocated as follows:

	2023 Acquisitions (As Initially Reported)	2024 Measurement Period Adjustments	2024 (Final Amount)
Cash	\$ 2,453	—	\$ 2,453
Accounts receivable and contract assets	19,174	—	19,174
Other current assets	2,185	—	2,185
Current assets	23,812	—	23,812
Property and equipment	3,936	—	3,936
Operating lease right-of-use asset	4,825	—	4,825
Customer relationships	19,962	—	19,962
Trade names	2,373	—	2,373
Covenants not to compete	2,708	—	2,708
Other intangible assets	444	—	444
Goodwill	40,786	(866)	39,920
Total assets	98,846	(866)	97,980
Current liabilities	11,557	—	11,557
Operating lease liability—net of current portion	10,357	—	10,357
Deferred tax liability	1,999	—	1,999
Other non-current liabilities	130	—	130
Total liabilities	24,043	—	24,043
Purchase price	\$ 74,803	\$ (866)	\$ 73,937

For the acquisitions completed during the year ended December 31, 2023, the results of operations since the acquisition dates have been combined with those of the Company. The Company's consolidated statement of operations for the year ended December 31, 2023 includes revenue and pre-tax income of \$69.1 million and \$8.8 million, respectively, related to these acquisitions.

2022 Acquisitions

Environmental Standards, Inc. (Environmental Standards)—In January 2022, the Company completed the acquisition of Environmental Standards, Inc. by acquiring 100.0% of its common stock. Environmental Standards is a provider of environmental consulting and data validation services. Environmental Standards is based in Valley Forge, PA with satellite locations nationwide.

Industrial Automation Group, Inc. (IAG)—In January 2022, the Company completed the acquisition of Industrial Automation Group, Inc. by acquiring certain of its employees and a covenant not to compete. IAG provides

highly specialized engineering services which are additive to the Company's water treatment and renewable energy technology implementations. IAG is based in Atlanta, GA.

TriAD Environmental Consultants, Inc. (TriAD)—In August 2022, the Company completed the acquisition of TriAD Environmental Consultants, Inc. by acquiring 100.0% of its common stock. TriAD is a provider of environmental consulting services. TriAD is based in Nashville, TN.

AirKinetics, Inc. (AirKinetics)—In September 2022, the Company completed the acquisition of AirKinetics, Inc. by acquiring 100.0% of its common stock. AirKinetics is a provider of emissions testing services. AirKinetics is based in Anaheim, CA.

Huco Consulting, Inc. (Huco)—In November 2022, the Company completed the acquisition of Huco Consulting, Inc. by acquiring 100.0% of its common stock. Huco primarily specializes in the implementation of environment, health and safety software for industrial, commercial and government clients. Huco is based in Houston, TX.

The upfront cash payment made to acquire all of the 2022 acquisitions was funded through cash on hand. The other purchase price components of the Environmental Standards purchase price consisted of a surplus working capital amount and other deferred liabilities. The other purchase price components of all the other 2022 acquisitions mainly consisted of working capital amounts.

Goodwill associated with all of these acquisitions was deductible for income tax purposes.

Environmental Standards and Huco are included in the Company's Assessment, Permitting and Response segment, IAG and TriAD are included in the Remediation and Reuse segment and AirKinetics is included in the Measurement and Analysis segment.

The following table summarizes the elements of the purchase price of the acquisitions completed during 2022:

	Cash	Other Purchase Price Components	Other Purchase Price Components Long Term	Contingent Consideration	Total Purchase Price
Environmental Standards	\$ 14,473	\$ 544	\$ —	\$ 1,166	\$ 16,183
All other 2022 acquisitions	15,271	1,134 ⁽¹⁾	—	1,500	17,905
Total	<u>\$ 29,744</u>	<u>\$ 1,678</u>	<u>\$ —</u>	<u>\$ 2,666</u>	<u>\$ 34,088</u>

(1) Amounts do not consider measurement period adjustments of \$0.2 million recorded during 2023. See column "All Other 2022 Acquisitions Measurement Period Adjustments during 2023" in table below for further details.

The final purchase price attributable to the 2022 acquisitions was allocated as follows:

	Environmental Standards	All Other 2022 Acquisitions (As Initially Reported)	All Other 2022 Acquisitions Measurement Period Adjustments during 2023	All Other 2022 Acquisitions (As Adjusted)	Total
Cash	\$ 295	\$ 824	\$ —	\$ 824	\$ 1,119
Accounts receivable and contract assets	5,200	2,646	—	2,646	7,846
Other current assets	456	116	—	116	572
Current assets	5,951	3,586	—	3,586	9,537
Property and equipment	168	15	—	15	183
Operating lease right-of-use asset—net	2,895	215	—	215	3,110
Customer relationships	5,807	5,812	—	5,812	11,619
Trade names	1,010	639	—	639	1,649
Covenants not to compete	269	650	—	650	919
Goodwill	4,131	8,412	(159)	8,253	12,384
Total assets	20,231	19,329	(159)	19,170	39,401
Current liabilities	1,720	1,314	—	1,314	3,034
Operating lease liability—net of current portion	2,328	110	—	110	2,438
Total liabilities	4,048	1,424	—	1,424	5,472
Purchase price	\$ 16,183	\$ 17,905	\$ (159)	\$ 17,746	\$ 33,929

For the acquisitions completed during the year ended December 31, 2022, the results of operations since the acquisition dates have been combined with those of the Company. The Company's consolidated statement of operations for the year ended December 31, 2022 includes revenue and pre-tax income of \$20.2 million and \$2.9 million, respectively, related to these acquisitions.

Supplemental Unaudited Pro-Forma—The unaudited consolidated financial information summarized in the following table gives effect to the 2024, 2023, and 2022 acquisitions assuming they occurred on January 1, 2022. These unaudited consolidated pro forma operating results include results from certain acquired companies that have not been audited and whose accounting policies prior to acquisition may differ from those of the Company. As a result, these unaudited consolidated pro forma operating results may not be comparable to revenues and earnings had these consolidated pro forma results been audited and consistent accounting policies applied. These unaudited consolidated pro forma operating results do not assume any impact from revenue, cost or other operating synergies that are expected or may have been realized as a result of the acquisitions. These unaudited consolidated pro forma operating results are presented for illustrative purposes only and are not indicative of the operating results that would have been achieved had the acquisitions occurred on January 1, 2022, nor does the information project results for any future period.

	For the Twelve Months Ended December 31,		
	As reported	Acquisitions Pro-Forma (Unaudited)	Consolidated Pro-Forma (Unaudited)
2024			
Revenues	\$ 696,395	\$ 24,559	\$ 720,954
Net (loss) income	\$ (62,314)	\$ 9,413	\$ (52,901)
2023			
Revenues	\$ 624,208	\$ 65,798	\$ 690,006
Net (loss) income	\$ (30,859)	\$ 8,110	\$ (22,749)
2022			
Revenues	\$ 544,416	\$ 136,133	\$ 680,549
Net (loss) income	\$ (31,819)	\$ 8,338	\$ (23,481)

Disposition

During the first quarter of 2023, the Company determined to discontinue one of its non-core specialty service lines within the lab testing business (Discontinued Specialty Lab). On December 29, 2023, the Company sold the assets of the Discontinued Specialty Lab for a total sales price of \$4.8 million, of which \$0.5 million was received in cash and \$4.3 million was issued as a promissory note receivable. The Company recorded a gain on the sale of \$1.8 million, which is included in selling, general and administrative expense on the consolidated statements of operations and comprehensive loss. The promissory note receivable is subject to an annual 9.0% interest rate and will be repaid to the Company in 60 monthly installments with the remaining balance payable in full on December 29, 2028. Further, due to the buyers' limited credit history, the Company recorded a current expected loss of \$2.2 million, which is included as part of selling, general, and administrative expense on the consolidated statements of operations and comprehensive loss. The \$2.1 million promissory note receivable, net of current expected losses, is included in other assets on the consolidated statement of financial position and principal repayments are expected to commence in July 2025. Additionally, the Company received \$1.0 million as a security deposit for office space subleased to the buyer. Such security deposit has been placed in a separate interest-bearing account (strictly for the benefit of the buyer) and is included in other non-current liabilities on the consolidated statement of financial position. The security deposit will be released to the buyer in 2028 upon termination of the lease term. The Discontinued Specialty Lab performance was sporadic and its service offering was non-core to the Company's business. The discontinuation of this specialty service line, which was part of the Company's Measurement and Analysis segment, did not represent a strategic shift that had a major effect on the Company's operations and financial results, therefore it did not meet the requirements to be classified as discontinued operations.

9. GOODWILL AND INTANGIBLE ASSETS

Amounts related to goodwill are as follows:

	Assessment, Permitting and Response	Measurement and Analysis	Remediation and Reuse	Total
Balance as of December 31, 2023	\$ 184,946	\$ 93,890	\$ 85,613	\$ 364,449
Goodwill acquired during the period	20,285	25,903	58,819	105,007
Other changes in carrying amounts during the period	—	(933)	(734)	(1,667)
Balance as of December 31, 2024	<u>\$ 205,231</u>	<u>\$ 118,860</u>	<u>\$ 143,698</u>	<u>\$ 467,789</u>

Amounts related to finite-lived intangible assets are as follows:

December 31, 2024	Estimated Useful Life	Gross Balance	Accumulated Amortization	Total Intangible Assets—Net
Customer relationships	2-15 years	\$ 264,477	\$ 138,787	\$ 125,690
Covenants not to compete	4-5 years	41,758	33,898	7,860
Trade names	1-5 years	25,939	23,375	2,564
Proprietary software	3-5 years	28,428	23,489	4,939
Patent	16 years	17,479	5,776	11,703
Total other intangible assets, net		<u>\$ 378,081</u>	<u>\$ 225,325</u>	<u>\$ 152,756</u>

December 31, 2023	Estimated Useful Life	Gross Balance	Accumulated Amortization	Total Intangible Assets—Net
Customer relationships	2-15 years	\$ 227,986	\$ 116,226	\$ 111,760
Covenants not to compete	4-5 years	36,250	30,889	5,361
Trade names	1-5 years	24,434	20,719	3,714
Proprietary software	3-5 years	26,486	19,309	7,177
Patent	16 years	17,479	4,678	12,801
Total other intangible assets, net		<u>\$ 332,635</u>	<u>\$ 191,821</u>	<u>\$ 140,813</u>

Intangible assets with finite lives are stated at cost, less accumulated amortization and impairment losses, if any. These intangible assets are amortized using the straight-line method over the estimated useful lives of the assets.

Amortization expense for the years ended December 31, 2024, 2023, and 2022 was \$34.9 million, \$30.1 million and \$36.1 million, respectively.

Future amortization expense is estimated to be as follows for each of the five following years and thereafter ending December 31:

December 31,	
2025	\$ 29,851
2026	24,617
2027	23,504
2028	17,790
2029	12,424
Thereafter	44,570
Total	<u>\$ 152,756</u>

10. ACCOUNTS PAYABLE AND OTHER ACCRUED LIABILITIES

Accounts payable and other accrued liabilities consisted of the following:

	December 31, 2024	December 31, 2023
Accounts payable	\$ 33,424	\$ 31,053
Accrued expenses	16,190	16,059
Other business acquisitions purchase price obligations	568	1,022
Contract liabilities	9,297	8,132
Other current liabilities	4,225	3,654
Total accounts payable and other accrued liabilities	<u>\$ 63,704</u>	<u>\$ 59,920</u>

11. ACCRUED PAYROLL AND BENEFITS

Accrued payroll and benefits consisted of the following:

	December 31, 2024	December 31, 2023
Accrued bonuses	\$ 14,433	\$ 18,453
Accrued paid time off	4,214	1,316
Accrued payroll	11,969	11,814
Accrued other	3,632	3,077
Total accrued payroll and benefits	<u>\$ 34,248</u>	<u>\$ 34,660</u>

12. INCOME TAXES

The following is a geographical breakdown of income before the provision for (loss) income taxes as of December 31:

	2024	2023	2022
Pre-tax (loss) income:			
Federal	\$ (54,860)	\$ (35,111)	\$ (27,991)
Foreign	542	3,272	(1,578)
Total	<u>(54,318)</u>	<u>(31,839)</u>	<u>(29,569)</u>

Income tax expense (benefit) for the years ended December 31, is comprised of the following:

	2024	2023	2022
Current:			
Federal	\$ 244	\$ —	\$ —
State	817	1,840	664
Foreign	1,887	(1,131)	58
Total	<u>2,948</u>	<u>709</u>	<u>722</u>
Deferred:			
Federal	1,160	(438)	517
State	1,850	(960)	1,726
Foreign	2,038	(291)	(715)
Total	<u>5,048</u>	<u>(1,689)</u>	<u>1,528</u>
Income tax expense (benefit)	<u>\$ 7,996</u>	<u>\$ (980)</u>	<u>\$ 2,250</u>

The Company's deferred taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes.

Significant components of the Company's deferred tax assets and liabilities as of December 31, are as follows:

	2024	2023
Deferred tax assets:		
Net operating losses	\$ 14,021	\$ 14,200
Section 163(j) interest limitation	7,627	3,367
Equity compensation	7,669	7,665
Contingent consideration	9,007	10,294
ROU assets	14,986	11,529
Accrued compensation	4,117	4,961
Transaction costs	2,525	2,347
Section 174 Research & Experimental	1,312	740
Other	6,593	3,472
Total deferred tax asset	67,857	58,575
Deferred tax liabilities:		
Intangible assets	(22,399)	(15,005)
Property and equipment	(13,944)	(11,086)
Lease liabilities	(15,274)	(11,140)
Interest rate swap	(402)	(900)
Other	(1,529)	(2,479)
Total deferred tax liability	(53,548)	(40,610)
Valuation allowance	(27,621)	(24,029)
Net deferred tax liability	\$ (13,312)	\$ (6,064)

A reconciliation of the federal statutory income tax rate to the Company's effective income tax rate for the years ended December 31, is as follows:

	2024	2023	2022
Expected tax at federal statutory rate	21.00 %	21.00 %	21.00 %
State tax net of federal benefit	2.80	(9.12)	2.42
Non-deductible expenses	(1.37)	(2.24)	(0.34)
Equity compensation	(2.80)	(1.71)	(16.95)
Embedded derivatives	(0.47)	4.47	(1.90)
Transaction costs	(0.60)	4.47	0.00
Foreign taxes	(0.33)	0.97	0.05
Federal deferred tax adjustment	(19.52)	(30.42)	0.00
Change in valuation allowance	(7.36)	19.23	(12.13)
Global intangible low-taxed income	(2.60)	(3.39)	0.00
Federal tax return true-up	(3.81)	—	—
Other	0.61	0.07	0.18
Effective income tax rate	(14.45) %	3.33 %	(7.67) %

The Company elected to account for the global intangible low-taxed income inclusion as a period cost.

The Company recorded a valuation allowance against its U.S., Germany, Belgium, Sweden, and Denmark net deferred tax assets as of December 31, 2024 realization of such assets is not more likely than not. Australia and Sweden were included as part of the valuation allowance as of December 31, 2023. The impact of indefinite lived deferred items was considered in recording such valuation allowance. The increase (decrease) in the Company's valuation allowance was \$3.5 million and \$(6.5) million during the years ended December 31, 2024 and 2023, respectively.

The Company's policy is to record any penalties or interest related to any unrecognized tax benefits as a component of the income tax provision. As of December 31, 2024, 2023, and 2022, the Company did not have any unrecognized tax benefits.

The Company makes U.S. Internal Revenue Code (IRC) Section 338 elections, to treat certain stock transactions as asset acquisitions. The Company makes such determination after a transaction has occurred and records preliminary anticipated ASC 740 impacts. Once finalized, any changes in anticipated treatment are accounted for upon filing of income tax returns and prior to relevant statutory deadlines (Note 8).

As of December 31, 2024, federal and state net operating loss carryforwards of approximately \$45.3 million and \$31.1 million, respectively, were available to offset future federal and state taxable income.

Federal net operating losses carry forward indefinitely while the Company's state net operating loss carryforwards will begin to expire during various years, dependent on the jurisdiction.

The Company is subject to audit by federal and state tax authorities in the ordinary course of business. The Company's federal income tax returns remain subject to examination for the 2021 taxable year through the current taxable year, except for certain prior taxable years with net operating loss carry forwards that will remain subject to examination until the expiration of the statute of limitations for the taxable years of utilization of such net operating losses. The Company files in multiple U.S. state jurisdictions which remain subject to examination for various years depending on such state jurisdiction. The Company is also subject to audit by tax authorities in Canada, Australia, Germany, Sweden, Belgium and Denmark for which returns are subject to examination for various years, dependent on the jurisdiction.

The Organization for Economic Co-operation and Development (OECD) has introduced a framework to implement a global minimum corporate tax of 15%, referred to as Pillar Two. Many aspects of Pillar Two became effective beginning in calendar year 2024 and other aspects will be effective beginning in calendar year 2025. While it is uncertain whether the U.S. will adopt Pillar Two, certain countries in which the Company operates have adopted legislation and other countries are in the process of introducing legislation to implement Pillar Two. While the Company does not expect Pillar Two to have a material impact on its effective tax rate, the Company's analysis is ongoing as the OECD releases additional guidance and countries implement additional legislation.

The Inflation Reduction Act (IRA) was signed into law on August 16, 2022. Among other provisions, the IRA includes a 15% corporate minimum tax applied to large corporations, known as the "CAMT". The CAMT does not impact the Company's Consolidated Financial Statements as of and for the years ended December 31, 2024 and 2023. The Company will continue to evaluate the impact of CAMT on future years.

On March 27, 2020, the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) was enacted. The CARES Act includes several significant provisions for corporations, including those pertaining to net operating losses, interest deductions and payroll tax benefits. Under ASC 740, the effects of new legislation are recognized upon enactment. Accordingly, the effects of the CARES Act have been incorporated into the income tax provision computation for the year ended December 31, 2020. These provisions did not have a material impact on the income tax provision. The Company deferred the employer side of social security payments for payroll paid for the portion of 2020 following enactment as permitted by the CARES Act. In total, the Company deferred approximately \$5.0 million of 2020 payments to 2021 and 2022, of which \$2.5 million was repaid in 2021 and the remaining amount was paid in 2022.

13. DEBT

Debt consisted of the following:

	December 31, 2024	December 31, 2023
Term loan facility	\$ 189,218	\$ 154,219
Revolving line of credit	25,191	—
Aircraft loan	9,272	10,344
Less deferred debt issuance costs	(997)	(1,379)
Total debt	\$ 222,684	\$ 163,184
Less current portion of long-term debt	(17,866)	(14,196)
Long-term debt, less current portion	\$ 204,818	\$ 148,988

Deferred Financing Costs—Costs relating to debt issuance have been deferred and are presented as discounted against the underlying debt instrument. These costs are amortized to interest expense over the terms of the underlying debt instruments. The amortization of deferred debt issuance cost to interest expense was \$0.7 million, \$0.5 million, and \$0.5 million, for the years ended December 31, 2024, 2023 and 2022, respectively.

2021 Credit Facility—On April 27, 2021, the Company entered into a new Senior Secured Credit Agreement providing for a \$300.0 million credit facility comprised of a \$175.0 million term loan and a \$125.0 million revolving credit facility (2021 Credit Facility), and used a portion of the proceeds from the 2021 Credit Facility to repay all amounts outstanding under the prior credit facility. The revolving credit facility under the 2021 Credit Facility includes a \$20.0 million sublimit for the issuance of letters of credit. Subject to certain exceptions, all amounts under the 2021 Credit Facility will become due on April 27, 2026. The Company has the option to borrow incremental term loans or request an increase in the aggregate commitments under the revolving credit facility up to an aggregate amount of \$150.0 million subject to the satisfaction of certain conditions.

The 2021 Credit Facility term loan must be repaid in quarterly installments and shall amortize at the following future quarterly rates:

Date	Quarterly Installment Rate	
	2021 Credit Facility Term Loan	Additional Term Loan
March 31, 2025	1.88%	1.25%
June 30, 2025	1.88%	1.25%
September 30, 2025	1.88%	1.25%
December 31, 2025	2.50%	1.25%
March 31, 2026	2.50%	1.88%
April 27, 2026	Remaining balance	Remaining balance

Quarterly installment repayments for the year ended December 31, 2024 were \$15.0 million and exclusive of a payment made in respect to the quarter ended December 31, 2022, the quarterly installment repayments for the year ended December 31, 2023, amounted to \$9.8 million.

Effective September 1, 2022, the Company received an interest rate reduction of 0.05% under the 2021 Credit Facility based on the Company's achievement of certain sustainability and environmental, social and governance related objectives as provided for in the 2021 Credit Facility. Effective September 1, 2023, the interest rate reduction was decreased to 0.025% based on the most recent annual assessment of the Company's achievement of these objectives.

On May 31, 2023, the Company amended its 2021 Credit Facility agreement to transition the reference rate from LIBOR to SOFR plus 0.10%. The transition to SOFR did not materially impact the interest rate paid by the Company or change any material terms of the 2021 Credit Facility.

In February 2024, the Company partially exercised its option to request an increase in the aggregate commitments to provide an additional \$100.0 million credit availability under the 2021 Credit Facility, comprised of an additional \$50.0 million term loan (Additional Term Loan) and an additional \$50.0 million in availability under the revolving credit facility.

The 2021 Credit Facility term loan and the revolving credit facility bear interest subject to the applicable spread based on the Company's leverage ratio and SOFR plus 0.10% as follows:

Pricing Tier	Consolidated Leverage Ratio	Senior Credit Facilities SOFR Spread	Senior Credit Facilities Base Rate Spread	Commitment Fee	Letter of Credit Fee
1	≥ 3.75x to 1.0	2.50 %	1.50 %	0.25 %	2.50 %
2	< 3.75x to 1.0 but ≥ 3.25 to 1.0	2.25	1.25	0.23	2.25
3	<3.25x to 1.0 but ≥ 2.50 to 1.0	2.00	1.00	0.20	2.00
4	<2.50x to 1.0 but ≥ 1.75 to 1.0	1.75	0.75	0.15	1.75
5	<1.75x to 1.0	1.50	0.50	0.15	1.50

On May 30, 2023, the Company amended the interest rate swap transaction it entered into on January 27, 2022 (2022 Interest Rate Swap), to convert the floating component of the interest rate on \$100.0 million of borrowings to 1-Month Term SOFR and a new coupon of 1.319% until January 27, 2025. Prior to the amendment, the floating component of the interest rate was subject to LIBOR and a coupon of 1.39%. The transition to SOFR did not materially impact the interest rate paid by the Company or change any material terms of the 2022 Interest Rate Swap.

On May 30, 2023, the Company entered into a second interest rate swap transaction fixing the floating component of the interest rate on an additional \$70.0 million of borrowings to 1-Month Term SOFR and a coupon of 3.88% until April 27, 2026.

On June 5, 2024, the Company transitioned the 2022 Interest Rate Swap agreement of \$100.0 million to a three-year term on \$80.0 million of borrowings, with a fixed SOFR rate of 3.27%.

The 2021 Credit Facility includes a number of covenants imposing certain restrictions on the Company's business, including, among other things, restrictions on the Company's ability, subject to certain exceptions and baskets, to incur indebtedness, incur liens on its assets, agree to any additional negative pledges, pay dividends or repurchase stock, limit the ability of its subsidiaries to pay dividends or distribute assets, make investments, enter into any transaction of merger or consolidation, liquidate, wind-up or dissolve, or convey any part of its business, assets or property, or acquire the business, property or assets of another person, enter into sale and leaseback transactions, enter into certain transactions with affiliates, engage in any material line of business substantially different from those engaged on the closing date, modify the terms of indebtedness subordinated to the loans incurred under the 2021 Credit Facility and modify the terms of its organizational documents. The 2021 Credit Facility also includes financial covenants which required the Company to remain below a maximum total net leverage ratio of 4.25 times until the fiscal quarter ended September 31, 2022, which stepped down to 4.00 times during the fiscal quarter ending December 31, 2022 through and including the fiscal quarter ending September 30, 2023 and then further stepping down to 3.75 times beginning with the fiscal quarter ending December 31, 2023, and a minimum fixed charge coverage ratio of 1.25 times. Following the acquisition of Epic in January 2024, the Company elected to exercise its option to temporarily increase the maximum permitted leverage ratio to 4.25 times for a period of four quarters. As of December 31, 2024, the Company's consolidated total leverage ratio as reported on our corresponding bank compliance certificate, which was delivered under our 2025 Credit Facility, was 2.1 times, and the Company was in compliance with all covenants under the 2021 and 2025 Credit Facilities (Note 22). As of December 31, 2023, the Company's consolidated total leverage ratio was 1.9 times and the Company was in compliance with all covenants under the 2021 Credit Facility.

The 2021 Credit Facility requires customary mandatory prepayments of the term loan and revolver and cash collateralization of letters of credit, subject to customary exceptions, including 100.0% of the proceeds of debt not permitted by the 2021 Credit Facility, 100.0% of the proceeds of certain dispositions, subject to customary reinvestment rights, where applicable, and 100.0% of insurance or condemnation proceeds, subject to customary

reinvestment rights, where applicable. The 2021 Credit Facility also includes customary events of default and related acceleration and termination rights.

The weighted average interest rate on the 2021 Credit Facility for the years ended December 31, 2024 and 2023 was 7.2% and 6.7%, respectively, and after giving effect to the impact of the interest rate swaps, was 5.8%, and 4.1%, respectively.

The Company's obligations under the 2021 Credit Facility are guaranteed by certain of the Company's existing and future direct and indirect subsidiaries, and such obligations are secured by substantially all of the Company's assets, including the capital stock or other equity interests in those subsidiaries.

In February 2025, the 2021 Credit Facility was replaced with a new five-year senior secured credit facility (Note 22).

Loan and Aircraft Security Agreement—On May 18, 2023, the Company entered into a Loan and Aircraft Security Agreement to finance \$10.9 million of the purchase a new aircraft (Aircraft Loan). The Aircraft Loan must be repaid in 60 monthly consecutive installments and all outstanding amounts will become due on May 18, 2028. The Aircraft Loan bears interest subject to 1-Month Term SOFR and a coupon of 1.86%. The entire principal balance may be prepaid in full subject to a 3.0%, 2.0% and 1.0% prepayment fee if paid prior to the first, second and third anniversary of the loan, respectively. The aircraft serves as collateral security for the Aircraft Loan.

Equipment Line of Credit—In May 2024, the Company entered into a \$15.0 million equipment leasing facility for the purchase of equipment and related freight, installation costs and taxes paid. Any unused capacity on this equipment leasing facility will expire on April 15, 2025. Interest on leases financed under this facility is based on the SOFR swap rate on or closest to the closing date. Equipment leased through this line of credit met the finance lease criteria as per ASC 842 and accordingly is accounted for as finance lease right-of-use assets and finance lease liabilities.

The following is a schedule of the aggregate annual maturities of long-term debt presented on the consolidated statement of financial position, gross of deferred debt issuance cost of \$1.0 million, based on the terms of the 2021 Credit Facility and the Aircraft Loan:

December 31,	2021 Credit Facility		Aircraft Loan	Total
	Term Loan	Revolver		
2025	\$ 16,718		\$ 1,148	\$ 17,866
2026	172,500	25,191	1,230	198,921
2027	—	—	1,318	1,318
2028	—	—	5,576	5,576
Total	<u>\$ 189,218</u>	<u>\$ 25,191</u>	<u>\$ 9,272</u>	<u>\$ 223,681</u>

14. FAIR VALUE OF FINANCIAL INSTRUMENTS

The following financial assets and liabilities are measured at fair value on a recurring basis using significant unobservable inputs (Level 3).

	December 31, 2024	December 31, 2023
Interest rate swap ⁽¹⁾	\$ 1,544	\$ 3,461
Total Assets	<u>\$ 1,544</u>	<u>\$ 3,461</u>
Business acquisitions contingent consideration, current	\$ 26,872	\$ 3,592
Business acquisitions contingent consideration, long-term	\$ 6,255	\$ 2,448
Conversion option	\$ 20,224	\$ 19,017
Total Liabilities	<u>\$ 53,351</u>	<u>\$ 25,057</u>

(1) Included in other assets in the consolidated statement of financial position.

The estimated fair value amounts shown above are not necessarily indicative of the amounts that the Company would realize upon disposition, nor do they indicate the Company's intent or ability to dispose of the financial instrument.

The following table sets forth the Company's financial instruments that were measured at fair value on a recurring basis:

	Interest Rate Swap	Total Assets	Business Acquisitions Contingent Consideration, Current	Business Acquisitions Contingent Consideration, Long- term	Conversion Option	Total Liabilities
Balance as of December 31, 2021	\$ —	\$ —	\$ 31,450	\$ 4,350	\$ 23,081	\$ 58,881
Acquisitions	—	—	—	2,666	—	2,666
Changes in fair value included in earnings	6,046	6,046	500	(196)	2,650	2,954
Payment of contingent consideration payable	—	—	(30,515)	—	—	(30,515)
Reclass of long term to short term contingent liabilities	—	—	2,366	(2,366)	—	—
Balance as of December 31, 2022	\$ 6,046	\$ 6,046	\$ 3,801	\$ 4,454	\$ 25,731	\$ 33,986
Acquisitions	—	—	397	730	—	1,127
Changes in fair value included in earnings	(2,585)	(2,585)	(174)	(22)	(6,714)	(6,910)
Payment of contingent consideration payable	—	—	(3,146)	—	—	(3,146)
Reclass of long term to short term contingent liabilities	—	—	2,714	(2,714)	—	—
Balance as of December 31, 2023	\$ 3,461	\$ 3,461	\$ 3,592	\$ 2,448	\$ 19,017	\$ 25,057
Acquisitions	—	—	5,104	22,899	—	28,003
Changes in fair value included in earnings	(1,917)	(1,917)	1,879	(1,345)	1,207	1,741
Payment of contingent consideration payable	—	—	(1,450)	—	—	(1,450)
Reclass of long term to short term contingent liabilities	—	—	17,747	(17,747)	—	—
Balance as of December 31, 2024	\$ 1,544	\$ 1,544	\$ 26,872	\$ 6,255	\$ 20,224	\$ 53,351

Quantitative Information about Assets and Liabilities Measured at Fair Value on a Recurring Basis Using Significant Unobservable Inputs (Level 3):

Interest Rate Swaps—The interest rate swaps fair value is estimated based on a mid-market price for the swap as of the close of business of the reporting period. The fair value is prepared by discounting future cash flows of the swaps to arrive at a current value of the swap. Forward curves and volatility levels inputs are determined on the basis of observable market inputs when available and on the basis of estimates when observable market inputs are not available. The Company does not apply hedge accounting but instead recognizes the instrument at fair value on the consolidated statement of financial position within other assets, with changes in fair value recognized as other income (expense) in each reporting period.

Business Acquisitions Contingent Consideration—The fair values of the contingent consideration payables resulted from acquisitions, including Sensible, were calculated based on expected target achievement amounts, which are measured quarterly and then subsequently adjusted to actuals at the target measurement date. Prior to the second quarter of 2023, the fair value of the contingent consideration payable associated with the acquisition of Sensible was determined using a Monte Carlo simulation of earnings in a risk-neutral Geometric Brownian Motion framework. As of December 31, 2023, the Sensible earnout was expected to be achieved in full and therefore, the entire payable has been recorded. The method used to price these liabilities is considered level 3 due to the subjective nature of the unobservable inputs used to determine the fair value. The input is the expected achievement of earn-out thresholds.

Conversion Option—The fair value of the conversion option associated with the issuance of the Convertible and Redeemable Series A-2 Preferred Stock (Note 16) was estimated using a “with-and-without” method. The “with-and-without” methodology considers the value of the security on an as-is basis and then without the embedded conversion premium. The difference between the two scenarios is the implied fair value of the embedded derivative.

The unobservable input is the required rate of return on the Series A-2 Preferred Stock. The considerable quantifiable inputs in the valuation relate to the timing of conversions or redemptions.

15. COMMITMENTS AND CONTINGENCIES

Leases—The Company leases office facilities over various terms expiring through 2034. Certain of these operating leases contain rent escalation clauses. The Company also has office equipment leases that expire through 2029 (Note 7).

Other Commitments—The Company has commitments under the 2021 Credit Facility, its Aircraft Loan, its equipment line of credit and its lease obligations (Notes 7 and 13). The Company has entered into a purchase contract to purchase a total of \$4.9 million of equipment over the course of 7 years that commenced on July 1, 2024, subject to a minimum spending requirement per year, measured from the commencement date and each anniversary thereof. The minimum spend requirement is \$0.2 million, \$0.4 million, and \$0.9 million for 2025, 2026, and 2027, respectively, with the remainder subject to mutual agreement after the first three years.

Contingencies—The Company is subject to purchase price contingencies related to earn-outs associated with certain acquisitions (Note 8 and 14).

Legal—In the normal course of business, the Company is at times subject to pending and threatened legal actions. In management's opinion, any potential loss resulting from the resolution of these matters is not expected to have a material effect on the consolidated results of operations, financial position or cash flows of the Company.

16. CONVERTIBLE AND REDEEMABLE SERIES A-2 PREFERRED STOCK

On April 13, 2020, the Company entered into an agreement to issue 17,500 shares of the Convertible and Redeemable Series A-2 Preferred Stock with a par value of \$0.0001 per share and a detachable warrant to purchase shares of the Company's common stock with a 10-year life, in exchange for gross proceeds of \$175.0 million, net of \$1.3 million debt issuance costs. The Convertible and Redeemable Series A-2 Preferred Stock warrants were exercised in full on July 30, 2020. Dividends on the Convertible and Redeemable Series A-2 Preferred Stock accrued through the date of the Company's IPO on July 23, 2020, and were added to the principal balance outstanding as of that date. All dividends on the Convertible and Redeemable Series A-2 Preferred Stock after that date have been paid in cash. The Company paid dividends of \$11.1 million during the year ended December 31, 2024 and \$16.4 million during each of the years ended December 31, 2023 and 2022.

The Convertible and Redeemable Series A-2 Preferred Stock terms include the following: (i) no mandatory redemption, (ii) no stated value cash repayment obligation other than in the event of certain defined liquidation events, (iii) only redeemable at the Company's option, (iv) convertible into common stock beginning in April 2024 at a 15.0% discount to the common stock market price (with a limit of \$60.0 million in stated value of Convertible and Redeemable Series A-2 Preferred Stock eligible to be converted in any 60-day period prior to the seventh anniversary of issuance and the amount of stated value of the Convertible and Redeemable Series A-2 Preferred Stock eligible for conversion limited to \$60.0 million during year 5 and \$120.0 million (which includes the aggregate amount of the stated value of the Convertible and Redeemable Series A-2 Preferred Stock and any accrued but unpaid dividends added to such stated value of any shares of Convertible and Redeemable Series A-2 Preferred Stock converted in year 5) during year 6), (v) 9.0% dividend rate per year with required quarterly cash payments, (vi) in an event of noncompliance, the dividend rate shall increase to 12.0% per annum for the first 90-day period from and including the date the noncompliance event occurred, and thereafter shall increase to 14.0% per annum, (vii) debt incurrence test ratio of 4.5 times, and (viii) minimum repayment amount of \$25.0 million.

The Company may, at its option on any one or more dates, redeem all or a minimum portion (the lesser of (i) \$25.0 million in aggregate stated value of the Convertible and Redeemable Series A-2 Preferred Stock and (ii) all of the Convertible and Redeemable Series A-2 Preferred Stock then outstanding) of the outstanding Convertible and Redeemable Series A-2 Preferred Stock in cash. In January 2024, the Company redeemed \$60.0 million in aggregate stated value of the Convertible and Redeemable Series A-2 Preferred Stock in cash. The principal balance outstanding as of December 31, 2024, was \$122.2 million or 11,667 shares..

The Convertible and Redeemable Series A-2 Preferred Stock does not meet the definition of a liability pursuant to “ASC 480- Distinguishing Liabilities from Equity.” However, as (i) the instrument is redeemable upon a change of control as defined in the certificate of designations governing the terms of the Convertible and Redeemable Series A-2 Preferred Stock, and (ii) the Company cannot assert it would have sufficient authorized and unissued shares of common stock to settle all future conversion requests due to the variable conversion terms, the instrument is redeemable upon the occurrence of events that are not solely within the control of the Company, and therefore the Company classifies the Convertible and Redeemable Series A-2 Preferred Stock as mezzanine equity. Subsequent adjustment of the carrying value of the instrument is required if the instrument is probable of becoming redeemable. As of December 31, 2024, the Company has determined that a change of control is not probable. Additionally, as of December 31, 2024, the Company has determined that it is not probable that there will be a future conversion request that the Company is unable to settle with authorized and issued shares based on the Company’s current stock price and available shares as well as the Company’s monitoring efforts to ensure there are a sufficient number of shares available to settle any conversion request. Therefore, as of December 31, 2024, the Company has determined that the instrument is not probable of becoming redeemable, and does not believe subsequent adjustment of the carrying value of the instrument will be necessary.

The Convertible and Redeemable Series A-2 Preferred Stock contains a conversion option of the preferred shares to shares of common stock beginning in April 2024. As of December 31, 2024 and 2023, this conversion embedded feature had a net fair value of \$20.2 million and \$19.0 million, respectively. The change in net fair value of \$1.2 million, \$6.7 million and \$2.7 million for the years ended December 31, 2024, 2023 and 2022, respectively, was recorded to other income (expense).

In January 2025, the Company received a notice of conversion from the holder of the Series A-2 Preferred Stock (Note 22).

17. STOCKHOLDERS’ EQUITY

Authorized Capital Stock—The Company was authorized to issue 190,000,000 shares of common stock, with a par value of \$0.000004 per share as of December 31, 2024 and 2023.

Follow-on Offering—On April 22, 2024, the Company issued an aggregate of 3,450,000 shares of common stock in an underwritten public offering, inclusive of the shares of common stock issued in connection with the underwriters exercise in full of their option to purchase additional shares of common stock. The Company sold the shares to the underwriters at the public offering price of \$37.15 per share, less underwriting discounts and commissions of \$1.67175 per share, resulting in net proceeds to the Company after deducting underwriting discounts and commissions and estimated offering expenses payable by the Company of \$121.8 million.

Employee Equity Incentive Plans—The Company has two plans under which stock-based awards have been issued: (i) the Montrose Amended and Restated 2017 Stock Incentive Plan (2017 Plan) and (ii) the Montrose Amended & Restated 2013 Stock Option Plan (2013 Plan) (collectively, the Plans).

As of December 31, 2024, there was \$69.1 million of total unrecognized stock compensation expense related to unvested options and restricted stock granted under the Plans. Such unrecognized expense is expected to be recognized over a weighted-average 2.2 year period. The following number of shares were authorized to be issued and available for grant as of:

	December 31, 2024		
	2017 Plan	2013 Plan	Total
Shares authorized to be issued	7,538,276	2,036,219	9,574,495
Shares available for grant ⁽¹⁾	1,683,352	—	1,683,352

	December 31, 2023		
	2017 Plan	2013 Plan	Total
Shares authorized to be issued	6,330,713	2,036,219	8,366,932
Shares available for grant ⁽¹⁾	662,662	—	662,662

	December 31, 2022		
	2017 Plan	2013 Plan	Total
Shares authorized to be issued	5,140,112	2,037,019	7,177,131
Shares available for grant ⁽¹⁾	367,243	—	367,243

(1) In January 2024, January 2023 and January 2022 the Board of Directors ratified the addition of 1,207,563, 1,189,801 and 1,185,112 shares of common stock, respectively, to the number of shares available for issuance under the 2017 Plan pursuant to the annual increase provision of such plan. Unless the Board of Directors determines otherwise, additional annual increases will be effective on each January 1, through January 1, 2027. The 2017 Plan permits the company to settle awards, if and when vested, in cash at its discretion. Pursuant to the terms of the 2017 Plan, the number of shares authorized for issuance thereunder will only be reduced with respect to shares of common stock actually issued upon exercise or settlement of an award. Shares of common stock subject to awards that have been canceled, expired, forfeited or otherwise not issued under an award and shares of common stock subject to awards settled in cash do not count as shares of common stock issued under the 2017 Plan. Shares available for grant as of December 31, 2022 and 2023 excluded awards of stock appreciation rights approved in December 2021 that were subject to vesting based on the achievement of certain market conditions, which had not yet been achieved when these awards were cancelled, effective as of December 31, 2024. See “Stock Appreciation Rights” below for additional information on stock appreciation rights. The Company expects to have sufficient shares available under the 2017 Plan to satisfy the future settlement of outstanding awards.

Total stock compensation expense for the Plans was as follows:

	Year Ended December 31, 2024			
	Options	RSUs	SARs	Total
Cost of revenue	\$ 1,223	\$ 3,578	\$ —	\$ 4,801
Selling, general and administrative expense	2,571	30,088	27,205	59,864
Total	\$ 3,794	\$ 33,666	\$ 27,205	\$ 64,665

	Year Ended December 31, 2023			
	Options	RSUs	SARs	Total
Cost of revenue	\$ 1,685	\$ 1,661	\$ —	\$ 3,346
Selling, general and administrative expense	4,885	29,851	9,185	43,921
Total	\$ 6,570	\$ 31,512	\$ 9,185	\$ 47,267

	Year Ended December 31, 2022			
	Options	RSUs	SARs	Total
Cost of revenue	\$ 1,507	\$ —	\$ —	\$ 1,507
Selling, general and administrative expense	8,531	23,972	9,280	41,783
Total	\$ 10,038	\$ 23,972	\$ 9,280	\$ 43,290

Montrose Amended & Restated 2017 Stock Incentive Plan

Restricted Stock Awards and Restricted Stock Units—The Company issues restricted stock awards (RSAs) to certain 2017 Plan participants as Director’s compensation. There were 23,961, 17,346 and 10,920 RSAs granted during the years ended December 31, 2024, 2023 and 2022 respectively. These RSAs vest one year from the date of grant, or, in each case, in full upon a change in control, subject to the participant’s continued service as a Director throughout such date, or upon retirement. Members of the Board of Directors that receive stock-based compensation are treated as employees for accounting purposes.

During 2023 and 2022, the Board of Directors approved the grant of RSUs under certain supplemental incentive plans (SI Plans). There were 0, 370,349 and 95,404 RSUs issued under these SI Plans during the years ended December 31, 2024, 2023 and 2022, respectively. There were 237,634 RSUs issued during 2023 that vested 1/3 on the date of grant, and will vest 1/3 on the one-year anniversary of the grant, and 1/3 on the two-year anniversary of the grant, subject to continued service through each such date. The remaining RSUs vest annually over a 4-year period from the date of grant, subject to continued service through each such date.

During 2021, the Board of Directors approved the grant of 1,671,391 restricted stock units (RSUs) to certain executives and selected employees of the Company under the 2017 Plan. These RSUs represent the right to receive one share of the Company’s common stock upon vesting. These incentives were designed to (i) retain selected employees of the Company for a minimum of 5 years, (ii) reward selected employees for the Company’s significant outperformance and stockholder value creation in 2021, and (iii) provide incentives to selected employees of the Company to accelerate value creation for stockholders and other stakeholders over the next five-year period. With respect to 1,355,182 RSUs, 50.0% will vest on each of the 4th and 5th anniversaries of the date of grant, subject to continued service through each such date. With respect to the remaining 316,209 RSUs (The Performance-Vested RSUs), 50.0% will vest on each of the 4th and 5th anniversaries of the date of grant, subject to continued service through each such date and further subject to Company achieving \$90.0 million in adjusted EBITDA (as reported) for any trailing twelve-month period from and after December 31, 2022. If the Performance Criteria is not met prior to the 4th anniversary of the date of grant, none of the Performance-Vested RSUs will vest at such time, and if the Performance Criteria is subsequently met prior to the 5th anniversary of the date of grant, all of the Performance-Vested RSUs will vest at such time, subject to continued service through such date. If the Performance Criteria is not met by the 5th anniversary of the date of grant, all of the Performance-Vested RSUs will be forfeited.

During 2021, the Board of Directors approved and reserved for future issuance an aggregate of 135,517 RSUs (Future RSU Pool) to be granted under the 2017 Plan to certain of its executives and selected employees. Final determination and allocation of the awards under the Future RSU Pool may be determined on December 16, 2025 based on individual performance and continued service through such date. Any RSUs granted under the Future RSU Pool will vest on December 16, 2026, subject to continued service through such date.

RSA and RSU activity was as follows:

	Year Ended December 31, 2024					
	2024		2023		2022	
	Shares	Weighted-Average Grant Date Fair Value	Shares	Weighted-Average Grant Date Fair Value	Shares	Weighted-Average Grant Date Fair Value
Beginning outstanding shares	2,468,722		1,777,715		1,696,923	
Granted	359,749	\$ 39.75	793,133	\$ 34.33	106,324	\$ 46.82
Forfeited/ cancelled	(56,921)	\$ 37.32	(11,311)	\$ 32.13	—	\$ —
Vested	(154,491)	\$ 36.82	(90,815)	\$ 36.77	(25,532)	\$ 31.27
Ending outstanding shares	2,617,059		2,468,722		1,777,715	

There were no forfeitures of RSAs or RSUs during the year ended December 31, 2022.

There were an aggregate of 3,148,847, 2,846,019, and 2,064,197, shares underlying outstanding RSA and RSU awards as of December 31, 2024, 2023, and 2022, respectively.

Stock Appreciation Rights— During the year ended December 31, 2021, the Board of Directors approved the grant of 3,000,000 units of stock appreciation rights (SARs) to certain executives and selected employees under the 2017 Plan. These SARs represented the right to receive, upon exercise, a payment equal to the excess of (a) the fair market value of one share of the Company’s common stock, over (b) an exercise price of \$66.79, payable, at the Company’s election, in cash or shares of common stock. These SARs were scheduled to vest on the 5th anniversary of the date of grant based on achievement of performance hurdles over a five year period, subject to continued service on the vesting date. The performance hurdles were to be deemed achieved if the average trading price per share of the Company’s common stock equaled or exceeded the following stock prices:

SARs Stock Price Performance Hurdle	Portion of SARs Subject to Performance Hurdle
\$ 133.58	1/3
\$ 166.98	1/3
\$ 200.37	1/3

The performance hurdles were to be deemed achieved if the average trading price per share of the Company’s common stock equaled or exceeded the applicable stock price performance hurdle set forth above for the trading days falling in a consecutive 20-day period prior to the vesting date.

The fair value of these SARs at the grant date was \$46.0 million, which was amortized on a straight-line basis over a five-year period.

Effective December 31, 2024, the Board of Directors approved the cancellation (SAR Cancellation) of the outstanding and unvested SARs previously granted on December 16, 2021, to the Company’s named executive officers, as well as certain other executives, and the applicable individuals each agreed to such SAR Cancellation. The SAR Cancellation was voluntary on the part of the named executive officers and other holders and was not in exchange for any other equity or cash-based compensation awards or payments. None of the market conditions had been achieved as of the date of cancellation. Upon cancellation, the remaining unamortized value of the SARs of \$18.0 million was expensed within selling, general, and administrative expense.

Options—Options issued to all optionees under the 2017 Plan vest over 4-years from the date of issuance (or earlier vesting start date, as determined by the Board of Directors) as follows: one half on the second anniversary of date of grant and the remaining half on the fourth anniversary of the date of grant, with the exception of certain annual grants to certain executive officers, which vest annually over a 3-year and 1-year period. The following summarizes the options activity of the 2017 Plan for the years ended December 31, 2024, 2023 and 2022:

	Options to Purchase Common Stock	Weighted-Average Exercise Price per Share	Weighted Average Grant Date Fair Value per Share	Weighted Average Remaining Contract Life (in Years)	Aggregate Intrinsic Value of In-The- Money Options
Outstanding as of December 31, 2021	2,036,729	\$ 26.00	\$ 14.00	8.3	\$ 91,030
Granted	698,534	43.74	16.34	—	—
Forfeited/ cancelled	(96,211)	32.19	—	—	—
Expired	—	—	—	—	—
Exercised	(59,486)	23.27	—	—	1,398
Outstanding as of December 31, 2022	<u>2,579,566</u>	<u>\$ 31.00</u>	<u>\$ 15.00</u>	<u>7.8</u>	<u>\$ 37,295</u>
Granted	253,980	32.41	13.98	—	—
Forfeited/ cancelled	(134,170)	36.01	—	—	—
Expired	(6,450)	32.03	—	—	—
Exercised	(176,654)	24.12	—	—	3,726
Outstanding as of December 31, 2023	<u>2,516,272</u>	<u>\$ 30.92</u>	<u>\$ 15.95</u>	<u>7.0</u>	<u>\$ 13,825</u>
Forfeited/ cancelled	(78,130)	38.57	—	—	—
Expired	(37,825)	41.90	—	—	—
Exercised	(55,110)	25.48	—	—	776
Outstanding as of December 31, 2024	<u>2,345,207</u>	<u>\$ 30.62</u>	<u>\$ 16.32</u>	<u>6.0</u>	<u>\$ 776</u>
Exercisable as of December 31, 2024	1,966,557	\$ 28.87	—	5.7	\$ 2,188

The following weighted-average assumptions were used in the Black-Scholes option-pricing model calculation for the prior years. There were no stock options granted in 2024.

	December 31, 2023	December 31, 2022
Common stock value (per share)	\$ 32.41	\$ 43.74
Expected volatility	33.55 %	33.44 %
Risk-free interest rate	3.77 %	2.03 %
Expected life (years)	7.00	6.98
Forfeiture rate	None	None
Dividend rate	None	None

Montrose Amended & Restated 2013 Stock Option Plan—The following summarizes the activity of the 2013 Plan for the years ended December 31, 2024, 2023 and 2022:

	Options to Purchase Common Stock	Weighted-Average Exercise Price per Share	Weighted Average Grant Date Fair Value per Share	Weighted Average Remaining Contract Life (in Years)	Aggregate Intrinsic Value of In-The- Money Options
Outstanding as of December 31, 2021	897,674	\$ 6.00	\$ 2.00	4.4	\$ 57,529
Granted	—	—	—	—	—
Forfeited/ cancelled	—	—	—	—	—
Expired	(125)	6.03	—	—	—
Exercised	(41,854)	6.19	—	—	1,626
Outstanding as of December 31, 2022	855,695	\$ 6.00	\$ 2.10	3.3	\$ 32,478
Expired	(800)	6.03	—	—	—
Exercised	(62,704)	6.82	—	—	1,950
Outstanding as of December 31, 2023	792,191	\$ 6.40	\$ 2.16	2.4	\$ 20,380
Forfeited/ cancelled	—	—	—	—	—
Expired	—	—	—	—	—
Exercised	(111,302)	5.87	—	—	3,042
Outstanding as of December 31, 2024	680,889	\$ 6.49	\$ 2.51	1.5	\$ 8,211
Exercisable as of December 31, 2024	680,889	\$ 6.49		1.5	\$ 8,211

Total shares outstanding from exercised options were 1,716,200 shares, 1,549,788 shares and 1,310,430 shares as of December 31, 2024, 2023 and 2022.

Common Stock Reserved for Future Issuances—The Company has reserved certain stock of its authorized but unissued common stock for possible future issuance in connection with the following:

	December 31,		
	2024	2023	2022
Montrose 2013 Stock Incentive Plan	680,889	792,191	855,695
Montrose 2017 Stock Incentive Plan ⁽¹⁾	6,645,618	8,647,656	7,724,524
	7,326,507	9,439,847	8,580,219

(1) In January 2024, January 2023 and January 2022 the Board of Directors ratified the addition of 1,207,563, 1,189,801 and 1,185,112 shares of common stock, respectively, to the number of shares available for issuance under the 2017 Plan pursuant to the annual increase provision of such plan. Unless the Board of Directors determines otherwise, additional annual increases will be effective on each January 1, through January 1, 2027. The 2017 Plan permits the company to settle awards, if and when vested, in cash at its discretion. Pursuant to the terms of the 2017 Plan, the number of shares authorized for issuance thereunder will only be reduced with respect to shares of common stock actually issued upon exercise or settlement of an award. Shares of common stock subject to awards that have been canceled, expired, forfeited or otherwise not issued under an award and shares of common stock subject to awards settled in cash do not count as shares of common stock issued under the 2017 Plan. Shares reserved for future issuance as of December 31, 2022 and 2023 includes awards of SARs approved in December 2021 that were subject to vesting based on the achievement of certain market conditions, which had not yet been achieved when these awards were cancelled, effective as of December 31, 2024. See “Stock Appreciation Rights” above for additional information on stock appreciation rights. The Company expects to have sufficient shares available under the 2017 Plan to satisfy the future settlement of outstanding awards.

18. NET LOSS PER SHARE

Basic net loss per share is computed by dividing net loss attributable to common stockholders by the weighted average number of common shares outstanding during each period. The Convertible and Redeemable Series A-2 Preferred Stock is considered a participating security during the applicable period. Net losses are not allocated to the Convertible and Redeemable Series A-2 stockholders, as they were not contractually obligated to share in the Company’s losses.

Diluted net loss per share is computed by dividing net loss attributable to common stockholders by the weighted average number of common and dilutive common equivalent shares outstanding for the period using the treasury-stock method or the as-converted method. Potentially dilutive shares are comprised of RSAs, RSUs, SARs and shares of common stock underlying stock options outstanding under the Plans to purchase common stock. During the years ended December 31, 2024, 2023, and 2022, there is no difference in the number of shares used to calculate basic and

diluted shares outstanding due to the Company's net loss attributable to common stockholders and potentially dilutive shares being anti-dilutive.

The following table summarizes the computation of basic and diluted net loss per share attributable to common stockholders of the Company:

	Year Ended December 31,		
	2024	2023	2022
Net loss	\$ (62,314)	\$ (30,859)	\$ (31,819)
Convertible and redeemable Series A-2 Preferred Stock dividend	(11,064)	(16,400)	(16,400)
Net loss attributable to common stockholders – basic and diluted	(73,378)	(47,259)	(48,219)
Weighted-average number of shares of common stock outstanding – basic and diluted	33,061	30,058	29,688
Net loss per share attributable to common stockholders – basic and diluted	\$ (2.22)	\$ (1.57)	\$ (1.62)

The following common stock equivalents were excluded from the calculation of diluted net loss per share attributable to common stockholders because their effect would have been anti-dilutive for the years ended December 31:

	December 31,		
	2024 ⁽¹⁾	2023 ⁽¹⁾	2022 ⁽¹⁾
Stock options	3,026,096	3,308,463	3,435,261
Restricted stock	2,617,059	2,468,722	1,777,715
Series A-2 Preferred Stock	4,293,793	5,952,609	4,983,282
SARs ⁽²⁾	—	3,000,000	3,000,000

(1) Includes 2,374,716, 7,660,169 and 6,886,942 shares underlying equity awards that were out of the money as of December 31, 2024, 2023 and 2022, respectively.

(2) Effective December 31, 2024, the Board of Directors approved the SAR Cancellation (Note 17).

19. SEGMENT INFORMATION AND GEOGRAPHIC LOCATION INFORMATION

The Company has six operating units that aggregate into three reportable segments: Assessment, Permitting and Response, Measurement and Analysis, and Remediation and Reuse. These segments are monitored separately by management for performance against budget and prior year and are consistent with internal financial reporting. The Company's operating segments are organized based upon primary services provided, the nature of the production process, types of customers, methods used to distribute the products, and the nature of the regulatory environment. Refer to Note 1 for description of each reportable segments.

Our Chief Executive Officer, who serves as the CODM, reviews Segment Adjusted EBITDA in the annual budget and forecasting process. The CODM considers budget-to-actual variances on a quarterly basis when making decisions about the allocation of Company resources depending on the needs of each segment and the availability of resources. Segment Adjusted EBITDA is the calculated Company's Earnings before Interest, Tax, Depreciation and Amortization (EBITDA), adjusted to exclude certain transactions such as stock-based compensation, acquisition costs, and fair value changes in financial instruments, amongst others. Beginning in the first quarter of 2023, the calculation of Segment adjusted EBITDA no longer adjusts for start-up losses and investment in new services as the CODM no longer reviews the Segment Adjusted EBITDA measure without these costs. The CODM does not review segment assets as a measure of segment performance.

Corporate and Other includes costs associated with general corporate overhead (including executive, legal, finance, safety, human resources, marketing and IT related costs) that are not directly related to supporting operations. Overhead costs that are directly related to supporting operations (such as insurance, software, licenses, shared services

and payroll processing costs) are allocated to the operating segments on a basis that reasonably approximates an estimate of the use of these services, and are included in Segment Expenses in the table below.

Segment revenues, Segment Expenses and Segment Adjusted EBITDA were as follows:

	Year Ended December 31,								
	2024			2023			2022		
	Segment Revenues	Segment Expenses	Segment Adjusted EBITDA	Segment Revenues	Segment Expenses	Segment Adjusted EBITDA	Segment Revenues	Segment Expenses	Segment Adjusted EBITDA ⁽²⁾
Assessment, Permitting and Response	\$ 214,850	\$ 166,830	\$ 48,020	\$ 220,727	\$ 168,579	\$ 52,148	\$ 187,234	\$ 149,776	\$ 37,458
Measurement and Analysis ⁽¹⁾	224,366	173,845	50,521	197,095	159,878	37,217	172,432	140,844	31,588
Remediation and Reuse	257,179	218,840	38,339	206,386	179,299	27,087	184,750	154,134	30,616
Total Reportable Segments	<u>\$ 696,395</u>		<u>\$ 136,880</u>	<u>\$ 624,208</u>		<u>\$ 116,452</u>	<u>\$ 544,416</u>		<u>\$ 99,662</u>

(1) Includes revenue of zero, \$8.8 million and \$17.0 million and Adjusted EBITDA of zero, \$2.1 million and \$6.4 million from the Discontinued Specialty Lab for the years ended December 31, 2024, 2023, and 2022, respectively.

(2) Includes the add back of start-up losses and investment in new services of \$2.3 million.

Presented below is a reconciliation of the Company's segment measure to net loss for the years ended December 31:

	For the Year Ended December 31,		
	2024	2023	2022
Total Reportable Segments	\$ 136,880	\$ 116,452	\$ 99,662
Corporate and Other	(41,092)	(37,876)	(31,212)
Interest expense, net	(15,862)	(7,793)	(5,239)
Depreciation and amortization	(52,762)	(45,780)	(47,479)
Stock-based compensation	(64,665)	(47,267)	(43,290)
Start-up losses and investment in new services	—	—	(2,277)
Acquisition costs	(7,827)	(6,930)	(1,891)
Fair value changes in financial instruments	(3,124)	4,129	3,396
Fair value changes in business acquisition contingencies	(534)	(84)	3,227
Expenses related to financing transactions	(317)	(35)	(7)
Discontinued Specialty Lab ⁽¹⁾	(692)	(6,112)	—
Other losses or expenses	(4,323) ⁽²⁾	(543) ⁽³⁾	(4,459) ⁽⁴⁾
Loss before expense from income taxes	<u>\$ (54,318)</u>	<u>\$ (31,839)</u>	<u>\$ (29,569)</u>

(1) Amounts consist of operating losses before depreciation related to the Discontinued Specialty Lab.

(2) Amounts are primarily comprised of non-recurring costs to centralize certain back-office functions, lease abandonment costs, and third party expenses associated with the independent review and analysis of assertions in a short seller report regarding the Company.

(3) Amounts are comprised of expenses related to an aircraft accident, net of insurance gain, as well as a gain on the surrender of a lease.

(4) Amounts include costs associated with the exiting of the legacy water treatment and renewable energy operations and maintenance contracts and the Company's start-up lab in Berkeley, California, as well as an impairment charge for certain operating lease right-of-use assets and severance costs related to the restructuring within the Company's soil remediation business.

The following table presents revenues by geographic location:

	For the Year Ended December 31,		
	2024	2023	2022
United States	\$ 550,323	\$ 539,578	\$ 523,189
Canada	115,918	72,608	12,002
Other international	30,154	12,022	9,225
Total revenue	<u>\$ 696,395</u>	<u>\$ 624,208</u>	<u>\$ 544,416</u>

The following table presents long-lived assets by geographic location:

	For the Year Ended December 31,	
	2024	2023
United States	\$ 57,730	\$ 50,686
Canada	5,070	4,665
Other international	976	1,474
Total property and equipment—net	<u>\$ 63,776</u>	<u>\$ 56,825</u>

20. RELATED-PARTY TRANSACTIONS

The Company did not have any material related party transactions during the years ended December 31, 2024, 2023 and 2022.

21. DEFINED CONTRIBUTION PLAN

On January 1, 2014, the Company established the Montrose Environmental Group 401(k) Savings Plan (401(k) Savings Plan). As of December 31, 2024, 2023, and 2022, plan participants may defer up to 85.0% of their eligible wages for the year, up to the Internal Revenue Service dollar limit and catch-up contribution allowed by law. The Company provides employer matching contributions equal to 100% of the participant's elective deferrals that do not exceed 3% of the participant's compensation and 50% of the participant's elective deferrals that exceed 3% but do not exceed 5% of the participant's compensation. Employer contributions for years ended December 31, 2024, 2023, and 2022 were \$9.1 million, \$7.9 million and \$5.7 million, respectively, and are included within selling, general, and administrative expense on the consolidated statements of operations.

22. SUBSEQUENT EVENTS

On January 13, 2025, the Company received a notice of conversion from the holder of the Series A-2 Preferred Stock in respect of \$60.0 million in stated value of the Series A-2 Preferred Stock. The Certificate of Designation governing the Series A-2 Preferred Stock permits the Company to redeem for cash any shares of A-2 Preferred Stock submitted for conversion. The Company intends to redeem for cash the shares of Series A-2 Preferred Stock noticed for conversion in lieu of issuing any shares of Company common stock upon the conversion thereof.

On February 26, 2025, the Company entered into a new Senior Secured Credit Agreement providing for a \$500.0 million credit facility comprised of a \$200.0 million term loan and a \$300.0 million revolving credit facility that matures on February 26, 2030 (2025 Credit Facility). Terms of the 2025 Credit Facility are similar to the 2021 Credit Facility and include:

- Resetting the initial permitted leverage ratio to 4.0 times, stepping down to 3.75 times on March 31, 2026;
- The removal of the 10 basis point credit spread adjustment related to SOFR;
- An increase to the maximum aggregate incremental commitment under the accordion feature from \$150.0 million to \$200.0 million;
- Permitting certain restricted payments, including common stock repurchases, subject to a maximum pro-forma leverage ratio of 3.0 times, a minimum pro-forma fixed charge coverage ratio of 1.25 times and no event of default; and
- Excluding contingent earnout payments from the definition of indebtedness until earnouts are due and payable.

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure.

None.

Item 9A. Controls and Procedures.**Disclosure Controls and Procedures**

As required by Rule 13a-15(b) under the Exchange Act, our management, including our Chief Executive Officer and Chief Financial Officer, carried out an evaluation of the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Rule 13a-15(e) under the Exchange Act), as of December 31, 2024, the end of the period covered by this Annual Report on Form 10-K. Based on the foregoing, our Chief Executive Officer and Chief Financial Officer concluded that, as of December 31, 2024, the end of the period covered by this Annual Report on Form 10-K, our disclosure controls and procedures were effective at the reasonable assurance level.

Management's Report on Internal Control Over Financial Reporting

The SEC, as directed by Section 404 of the Sarbanes-Oxley Act of 2002, adopted rules which require us to include in this Annual Report on Form 10-K, an assessment by management of the effectiveness of our internal control over financial reporting (as defined in Rule 13a-15(f) under the Exchange Act). In addition, our independent registered public accounting firm must attest to and report on the effectiveness of our internal control over financial reporting.

Our management is responsible for establishing and maintaining adequate internal control over financial reporting. Our management carried out an evaluation, with the participation of our Chief Executive Officer and Chief Financial Officer, of the effectiveness of our internal control over financial reporting as of December 31, 2024 based on the framework in Internal Control — Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). Based upon this evaluation, our management concluded that our internal control over financial reporting was effective as of December 31, 2024 to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements in accordance with GAAP.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of the effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies and procedures may deteriorate.

As permitted by guidelines established by the SEC for newly acquired businesses, we excluded EPIC and Paragon, businesses we acquired in 2024 (Excluded Acquisitions), from the scope of management's report on internal control over financial reporting for the year ended December 31, 2024. The Excluded Acquisitions comprised approximately 6.1% of our consolidated total assets as of December 31, 2024, and approximately 3.7% of our consolidated revenues for the year then ended. We are in the process of integrating these businesses into our overall internal control over financial reporting and plan to include them in our scope for the year ended December 31, 2025. See Item 7. "Management's Discussion and Analysis of Financial Condition and Results of Operations" and Note 8 to our audited consolidated financial statements and the related notes thereto included in Item 8. "Financial Statements and Supplementary Data" for additional information regarding the Excluded Acquisitions.

The effectiveness of our internal control over financial reporting as of December 31, 2024 has been audited by Deloitte & Touche LLP, an independent registered public accounting firm, as stated in their report which appears herein.

Changes in Internal Control over Financial Reporting

There were no changes in our internal control over financial reporting that occurred during the quarter ended December 31, 2024 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Limitations on Effectiveness of Controls

Our management, including our Chief Executive Officer and Chief Financial Officer, does not expect that our disclosure controls and procedures or our system of internal control over financial reporting will prevent or detect all errors and all fraud. A control system, no matter how well designed or operated, can provide only reasonable, but not absolute, assurance that the objectives of the system of internal control are met. Further, we have not integrated the Excluded Acquisitions into our control systems. The design of our control system reflects the fact that there are resource constraints, and that the benefits of such control system must be considered relative to their costs. Further, because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control failures and instances of fraud, if any, within the Company have been detected. These inherent limitations include the realities that judgments in decision-making can be faulty and that breakdowns can occur because of simple error or mistake. Additionally, controls can be circumvented by the intentional acts of individuals, by collusion of two or more people, or by management override of the controls. The design of any system of controls is also based in part on certain assumptions about the likelihood of future events, and there can be no assurance that the design of any particular control will always succeed in achieving its objective under all potential future conditions.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the stockholders and the Board of Directors of Montrose Environmental Group, Inc.

Opinion on Internal Control over Financial Reporting

We have audited the internal control over financial reporting of Montrose Environmental Group, Inc. and subsidiaries (the “Company”) as of December 31, 2024, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2024, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by COSO.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated financial statements as of and for the year ended December 31, 2024, of the Company and our report dated March 3, 2025, expressed an unqualified opinion on those financial statements.

As described in *Management’s Report on Internal Control Over Financial Reporting*, management excluded from its assessment the internal control over financial reporting at Epic Environmental Pty LTD (“EPIC”), which was acquired on January 31, 2024, and Paragon Soil and Environmental Consulting Inc. (“Paragon”) which was acquired May 31, 2024, and whose financial statements constitute approximately 6.1% of total assets and approximately 3.7% of revenues of the Company’s consolidated financial statement amounts as of and for the year ended December 31, 2024. Accordingly, our audit did not include the internal control over financial reporting over EPIC and Paragon.

Basis for Opinion

The Company’s management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the *accompanying Management’s Report on Internal Control over Financial Reporting*. Our responsibility is to express an opinion on the Company’s internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control over Financial Reporting

A company’s internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ Deloitte & Touche LLP

Costa Mesa, California
March 3, 2025

Item 9B. Other Information.

None.

Item 9C. Disclosure Regarding Foreign Jurisdictions that Prevent Inspections.

None.

PART III

Item 10. Directors, Executive Officers and Corporate Governance.

Except as set forth below and as set forth under “Information About Our Executive Officers” in Item 1. “Business” the information required under this Item is incorporated herein by reference to our definitive proxy statement to be filed with the SEC no later than 120 days after the close of our fiscal year ended December 31, 2024. This information will appear in the proxy statement under the headings “The Board of Directors– Class I Director Nominees,” “The Board of Directors– Continuing Directors,” “Other Matters – Delinquent Section 16(a) Reports,” “Corporate Governance – Insider Trading Policy,” and “Corporate Governance – Committees of the Board of Directors.”

Code of Business Conduct and Ethics for Chief Executive Officer, Chief Financial Officer and Chief Accounting Officer.

We have adopted a Code of Ethics which applies to our chief executive officer, chief financial officer, chief accounting officer and all our other employees, and which can be found through our investor relations website, investors.montrose-env.com. We are not including this or any other information on our website as a part of, nor incorporating it by reference into, this Annual Report on Form 10-K or any of our other SEC filings.

In the event the Company makes any amendment to, or grants any waiver from, a provision of the Code of Business Conduct and Ethics that applies to the principal executive officer, principal financial officer or principal accounting officer that requires disclosure under applicable SEC or NYSE rules, the Company will disclose such amendment or waiver and reasons therefore on its website at investors.montrose-env.com within the time period required by such rules.

Item 11. Executive Compensation.

The information required under this Item is incorporated herein by reference to our definitive proxy statement to be filed with the SEC no later than 120 days after the close of our fiscal year ended December 31, 2024. This information will appear in the proxy statement under the headings “Compensation Committee Matters” and “Corporate Governance – Compensation Committee Interlocks and Insider Participation.”

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters.

Except as set forth below, the information required under this Item is incorporated herein by reference to our definitive proxy statement to be filed with the SEC no later than 120 days after the close of our fiscal year ended December 31, 2024. This information will appear in the proxy statement under the heading “Security Ownership of Certain Beneficial Owners and Management.”

Information with Respect to Securities Authorized for Issuance Under Equity Compensation Plans

The following table provides information as of December 31, 2024, with respect to the Company’s existing equity compensation plan:

Plan Category	Number of Securities to be Issued Upon Exercise of Outstanding Option and Rights (column (a))	Weighted-Average Exercise Price of Outstanding Options, and Rights (column (b))	Number of Securities Remaining Available for Future Issuance under Equity Compensation Plans (Excluding Securities Reflected in Column (a)) (column (c))
Equity compensation plans approved by security holders ⁽¹⁾	3,026,096 ⁽²⁾	\$ 25.19	778,108 ⁽³⁾

⁽¹⁾ Includes the Company’s 2013 Amended and Restated Stock Option Plan and the Company’s 2017 Amended and Restated Stock Incentive Plan.
⁽²⁾ Excludes unvested restricted stock issued under the Company’s 2017 Amended and Restated Stock Incentive Plan.
⁽³⁾ Pursuant to the terms of the 2017 Amended and Restated Stock Incentive Plan, the number of shares of common stock authorized for issuance under the plan automatically increase on January 1 of each year and will end with a final increase on January 1, 2027, in an amount equal to 4% of the total number of shares of common stock outstanding on December 31st of the preceding calendar year. The amount referenced excludes such adjustment as of January 1, 2024.

Item 13. Certain Relationships and Related Transactions, and Director Independence.

The information required under this Item is incorporated herein by reference to our definitive proxy statement to be filed with the SEC no later than 120 days after the close of our fiscal year ended December 31, 2024. This information will appear in the proxy statement under the headings “Certain Relationships and Related Party Transactions” and “Corporate Governance – Director Independence.”

Item 14. Principal Accounting Fees and Services.

The information required under this Item is incorporated herein by reference to our definitive proxy statement to be filed with the SEC no later than 120 days after the close of our fiscal year ended December 31, 2024. This information will appear in the proxy statement under the heading “Audit Committee Matters.”

PART IV

Item 15. Exhibits, Financial Statement Schedules.

- (a) List the following documents filed as a part of the report:
- (1) The list of consolidated financial statements and related notes, together with the report of Deloitte & Touche LLP, appear in Part II, Item 8. “Financial Statements and Supplementary Data” and are hereby incorporated by reference.
 - (2) Financial statement schedules have been omitted because they are not applicable, not material or the required information is otherwise included.
 - (3) The following documents are filed, furnished or incorporated by reference as exhibits to this report as required by Item 601 of Regulation S-K.

Exhibit No.	Description of Exhibit
2.1	<u>Membership Interest Purchase Agreement among CTEH Holdings, LLC, Montrose Planning & Permitting, LLC, Montrose Environmental Group, Inc., The Center for Toxicology and Environmental Health, L.L.C. and the Seller Indemnifying members dated March 28, 2020.</u> ^(a)
3.1	<u>Amended and Restated Certificate of Incorporation.</u> ^(b)
3.2	<u>Amendment to Amended and Restated Certificate of Incorporation.</u> ^(k)
3.3	<u>Certificate of Designation of Cumulative Series A-2 Preferred Stock.</u> ^(a)
3.4	<u>Amended and Restated Bylaws.</u> ^(k)
4.1	<u>Third Amended and Restated Investor Rights Agreement dated April 13, 2020 by and among Montrose Environmental Group, Inc., OCM Montrose Holdings, L.P., OCM Montrose II Holdings, L.P. and the common stockholders party thereto.</u> ^(a)
4.2*	<u>Description of Registrant’s Securities.</u>
10.1 [#]	<u>Form of Indemnification Agreement entered into with Directors and Executive Officers.</u> ^(a)
10.2	<u>Credit Agreement, dated April 27, 2021 among Montrose Environmental Group, Inc., Montrose Environmental Group Ltd., the Guarantors (defined therein), each financial institution from time to time party thereto, Bank of the West, as Administrative Agent, Swing Line Lender, L/C Issuer, Sole Bookrunner and Joint Lead Arranger, and Capital One, National Association and BOFA Securities, Inc., each as Joint Lead Arranger.</u> ^(e)
10.3	<u>First Amendment to Credit Agreement, dated August 30, 2022, by and among Montrose Environmental Group, Inc., Montrose Environmental Group Ltd., the other Loan Parties thereto, the Lenders party thereto, and Bank of the West, as Administrative Agent.</u> ^(g)
10.4 [#]	<u>Offer Letter by and between Montrose Environmental Group, Inc. and Vijay Manthripragada, dated July 13, 2015.</u> ^(a)
10.5 [#]	<u>Executive Compensation Letter by and between Montrose Environmental Group, Inc. and Vijay Manthripragada, dated June 23, 2016.</u> ^(a)
10.6 [#]	<u>Offer Letter by and between Montrose Environmental Group, Inc. and Allan Dicks, dated August 8, 2016.</u> ^(a)
10.7 [#]	<u>Executive Compensation Letter by and between Montrose Environmental Group, Inc. and Allan Dicks, dated August 8, 2016.</u> ^(a)
10.8 [#]	<u>Offer Letter by and between Montrose Environmental Group, Inc. and Nasym Afsari, dated October 14, 2014.</u> ^(a)

- 10.9[#] [Executive Compensation Letter by and between Montrose Environmental Group, Inc. and Nasym Afsari, dated June 23, 2016.](#)^(a)
- 10.10[#] [Amendment to the Executive Compensation Letter by and between Montrose Environmental Group, Inc. and Nasym Afsari, dated September 14, 2017.](#)^(a)
- 10.11[#] [Offer Letter by and between Montrose Environmental Group, Inc. and Joshua M. LeMaire, dated July 2, 2015.](#)^(a)
- 10.12[#] [Executive Compensation Letter by and between Montrose Environmental Group, Inc. and Joshua M. LeMaire, dated June 23, 2016.](#)^(a)
- 10.13[#] [Offer Letter by and between Montrose Environmental Group, Inc. and Jose M. Revuelta, dated March 4, 2014.](#)^(a)
- 10.14[#] [Executive Compensation Letter by and between Montrose Environmental Group, Inc. and Jose M. Revuelta, dated June 23, 2016.](#)^(a)
- 10.15[#] [Montrose Environmental Group, Inc. Amended and Restated 2013 Stock Option Plan.](#)^(a)
- 10.16[#] [Amendment No. 1 to Montrose Environmental Group, Inc. Amended and Restated 2013 Stock Option Plan.](#)^(a)
- 10.17[#] [Amendment No. 2 to Montrose Environmental Group, Inc. Amended and Restated 2013 Stock Option Plan.](#)^(a)
- 10.18[#] [Amendment No. 3 to Montrose Environmental Group, Inc. Amended and Restated 2013 Stock Option Plan.](#)^(a)
- 10.19[#] [Amendment No. 4 to Montrose Environmental Group, Inc. Amended and Restated 2013 Stock Option Plan.](#)^(a)
- 10.20[#] [Amendment No. 5 to Montrose Environmental Group, Inc. Amended and Restated 2013 Stock Option Plan.](#)^(a)
- 10.21[#] [Amendment No. 6 to Montrose Environmental Group, Inc. Amended and Restated 2013 Stock Option Plan.](#)^(a)
- 10.22[#] [Amendment No. 7 to Montrose Environmental Group, Inc. Amended and Restated 2013 Stock Option Plan.](#)^(a)
- 10.23[#] [Amendment No. 8 to Montrose Environmental Group, Inc. Amended and Restated 2013 Stock Option Plan.](#)^(a)
- 10.24[#] [Form of Option Award Agreement under the Montrose Environmental Group, Inc. Amended and Restated 2013 Stock Option Plan.](#)^(a)
- 10.25[#] [Montrose Environmental Group, Inc. Amended and Restated 2017 Stock Incentive Plan.](#)^(b)
- 10.26[#] [Form of Grant Notice and Standard Terms and Conditions for Stock Options under the Montrose Environmental Group, Inc. Amended and Restated 2017 Stock Incentive Plan.](#)^(a)
- 10.27[#] [Form of Grant Notice and Standard Terms and Conditions for Restricted Stock under the Montrose Environmental Group, Inc. Amended and Restated 2017 Stock Incentive Plan.](#)^(a)
- 10.28[#] [Form of Confidential Information, Non-Solicitation and Non-Compete Agreement \(California\).](#)^(a)
- 10.29[#] [Form of Confidential Information, Non-Solicitation and Non-Compete Agreement \(Ohio\).](#)^(a)
- 10.30^{#*} [Montrose Environmental Group, Inc. Amended and Restated Executive Severance Policy.](#)
- 10.31[#] [Form of Grant Notice and Standard Terms and Conditions for Performance-Based Stock Appreciation Rights under the Montrose Environmental Group, Inc. Amended and Restated 2017 Stock Incentive Plan.](#)^(f)

10.32 [#]	<u>Form of Grant Notice and Standard Terms and Conditions for Restricted Stock Units under the Montrose Environmental Group, Inc. Amended and Restated 2017 Stock Incentive Plan.</u> ^(f)
10.33	<u>Second Amendment to Credit Agreement, dated as of May 26, 2023, by and among Montrose Environmental Group, Inc., the Lenders party thereto, and BMO Harris Bank, N.A., as successor in interest to Bank of the West, as Administrative Agent.</u> ^(h)
10.34	<u>Third Amendment to Credit Agreement and Lender Joinder Agreement, dated January 2, 2024, among Montrose Environmental Group, Inc., Montrose Environmental Group Ltd., the Guarantors (defined therein) party thereto, each financial institution party thereto, and BMO N.A. and Bank of America, N.A., as Administrative Agent, Swing Line Lender, and L/C Issuer.</u> ⁽ⁱ⁾
10.35	<u>Fourth Amendment to Credit Agreement and Lender Joinder Agreement, dated February 14, 2024, among Montrose Environmental Group, Inc., Montrose Environmental Group Ltd., the Guarantors (defined therein) party thereto, each financial institution thereto, and Bank of America, N.A., as Administrative Agent, Swing Line Lender, and L/C Issuer.</u> ⁽ⁱ⁾
10.36 [#]	<u>Form of SAR Cancellation Agreement.</u> ^(l)
10.37 [*]	<u>Amended and Restated Credit Agreement, dated February 26, 2025, among Montrose Environmental Group Inc., Montrose Environmental Group Ltd., the Guarantors (defined therein) party thereto, Bank of America, N.A., as Administrative Agent, Swing Line Lender, and L/C Issuer, and the Lenders (defined therein) party hereto, BOFA Securities, Inc., as Sole Bookrunner and Joint Lead Arranger, Capital One National Association, JPMorgan Chase Bank, N.A., and U.S. Bank National Association, as Joint Lead Arrangers, and Capital One National Association, JPMorgan Chase Bank N.A., and U.S. Bank National Association, as co-Syndication Agents.</u>
19.1 [*]	<u>Insider Trading Policy.</u>
21.1 [*]	<u>Subsidiaries of the Registrant.</u>
23.1 [*]	<u>Consent of Deloitte & Touche LLP.</u>
31.1 [*]	<u>Certification of Principal Executive Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.</u>
31.2 [*]	<u>Certification of Principal Financial Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.</u>
32.1 ^{**}	<u>Certification of Principal Executive Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.</u>
32.2 ^{**}	<u>Certification of Principal Financial Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.</u>
97.1	<u>Policy relating to recovery of erroneously awarded compensation, as required by applicable listing standards adopted pursuant to 17 CFR 240.10D-1</u> ^(j)
101.INS [*]	Inline XBRL Instance Document
101.SCH [*]	Inline XBRL Taxonomy Extension Schema With Embedded Linkage Documents
104 [*]	Cover Page Interactive Data File – The cover page from the Company’s Quarterly Report on Form 10-K for the fiscal year ended December 31, 2024 is formatted in Inline XBRL (included as Exhibit 101)

[#] Denotes management compensatory plan or arrangement.

^{*} Filed herewith.

^{**} Furnished herewith.

(a) Previously filed on June 29, 2020 as an exhibit to the Company’s Registration Statement on Form S-1 (File No. 333-239542) and incorporated herein by reference.

- (b) Previously filed on July 14, 2020 as an exhibit to Amendment No. 1 to the Company's Registration Statement on Form S-1 (File No. 333-239542) and incorporated herein by reference.
- (c) Previously filed on October 7, 2020 as an exhibit to the Company's Current Report on Form 8-K and incorporated herein by reference.
- (d) Previously filed on March 24, 2021 as an exhibit to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2020 and incorporated herein by reference.
- (e) Previously filed on April 29, 2021 as an exhibit to the Company's Current Report on Form 8-K and incorporated herein by reference.
- (f) Previously filed on December 21, 2021 as an exhibit to the Company's Current Report on Form 8-K and incorporated herein by reference.
- (g) Previously filed on March 1, 2023 as an exhibit to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2022 and incorporated herein by reference.
- (h) Previously filed on August 9, 2023 as an exhibit to the Company's Quarterly Report on Form 10-Q for the fiscal quarter ended June 30, 2023. and incorporated herein by reference.
- (i) Previously filed on February 20, 2024 as an exhibit to the Company's Current Report on Form 8-K and incorporated herein by reference.
- (j) Previously filed on February 29, 2024 as an exhibit to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2023 and incorporated herein by reference.
- (k) Previously filed on May 14, 2024 as an exhibit to the Company's Current Report on Form 8-K and incorporated herein by reference.
- (l) Previously filed on January 6, 2025 as an exhibit to the Company's Current Report on Form 8-K and incorporated herein by reference.

Item 16. Form 10-K Summary

None.

SIGNATURES

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

Montrose Environmental Group, Inc.

Date: March 3, 2025

By: /s/ Allan Dicks
Allan Dicks
Chief Financial Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, this Report has been signed below by the following persons on behalf of the Registrant in the capacities and on the dates indicated.

<u>/s/ Vijay Manthripragada</u> Vijay Manthripragada	President, Chief Executive Officer and Director (Principal Executive Officer)	March 3, 2025
<u>/s/ Allan Dicks</u> Allan Dicks	Chief Financial Officer (Principal Financial Officer, Principal Accounting Officer)	March 3, 2025
<u>/s/ J. Miguel Fernandez de Castro</u> J. Miguel Fernandez de Castro	Director	March 3, 2025
<u>/s/ Vincent Colman</u> Vincent Colman	Director	March 3, 2025
<u>/s/ Peter M. Graham</u> Peter M. Graham	Director	March 3, 2025
<u>/s/ Robin Newmark</u> Robin Newmark	Director	March 3, 2025
<u>/s/ Richard E. Perlman</u> Richard E. Perlman	Chairman of the Board; Director	March 3, 2025
<u>/s/ J. Thomas Presby</u> J. Thomas Presby	Director	March 3, 2025
<u>/s/ James K. Price</u> James K. Price	Director	March 3, 2025
<u>/s/ Janet Risi Field</u> Janet Risi Field	Director	March 3, 2025

Description of the Company's Securities

Montrose Environmental Group, Inc. has one class of securities registered under Section 12 of the Securities Exchange Act of 1934, as amended: our common stock. References to the "Company," "we," "us" and "our" refer to Montrose Environmental Group, Inc. and not to any of our subsidiaries.

The following is a summary of the material provisions of our common stock and does not purport to be complete. Because this is a summary description, it does not contain all of the information that may be important to you. For a more detailed description of our common stock, you should refer to the provisions of our amended and restated certificate of incorporation, as amended from time to time (the "Charter"), and our amended and restated bylaws, copies of which are incorporated by reference as exhibits to the Annual Report on Form 10-K of which this Exhibit 4.2 is an exhibit.

General

Our authorized capital stock consists of 190,000,000 shares of common stock, par value \$0.000004 per share, and 10,029,500 shares of preferred stock, par value \$0.0001 per share.

Common Stock

Our Charter authorizes the issuance of up to 190,000,000 shares of common stock. All outstanding shares of common stock are fully paid and nonassessable.

Voting Rights

The holders of our common stock are entitled to one vote per share on all matters submitted to a vote of stockholders and our Charter does not provide for cumulative voting in the election of directors. Except in respect of matters relating to the election of directors and as otherwise provided in our Charter or required by law, all matters to be voted on by our stockholders must be approved by a majority of the shares present in person or by proxy at the meeting and entitled to vote on the subject matter. In the case of the election of directors, nominees must be approved by a plurality of the votes cast. Our Common Stock votes as a single class on all matters.

Dividend Rights

Subject to preferences that may be applicable to any outstanding series of preferred stock, the holders of our common stock are entitled to receive ratably any dividends declared by our board of directors out of funds legally available for the payment of dividends.

Liquidation Rights

In the event of our liquidation, dissolution or winding-up, the holders of our common stock will be entitled to share ratably in all assets remaining after payment of or provision for any liabilities, subject to prior distribution rights of preferred stock, if any, then outstanding.

Other Rights

Our stockholders have no preemptive, conversion or other rights to subscribe for additional shares. All outstanding shares are validly issued, fully paid and nonassessable. The rights, preferences and privileges of the holders of our common stock are subject to and may be adversely affected by the rights of the holders of shares of any series of our preferred stock outstanding or that we may designate and issue in the future.

Provisions of Our Charter, Bylaws and Delaware Law That May Have an Anti-Takeover Effect

Provisions of the Delaware General Corporation Law, or the DGCL and our Charter and amended and restated bylaws could make it more difficult to acquire our company by means of a tender offer, a proxy contest or otherwise. These provisions, summarized below, are intended to discourage coercive takeover practices and inadequate takeover bids and to encourage persons seeking to acquire control of us to first negotiate with our board of directors. We believe that the benefits of these provisions outweigh the disadvantages of discouraging certain takeover or acquisition proposals because, among other things, negotiation of these proposals could result in an improvement of their terms and enhance the ability of our board of directors to maximize stockholder value. However, these provisions may delay, deter or prevent a merger or acquisition of us that a stockholder might consider is in its best interest, including those attempts that might result in a premium over the prevailing market price of our common stock.

Undesignated Preferred Stock

Our Charter provides that our board of directors has the authority, without further action by the stockholders, to issue up to 10,029,500 shares of preferred stock, of which 17,500 shares are currently outstanding as shares of our Series A-2 preferred stock. Our board of directors may issue preferred stock in one or more series and determine the rights, preferences, privileges, qualifications and restrictions granted to or imposed upon our preferred stock, including dividend rights, conversion rights, voting rights, rights and terms of redemption, liquidation preferences and sinking fund terms, any or all of which may be greater than the rights of our common stock. Issuances of preferred stock could adversely affect the voting power of holders of our common stock and reduce the likelihood that holders of our common stock will receive dividend payments and payments upon liquidation. Any issuance of preferred stock could also have the effect of decreasing the market price of our common stock and could delay, deter or prevent a change in control of our company.

Requirements for Advance Notification of Stockholder Meetings, Nominations and Proposals

Our Charter provides that special meetings of the stockholders may be called only by or at the direction of the board of directors, the chairman of our board or the chief executive officer with the concurrence of a majority of the board of directors or at the written request of one or more stockholders who own shares representing at least 45% of the voting power of the stock outstanding and entitled to vote on the matters to be brought before the proposed special meeting and who comply with specified procedural requirements in our amended and restated bylaws. Our amended and restated bylaws prohibit the conduct of any business at a special meeting other than as specified in the notice for such meeting. These provisions may have the effect of deferring, delaying or discouraging hostile takeovers or changes in control or management of our company.

Our amended and restated bylaws establish advance notice procedures with respect to stockholder proposals and the nomination of candidates for election as director. In order for any matter to be “properly brought” before a meeting, a stockholder will have to comply with such advance notice procedures and provide us with certain information. Our amended and restated bylaws allow the presiding officer at a meeting of stockholders to adopt rules and regulations for the conduct of meetings which may have the effect of precluding the conduct of certain business at a meeting if such rules and regulations are not followed. These provisions may also defer, delay or discourage a potential acquirer from conducting a solicitation of proxies to elect the acquirer’s own slate of directors or otherwise attempting to influence or obtain control of our company.

Amendments to Our Charter

We may amend, alter, change or repeal any provision of our Charter in the manner now or hereafter prescribed by the DGCL. Our Charter provides that the board of directors is expressly authorized to adopt, amend or repeal our bylaws and that our stockholders may amend our bylaws only with the approval of at least a majority of the voting power of all shares of our common stock then outstanding.

No Cumulative Voting

The DGCL provides that a stockholder's right to vote cumulatively in the election of directors does not exist unless the certificate of incorporation specifically provides otherwise. Our Charter does not provide for cumulative voting.

Classified Board of Directors

Our Charter provides that our board of directors is divided into three classes of directors, with the classes to be as nearly equal in number as possible, designated Class I, Class II and Class III. Class I directors shall initially serve until our 2021 annual meeting of stockholders; Class II directors shall initially serve until the 2022 annual meeting of stockholders; and Class III directors shall initially serve until the 2023 annual meeting of stockholders. Commencing with the 2024 annual meeting of stockholders, directors of each class the term of which shall then expire shall be elected to hold office for a three-year term. The classification of directors has the effect of making it more difficult for stockholders to change the composition of our board of directors. Our Charter provides that the number of directors will be fixed from time to time exclusively pursuant to a resolution adopted by the board of directors, but must consist of not less than three or more than 15 directors.

Removal of Directors; Vacancies

Our Charter and amended and restated bylaws provide that directors may be removed only for cause and only upon the affirmative vote of holders of at least a majority of the voting power of all the then outstanding shares of stock entitled to vote generally in the election of directors, voting together as a single class. In addition, our Charter and amended and restated bylaws provide that any newly created directorships and any vacancies on our board of directors will be filled only by the affirmative vote of the majority of remaining directors. Therefore, while stockholders meeting the applicable requirements may call a special meeting for the purpose of removing directors, stockholders are not able to elect new directors to fill any resulting vacancies that may be created as a result of such a special meeting.

Stockholder Action by Written Consent

The DGCL permits any action required to be taken at any annual or special meeting of the stockholders to be taken without a meeting, without prior notice and without a vote if a consent in writing, setting forth the action so taken, is signed by the holders of outstanding stock having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares of stock entitled to vote thereon were present and voted, unless the certificate of incorporation provides otherwise. Our Charter and amended and restated bylaws preclude stockholder action by written consent.

Limitations on Liability and Indemnification of Officers and Directors

The DGCL authorizes corporations to limit or eliminate the personal liability of officers and directors to corporations and their stockholders for monetary damages for breaches of directors' fiduciary duties. Our Charter and amended and restated bylaws include provisions that eliminate, to the extent allowable under the DGCL, the personal liability of officers and directors for monetary damages for actions taken as an officer or a director, as the case may be. Our Charter and amended and restated bylaws also provide that we must indemnify and advance reasonable expenses to our officers and directors to the fullest extent authorized by the DGCL. We are also expressly authorized to carry directors' and officers' insurance for our officers and directors as well as certain employees for certain liabilities.

The limitation of liability and indemnification provisions in our Charter and amended and restated bylaws may discourage stockholders from bringing a lawsuit against officers and directors for breach of their fiduciary duty. These provisions may also have the effect of reducing the likelihood of derivative litigation against officers and directors, even though such an action, if successful, might otherwise benefit our company and our stockholders. In addition, your investment may be adversely affected to the extent that, in a class action or direct suit, we pay the costs of settlement and damage awards against officers and directors pursuant to these indemnification provisions.

Authorized but Unissued Shares

Our authorized but unissued shares of common stock and preferred stock are available for future issuance without your approval. The DGCL does not require stockholder approval for any issuance of authorized shares. However, the rules of the New York Stock Exchange require stockholder approval of certain issuances equal to or exceeding 20% of the then-outstanding voting power or the then-outstanding number of shares of common stock. No assurances can be given that our shares will remain so listed. We may use additional shares for a variety of corporate purposes, including future public offerings to raise additional capital, corporate acquisitions and employee benefit plans. As discussed above, our board of directors has the ability to issue preferred stock with voting rights or other preferences, without stockholder approval. The existence of authorized but unissued shares of common stock and preferred stock could render more difficult or discourage an attempt to obtain control of our company by means of a proxy contest, tender offer, merger or otherwise.

Exclusive Forum Clause

Our Charter provides that, unless we consent in writing to the selection of an alternative forum, to the fullest extent permitted by law, the sole and exclusive forum for any stockholder (including any beneficial owner) to bring (i) any derivative action or proceeding brought on our behalf, (ii) any action asserting a claim of breach of a fiduciary duty owed by any of our directors, officers or employees to us or to our stockholders, (iii) any action asserting a claim arising pursuant to any provision of the DGCL or our Charter or bylaws or (iv) any action asserting a claim governed by the internal affairs doctrine, is a state court located within the State of Delaware (or, if no state court located within the State of Delaware has jurisdiction or declines to accept jurisdiction, the federal district court for the District of Delaware); in all cases subject to such court having personal jurisdiction over the indispensable parties named as defendants.

In addition, our Charter provides that the federal district courts of the United States are the exclusive forum for resolving any complaint asserting a cause of action arising under the Securities Act of 1933, as amended, but the forum selection provisions do not apply to claims brought to enforce a duty or liability created by the Securities Exchange Act of 1934, as amended. Although we believe these provisions benefit us by providing increased consistency in the application of Delaware law for the specified types of actions and proceedings, the provisions may have the effect of discouraging lawsuits against us or our directors or officers.

Any person or entity purchasing or otherwise acquiring any interest in shares of our capital stock is deemed to have notice of and consented to the foregoing provisions. See the section entitled “Risk Factors.”

MONTROSE ENVIRONMENTAL GROUP, INC.
AMENDED AND RESTATED
EXECUTIVE SEVERANCE POLICY

1. INTRODUCTION

This Montrose Environmental Group, Inc. Amended and Restated Executive Severance Policy (the “Policy”) is effective as of February 25, 2025 (the “Effective Date”). The purpose of the Policy is to provide for the payment of severance benefits to certain executives of Montrose Environmental Group, Inc. (the “Company”) or one of its subsidiaries in connection with a termination of employment in certain circumstances.

2. DEFINITIONS

For purposes of the Policy, the terms below are defined as follows:

(a) “Base Salary” means the annual base salary payable to an Eligible Employee at the time of the Termination Date.

(b) “Cause” has the meaning set forth in a written employment or services agreement between the Eligible Employee and the Company or an Affiliate thereof, or if no such meaning applies, means a Eligible Employee’s termination of employment by the Company by reason of the occurrence of any of the following events: (i) such Eligible Employee’s commission of any felony or any crime involving fraud, dishonesty or moral turpitude under the laws of the United States or any state thereof; (ii) such Eligible Employee’s attempted commission of, or participation in, a fraud or act of dishonesty against the Company; (iii) such Eligible Employee’s material violation of any contract or agreement between the Eligible Employee and the Company or of any statutory duty owed to the Company or any lawful policy or code of conduct established by the Company; (iv) such Eligible Employee’s unauthorized use or disclosure of the Company’s confidential information or trade secrets; (v) such Eligible Employee’s material failure to perform in a satisfactory manner the duties and responsibilities of his or her position with the Company; or (vi) such Eligible Employee’s gross misconduct; provided, however, to the extent the conduct set forth in subsections (iii) or (iv) is reasonably susceptible to cure, the Eligible Employee shall have ten (10) business days to cure such violation after receiving written notice thereof.

(c) “Code” means the Internal Revenue Code of 1986, as amended.

(d) “Company” means Montrose Environmental Group, Inc. and its subsidiaries.

(e) “Disability” means inability of an Eligible Employee to engage in any substantially gainful activity by reason of any medically determinable physical or mental impairment that can be expected to result in death or that has lasted or can be expected to last for a continuous period of not less than twelve (12) months. The determination whether an Eligible Employee has suffered a Disability shall be made by the Company based upon such evidence as it deems necessary and appropriate.

(f) “Eligible Employee” means an executive officer or other key employee of the Company who has been designated by the Board of Directors of the Company or a committee thereof as eligible under the Policy.

(g) “Good Reason” means a termination of employment within sixty (60) days following: (i) a material reduction in the Eligible Employee’s annual base salary or annual incentive opportunity, except for across-the-board reductions generally applicable to all Eligible Employees; (ii) a material reduction in the Eligible Employee’s responsibilities, authorities or duties as compared to those in existence as of the date that the Eligible Employee became an Eligible Employee; (iii) the Company’s requiring the Eligible Employee to be based at a location which is more than fifty (50) miles from the Eligible Executive’s principal place of employment immediately prior to the change; or (iv) material failure of the Company to pay to Eligible Employee any amount otherwise vested and due under any agreement, plan or policy of the Company, which failure in either (i), (ii), (iii) or (iv) is not cured within thirty (30) days from receipt by the Company of written notice from Eligible Employee which specifies the details of the failure.

(h) “Involuntary Termination” means (i) at any time, any termination of an Eligible Employee’s employment with the Company (or its successor) by the Company (or its successor) for any reason other than Cause, the Eligible Employee’s death or Disability and (ii) a resignation by an Eligible Employee for Good Reason.

(i) “Termination Date” means the date specified in the written notice of termination that the Company delivers to the Eligible Employee, or, in the case of Good Reason, the effective date of the Eligible Employee’s resignation.

3. SEVERANCE BENEFITS

In the event of an Involuntary Termination, the Eligible Employee shall be entitled to the following benefits:

(a) Accrued Rights. A payment of the accrued rights due to the Eligible Employee consisting of the sum of (i) Eligible Employee’s Base Salary through the Termination Date not theretofore paid; (ii) any expenses owed to the Eligible Employee under the Company’s expense reimbursement policy; and (iii) any amount arising from the Eligible Employee’s participation in, or benefits under, any employee benefit plans, which amounts shall be payable in accordance with the terms and conditions of such employee benefits plans (clauses (i)-(iii) collectively shall be the “Accrued Rights”), which (except for amounts under clause (iii) which shall be paid pursuant to the applicable plan) shall be paid to the Eligible Employee promptly, but in all events within 30 days following the Termination Date.

(b) Severance. Severance pay as set forth in Exhibit A hereto, which amount shall be payable to the Eligible Employee in twelve (12) equal monthly installments commencing on the date that is thirty (30) days following the Termination Date, subject to the Eligible Employee’s General Release (as provided in Section 3(d) hereof) becoming effective and irrevocable.

(c) Equity Acceleration. In the event of an Involuntary Termination, all outstanding and unvested equity incentive awards previously granted to the Eligible Employee shall

immediately vest in full, with performance-based awards vesting based upon the assumption that the target level of performance has been achieved.

(d) Release. Notwithstanding anything herein to the contrary, an Eligible Employee shall be entitled to the payments and benefits provided for in this Section 3 (other than the Accrued Rights) if and only if the Eligible Employee executes and delivers to the Company a general release of claims against the Company in a form reasonably satisfactory to the Company (the “General Release”) within twenty-one (21) days following the Termination Date (which General Release shall be provided to the Eligible Employee on or about the Termination Date) and the General Release has become effective and irrevocable in accordance with its terms. For the avoidance of doubt, no payments shall be made to any Eligible Employee pursuant to Section 3(b) until the date that is thirty (30) days following the Termination Date, at which time any installments that should have been paid prior to that date shall be paid in lump sum.

4. LIMITATIONS ON BENEFITS

(a) Termination of Benefits. In the event an Eligible Employee, at any time, violates any proprietary information of confidentiality obligation to the Company, any other obligations of the Eligible Employee under an employment or other agreement with the Company or any of the Company’s policies and procedures, (i) the Eligible Employee will be deemed in material breach of this Policy and (ii) the Company will be relieved of any ongoing obligation to comply with any of the terms of this Policy, including without limitation the obligation to make the payments described in Sections 3 (other than the Accrued Rights).

(b) Non-Duplication of Benefits. No Eligible Employee is eligible to receive benefits under the Policy more than one time.

(c) Indebtedness of Eligible Employees. If the Eligible Employee is indebted to the Company or an affiliate of the Company at his or her Termination Date, the Company reserves the right to offset any payments due under the Policy by the amount of such indebtedness.

5. MISCELLANEOUS

(a) Exclusive Discretion. The Board of Directors of the Company or a committee thereof will have the exclusive discretion and authority to establish rules, forms and procedures for the administration of the Policy and to construe and interpret the Policy and to decide any and all questions of fact, interpretation, definition, computation or administration arising in connection with the operation of the Policy, including, but not limited to, the eligibility to participate in the Policy and amount of benefits paid under the Policy. The rules, interpretations, computations and other actions of the administrator will be binding and conclusive on all persons.

(b) Amendment or Termination. The Company may amend or terminate the Policy at any time and from time to time. Termination or amendment of the Policy shall not affect any obligation of the Company under the Policy which has accrued and is unpaid as of the effective date of the termination or amendment (including, but not limited to, the obligation to make payments in respect of an Involuntary Termination that occurs prior to the effective date of the termination or amendment).

(c) No Right to Continued Employment or Service. Nothing herein shall confer upon an Eligible Employee any right to continue in the employ or service of the Company or any of its affiliates and this Policy shall not be deemed a contract of employment. If an Eligible Employee's employment terminates for any reason other than an Involuntary Termination, the Eligible Employee shall not be entitled to any benefits, damages, awards or compensation under this Policy, but may be entitled to payments or benefits in accordance with the Company's other established employee plans and practices or pursuant to other agreements with the Company.

(d) Successors. Any successor to the Company (whether direct or indirect and whether by purchase, merger, consolidation, liquidation or otherwise) or to all or substantially all of the Company's business and/or assets will assume the obligations under the Policy and agree expressly to perform the obligations under the Policy in the same manner and to the same extent as the Company would be required to perform such obligations in the absence of a succession. The terms of the Policy and all rights of the Eligible Employee hereunder will inure to the benefit of, and be enforceable by, the Eligible Employee's personal or legal representatives, executors, administrators, successors, heirs, distributees, devisees and legatees.

(e) Notice. Any and all notices, requests, demands and other communications provided for by this Policy shall be in writing and shall be effective when delivered in person, consigned to a reputable national courier service or deposited in the United States mail, postage prepaid, registered or certified, and addressed to the Eligible Employee at his or her last known address on the books of the Company or, in the case of the Company, at its principal place of business, attention of the General Counsel or to such other address as any party may specify by notice to the other actually received.

(f) No Waiver. The failure of a party to insist upon strict adherence to any term of the Policy on any occasion shall not be considered a waiver of such party's rights or to deprive such party of the right thereafter to insist upon strict adherence to that term or any other term of the Policy.

(g) Severability. In the event that any one or more of the provisions of the Policy shall be or become invalid, illegal or unenforceable in any respect or to any degree, the validity, legality and enforceability of the remaining provisions of the Policy shall not be affected thereby. The parties intend to give the terms of the Policy the fullest force and effect so that if any provision shall be found to be invalid or unenforceable, the court reaching such conclusion may modify or interpret such provision in a manner that shall carry out the parties' intent and shall be valid and enforceable.

(h) Headings. The headings of the sections hereof are inserted for convenience only and shall not be deemed to constitute a part hereof or to affect the meaning thereof.

(i) Creditor Status of Eligible Employees. In the event that any Eligible Employee acquires a right to receive payments from the Company under the Policy such right shall be no greater than the right of any unsecured general creditor of the Company.

(j) Withholding Taxes. The Company may withhold from any amounts payable under the Policy such federal, state and local taxes as may be required to be withheld pursuant to any applicable law or regulation.

(k) Section 409A Compliance. This Policy is intended to be interpreted and operated to the fullest extent possible so that the payments and benefits hereunder either shall be exempt from the requirements of Section 409A of the Code ("Section 409A") or shall comply with the requirements of Section 409A; provided, however, that notwithstanding anything to the contrary in this Policy, in no event shall the Company be liable to the Eligible Employee for or with respect to any taxes, penalties or interest which may be imposed upon the Eligible Employee pursuant to Section 409A. To the extent that any payment or benefit pursuant to this Policy constitutes a "deferral of compensation" subject to Section 409A (after taking into account to the maximum extent possible any applicable exemptions) (a "409A Payment") treated as payable upon a separation from service, then, if on the date of the Eligible Employee's separation from service, the Eligible Employee is a Specified Employee (as defined in Section 409A), then to the extent required for Eligible Employee not to incur additional taxes pursuant to Section 409A, no such 409A Payment shall be made to the Eligible Employee sooner than the earlier of (i) six (6) months after the Eligible Employee's separation from service; or (ii) the date of the Eligible Employee's death. Should this paragraph result in payments or benefits to the Eligible Employee at a later time than otherwise would have been made under this Policy, on the first day any such payments or benefits may be made without incurring additional tax pursuant to Section 409A (the "409A Payment Date"), the Company shall make such payments and provide such benefits as provided for in this Policy, provided that any amounts that would have been payable earlier but for the application of this paragraph shall be paid in lump-sum on the 409A Payment Date.

EXHIBIT A

Severance Formula

Position	Severance Benefit
Chief Executive Officer	2 times Base Salary
All other participants	1 times Base Salary

AMENDED AND RESTATED CREDIT AGREEMENT

Dated as of February 26, 2025

among

MONTROSE ENVIRONMENTAL GROUP, INC.,

as the Parent Borrower,

MONTROSE ENVIRONMENTAL GROUP LTD.,

as the Canadian Borrower,

CERTAIN SUBSIDIARIES OF THE PARENT BORROWER,

as the Guarantors,

BANK OF AMERICA, N.A.,

as Administrative Agent, Swing Line Lender and L/C Issuer,

and

THE LENDERS

from time to time party hereto

BOFA SECURITIES, INC.

as Sole Bookrunner and Joint Lead Arranger

and

CAPITAL ONE NATIONAL ASSOCIATION,

JPMORGAN CHASE BANK, N.A.,

and **U.S. BANK NATIONAL ASSOCIATION,**
as Joint Lead Arrangers

and

CAPITAL ONE NATIONAL ASSOCIATION,
JPMORGAN CHASE BANK, N.A.,
and **U.S. BANK NATIONAL ASSOCIATION,**
as co-Syndication Agents

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N	Form of Solvency Certificate

AMENDED AND RESTATED CREDIT AGREEMENT

This **AMENDED AND RESTATED CREDIT AGREEMENT** is entered into as of February 26, 2025 among **MONTROSE ENVIRONMENTAL GROUP, INC.**, a Delaware corporation (the “Parent Borrower”), **MONTROSE ENVIRONMENTAL GROUP LTD.**, a company amalgamated under the laws of the Province of British Columbia (the “Canadian Borrower”; and together with the Parent Borrower, each, a “Borrower” and collectively, the “Borrowers”), the Guarantors (defined herein), each financial institution from time to time party hereto (collectively, the “Lenders” and individually each a “Lender”), **BANK OF AMERICA, N.A.**, as Administrative Agent, Swing Line Lender and L/C Issuer.

WHEREAS, the Parent Borrower, the Canadian Borrower, certain Guarantors, certain Lenders and the Administrative Agent were party to that certain Credit Agreement, dated as of April 27, 2021 (as amended from time to time prior to the date hereof, the “Existing Credit Agreement”);

WHEREAS, the Parent Borrower requested that such Lenders amend and restate the Existing Credit Agreement and the Lenders have agreed to make available to the Borrowers, a revolving credit facility (including a letter of credit subfacility) and a term loan upon and subject to the terms and conditions set forth in this Agreement for the uses of proceeds described in Section 7.11.

In consideration of the mutual covenants and agreements herein contained, the parties hereto covenant and agree as follows:

ARTICLE I. DEFINITIONS AND ACCOUNTING TERMS

1.01 Defined Terms.

As used in this Agreement, the following terms shall have the meanings set forth below:

“Accepting Lenders” has the meaning specified in Section 11.01.

“Acquisition”, by any Person, means the acquisition by such Person, in a single transaction or in a series of related transactions, of all or any substantial portion of the property of, or a line of business, division of or other business unit of, another Person or at least a majority of the Voting Stock of another Person, in each case whether or not involving a merger, amalgamation or consolidation with such other Person and whether for cash, property, services, assumption of Indebtedness, securities or otherwise; provided that the purchase of specific equipment of a Person for an aggregate purchase price of less than \$3,000,000 that (i) constitutes all or any substantial portion of the property of, or a line of business, division or other business unit of, such Person, (ii) would otherwise constitute capital expenditures of the Parent Borrower and its Subsidiaries in accordance with GAAP and (iii) are not acquired in connection with the acquisition of the operations or business of such Person as a going concern, shall not be deemed to be an Acquisition hereunder.

“Additional Collateral Documents” means each fixed or floating charge, debenture, deed, mortgage, security document, filing, assignment or security instrument or other similar instrument or agreement, in form and substance reasonably satisfactory to the Administrative Agent, executed by any Loan Party or any of their Subsidiaries with or in favor of the Administrative Agent in order to grant Liens on the Equity Interests of and real, personal or mixed property of (i) any Loan Party or any of its Subsidiaries organized or incorporated in any jurisdiction other than the United States to secure the Obligations or (ii) of any Loan Party located in any jurisdiction other than the United States.

“Administrative Agent” means Bank of America (or any of its designated branch offices or affiliates), in its capacity as administrative agent under any of the Loan Documents, and any successor administrative agent.

“Administrative Agent’s Office” means, with respect to any currency, the Administrative Agent’s address and, as appropriate, account as set forth on Schedule 11.01(a) with respect to such currency, or such other address or account with respect to such currency as the Administrative Agent may from time to time notify the Parent Borrower and the Lenders.

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

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

“Affiliate” means, with respect to any Person, another Person that directly, or indirectly through one or more intermediaries, Controls or is Controlled by or is under common Control with the Person specified.

“Aircraft” means the aircraft, engines and propellers together with the landing gear, avionics, systems, appliances, accessories, components, parts, furnishings and other equipment belonging to, installed in or attached or appurtenant to the foregoing and all loose, ground and safety equipment and spare parts relating to the foregoing.

“Agents” means the Administrative Agent.

“Aggregate Revolving Commitments” means the Revolving Commitments of all the Lenders. The aggregate principal amount of the Aggregate Revolving Commitments in effect on the Closing Date is \$300,000,000.

“Agreed Currency” means Dollars or any Alternative Currency, as applicable.

“Agreement” means this Credit Agreement, as it may be amended, restated, supplemented or otherwise modified from time to time.

“Agreement Currency” has the meaning specified in Section 11.23.

“All-In Yield” means, as to any Indebtedness, the yield thereof, whether in the form of interest rate, margin, original issue discount, upfront fees, interest rate floor or otherwise, in each case, incurred or payable by the Parent Borrower generally to all lenders of such Indebtedness, calculated in a manner reasonably determined by the Administrative Agent; provided that “All- In Yield” shall exclude arrangement, structuring, commitment, underwriting or other similar fees (regardless of whether paid in whole or in part to any lenders).

“Alternative Currency” means Canadian Dollars, Australian Dollars and any currency that is approved in accordance with Section 1.09(a).

“Alternative Currency Equivalent” means, at any time, with respect to any amount denominated in Dollars, the equivalent amount thereof in the applicable Alternative Currency as determined by the Administrative Agent or L/C Issuer, as the case may be, at such time on the basis of the Spot Rate

(determined in respect of the most recent Revaluation Date) for the purchase of such Alternative Currency with Dollars.

“Alternative Currency Daily Rate Loan” means a Loan that bears interest based on the Daily Simple CORRA. All Alternative Currency Daily Rate Loans must be denominated in an Alternative Currency.

“Alternative Currency Loan” means an Alternative Currency Daily Rate Loan or an Alternative Currency Term Rate Loan, as applicable.

“Alternative Currency Sublimit” means (a) with respect to Canadian Dollars, the Canadian Dollar Sublimit, and (b) with respect to Australian Dollars, the Australian Dollar Sublimit.

“Alternative Currency Term Rate Loan” means a Loan that bears interest based on the BBSY Rate or the CORRA Rate. All Alternative Currency Term Rate Loans must be denominated in an Alternative Currency.

“Applicable Authority” means (a) with respect to SOFR, the SOFR Administrator or any Governmental Authority having jurisdiction over the Administrative Agent or the SOFR Administrator with respect to its publication of SOFR, in each case acting in such capacity and (b) with respect to any Alternative Currency, the applicable administrator for the Relevant Rate for such Alternative Currency or any Governmental Authority having jurisdiction over the Administrative Agent or such administrator with respect to its publication of the applicable Relevant Rate, in each case acting in such capacity.

“Applicable Percentage” means with respect to any Lender at any time (a) with respect to such Lender’s Revolving Commitment at any time, the percentage of the Aggregate Revolving Commitments represented by such Lender’s Revolving Commitment at such time, subject to adjustment as provided in Section 2.15; provided that if the commitment of each Lender to make Revolving Loans and the obligation of the L/C Issuer to make L/C Credit Extensions have been terminated pursuant to Section 9.02 or if the Aggregate Revolving Commitments have expired, then the Applicable Percentage of each Lender shall be determined based on the Applicable Percentage of such Lender most recently in effect giving effect to any subsequent assignments, (b) with respect to such Lender’s portion of the outstanding Term Loan, the percentage of the Term Loan represented by the outstanding principal amount of such Lender’s portion of the Term Loan at such time, and (c) with respect to such Lender’s portion of the outstanding Incremental Term Loan at any time, the percentage of the outstanding principal amount of such Incremental Term Loan held by such Lender at such time. The initial Applicable Percentage of each Lender as of the Closing Date is set forth opposite the name of such Lender on Schedule 2.01 or in the Assignment and Assumption or other agreement pursuant to which such Lender becomes a party hereto, as applicable.

“Applicable Rate” means, for any day, with respect to any Loan, or with respect to the commitment fees payable hereunder, as the case may be, the applicable rate per annum set forth below under the caption “Base Rate Spread”, “Term SOFR/Daily SOFR/CORRA Rate/Daily Simple CORRA/BBSY Spread”, “Commitment Fee Rate”, or “Letter of Credit Fee”, as the case may be, based upon the Consolidated Total Leverage Ratio as of the most recent determination date, provided that until the delivery to the Administrative Agent of the Parent Borrower’s consolidated financial information pursuant to Section 7.01(b) for the fiscal quarter ending March 31, 2025, the “Applicable Rate” shall be the applicable rates per annum set forth below in Tier IV:

<u>Consolidated Total Leverage Ratio</u>	<u>Term SOFR/ Daily SOFR/ CORRA Rate/ Daily Simple CORRA/ BBSY Rate Spread</u>	<u>Base Rate Spread</u>	<u>Commitment Fee Rate</u>	<u>Letter of Credit Fee</u>
<u>Tier I</u> ≥ 3.75 to 1.0	2.50%	1.50%	0.25%	2.50%
<u>Tier II</u> < 3.75 to 1.0 but ≥ 3.25 to 1.0	2.25%	1.25%	0.225%	2.25%
<u>Tier III</u> < 3.25 to 1.0 but ≥ 2.50 to 1.0	2.00%	1.00%	0.20%	2.00%
<u>Tier IV</u> < 2.50 to 1.0 but ≥ 1.75 to 1.0	1.75%	0.75%	0.15%	1.75%
<u>Tier V</u> < 1.75 to 1.0	1.50%	0.50%	0.15%	1.50%

For purposes of the foregoing, (a) the Applicable Rate shall be determined as of the end of each fiscal quarter of the Parent Borrower, based upon the Parent Borrower's annual or quarterly consolidated financial statements delivered pursuant to Section 7.01; and (b) each change in the Applicable Rate resulting from a change in the Consolidated Total Leverage Ratio shall be effective during the period commencing on and including the date of delivery to the Administrative Agent of such consolidated financial statements indicating such change and ending on the date immediately preceding the effective date of the next such change, provided that at the option of the Administrative Agent or at the request of the Required Lenders, if the Borrower fails to deliver the annual or quarterly consolidated financial statements required to be delivered by it pursuant to Section 7.01, the Consolidated Total Leverage Ratio shall be deemed to be in Tier 1 during the period from the expiration of the time for delivery thereof until such consolidated financial statements are delivered.

If at any time the Administrative Agent reasonably determines that the financial statements upon which the Applicable Rate was determined were incorrect (whether based on a restatement, fraud or otherwise), or any ratio or compliance information in a Compliance Certificate or other certification was incorrectly calculated, relied on incorrect information or was otherwise not accurate, true or correct, the Borrowers shall be required to retroactively pay any additional amount that the Borrowers would have been required to pay if such financial statements, Compliance Certificate or other information had been accurate and/or computed correctly at the time they were delivered.

“Applicable Time” means, with respect to any borrowings and payments in any Alternative Currency, the local time in the place of settlement for such Alternative Currency as may be determined by the Administrative Agent or the L/C Issuer, as the case may be, to be necessary for timely settlement on the relevant date in accordance with normal banking procedures in the place of payment.

“Approved Fund” means any Fund that is administered or managed by (a) a Lender, (b) an Affiliate of a Lender or (c) an entity or an Affiliate of an entity that administers or manages a Lender.

“Arrangers” means BofA, Capital One National Association, JPMorgan Chase Bank, N.A., and U.S. Bank National Association, in their capacities as joint lead arrangers.

“Assignment and Assumption” means an assignment and assumption entered into by a Lender and an Eligible Assignee (with the consent of any party whose consent is required by Section 11.06(b)), and accepted by the Administrative Agent, in substantially the form of Exhibit F or any other form (including electronic documentation generated by MarkitClear or other electronic platform) approved by the Administrative Agent and, in the case of any Assignment and Assumption with respect to a Revolving Loan, Letter of Credit or Revolving Commitment, the Administrative Agent.

“Attributable Indebtedness” means, on any date, (a) in respect of any Capital Lease of any Person, the capitalized amount thereof that would appear as indebtedness on a balance sheet of such Person prepared as of such date in accordance with GAAP, (b) in respect of any Synthetic Lease of any Person, the capitalized amount of the remaining lease payments under the relevant lease that would appear as indebtedness on a balance sheet of such Person prepared as of such date in accordance with GAAP if such lease were accounted for as a Capital Lease and (c) in respect of any Securitization Transaction of any Person, the outstanding principal amount of such financing, after taking into account reserve accounts and making appropriate adjustments, determined by the Administrative Agent in its reasonable judgment.

“Audited Financial Statements” has the meaning provided in Section 7.01(a).

“Australian Dollar” and “AU\$” means the lawful currency of Australia.

“Australian Dollar Sublimit” means an amount equal to \$20,000,000. The Australian Dollar Sublimit is part of, and not in addition to, the Aggregate Revolving Commitments.

“Autoborrow Agreement” has the meaning specified in Section 2.04(g). Any Autoborrow Agreement shall be a Loan Document.

“Availability Period” means, with respect to the Revolving Commitments, the period from and including the Closing Date to the earliest of (a) the Maturity Date, (b) the date of termination of all of the Aggregate Revolving Commitments pursuant to Section 2.06, and (c) the date of termination of the commitment of each Lender to make Loans and of the obligation of the L/C Issuer to make L/C Credit Extensions pursuant to Section 9.02.

“Available Amount” means, as of any date of determination, an amount equal to:

(a) the sum of, without duplication,

(i) \$10,000,000, plus

(ii) 50% of Excess Cash Flow (but not less than zero in any period) for each fiscal year, commencing with the fiscal year ending December 31, 2025, completed prior to the date of determination for which the Parent Borrower has delivered or was required to deliver financial statements pursuant to Section 7.01(a), plus

(iii) 100% of the net cash proceeds received by the Parent Borrower (other than any such net cash proceeds received from a Loan Party or a Subsidiary) prior to the date of

determination from issuances after the Closing Date of Equity Interests of the Parent Borrower (other than issuances of Disqualified Stock and issuances in connection with the exercise of an Equity Cure) and solely to the extent such net cash proceeds are Not Otherwise Applied, plus

(iv) the amount of any Investment made following the Closing Date in reliance on the Available Amount to the extent that it is returned in cash prior to the date of determination from a partial or total sale of such Investment (other than any such sale to the Parent Borrower or any Subsidiary), to the extent Not Otherwise Applied, plus

(v) the amount of returns, profits, dividends or interest received in cash prior to the date of determination with respect to any Investment made following the Closing Date in reliance on the Available Amount (other than any such amounts received from the Parent Borrower or any Subsidiary), to the extent Not Otherwise Applied, minus

(b) the cumulative aggregate amount of all Investments made in reliance on the Available Amount pursuant to Section 8.02(p).

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

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

“Bank of America” means Bank of America, N.A.

“Base Rate” means, for any day, a floating interest rate per annum equal to the highest of (a) the rate of interest from time to time announced by the Administrative Agent at its principal office as its prime commercial lending rate (it being understood that such prime commercial rate is a reference rate and does not necessarily represent the lowest or best rate being charged by the Administrative Agent to any customer and such rate is set by the Administrative Agent based upon various factors including the Administrative Agent’s costs and desired return, general economic conditions and other factors), (b) the sum of one half of one percent (0.50%) per annum and the Federal Funds Rate and (c) the sum of (x) the Term SOFR calculated for each such day based on an Interest Period of one month determined two (2) Business Days prior to such day (giving effect to the minimum Term SOFR of 0.00% per annum), plus (y) one percent (1.00%) per annum, in each instance, as of such day. Any change in the Base Rate due to a change in any of the foregoing shall be effective on the effective date of such change in the Administrative Agent’s prime commercial lending rate, the Federal Funds Rate or Term SOFR for an Interest Period of one (1) month; provided that if Base Rate as so determined shall ever be less than the one percent (1.00%), then Base Rate shall be deemed to be one percent (1.00%).

“Base Rate Loan” means a Loan that bears interest based on the Base Rate. All Base Rate Loans are only available to the Parent Borrower and in Dollars.

“BBSY Loan” means a Loan that bears interest at a rate based on BBSY Rate.

“BBSY Rate” means (a) the rate per annum equal to the Australian Bank Bill Swap Reference Rate (Bid) (“BBSY”), administered by ASX Benchmarks Pty Limited (or any other person which takes over the administration of that rate), on page BBSY of the Reuters screen (or any replacement Thomson Reuters screen page which displays that rate) or on the appropriate page of such other information service which publishes that rate from time to time in place of Reuters (or such other commercially available source providing such quotations as may be designated by the Administrative Agent from time to time) that is the first day of such Interest Period (or if such day is not a Business Day, then on the immediately preceding Business Day) with a term equivalent to such Interest Period or (b) if the rate described in paragraph (a) is not available, the sum of (x) the Australian Bank Bill Swap Reference Rate (“BBSW”) administered by ASX Benchmarks Pty Limited (or any other person which takes over the administration of that rate), on page BBSW of the Reuters screen (or any replacement Reuters screen page which displays that rate) or on the appropriate page of such other information service which publishes that rate from time to time in place of Reuters (or such other commercially available source providing such quotations as may be designated by the Administrative Agent from time to time) that is the first day of such Interest Period (or if such day is not a Business Day, then on the immediately preceding Business Day) with a term equivalent to such Interest Period, plus (y) 0.05 per cent per annum; provided, that, if the BBSY Rate shall be less than zero, such rate shall be deemed zero for purposes of this Agreement.

“Board” means the Board of Governors of the Federal Reserve System.

“Beneficial Ownership Certification” means a certification regarding beneficial ownership required by the Beneficial Ownership Regulation.

“Beneficial Ownership Regulation” means 31 C.F.R. § 1010.230.

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

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

“BofA” means BofA Securities, Inc.

“Bona Fide Lending Affiliate” means any bona fide debt fund, investment vehicle, regulated banking entity or non-regulated lending entity that is primarily engaged in making, purchasing, holding or otherwise investing in commercial loans or bonds and/or similar extensions of credit in the ordinary course of business.

“Borrower” and “Borrowers” each has the meaning specified in the introductory paragraph hereto.

“Borrower Materials” has the meaning specified in Section 7.02.

“Borrowing” means each of the following: (a) a borrowing of Swing Line Loans pursuant to Section 2.04 and (b) a borrowing consisting of simultaneous Loans of the same Type, and, in the case of SOFR Loans, CORRA Loans or BBSY Loans, having the same Interest Period made by each of the Lenders pursuant to Section 2.01.

“Business Day” means (a) any day other than a Saturday, Sunday or other day on which commercial banks are authorized to close under the Laws of, or are in fact closed in, the state where the Administrative

Agent's Office is located; (b) (i) if such day relates to any interest rate settings as to a SOFR Loan denominated in Dollars, any fundings, disbursements, settlements and payments in Dollars in respect of any such SOFR Loan, or any other dealings in Dollars to be carried out pursuant to this Agreement in respect of any such SOFR Loan, any such day that is also a U.S. Government Securities Business Day, (ii) if such day relates to any interest rate settings as to a CORRA Loan or a Daily CORRA Loan denominated in Canadian Dollars, any fundings, disbursements, settlements and payments in Canadian Dollars in respect of a CORRA Loan or a Daily CORRA Loan, any such day other than a day on which banking institutions in Toronto, Ontario, Montreal, Quebec or Vancouver, British Columbia are authorized by law to close, (iii) if such day relates to any interest rate settings as to a BBSY Loan denominated in Australian Dollars, any fundings, disbursements, settlements and payments in Australian Dollars in respect of a BBSY Loan, any such day other than a day on which banking institutions in Sydney, Australia or Melbourne, Australia are authorized by law to close; or (iv) if such day relates to any interest rate settings as to a Loan denominated in an Alternative Currency (other than Canadian Dollars and Australian Dollars), any such day on which dealings in deposits in the relevant currency are conducted by and between banks in the applicable offshore interbank market for such currency; and (v) if such day relates to any fundings, disbursements, settlements and payments in respect of Loan denominated in an Alternative Currency (other than Canadian Dollars and Australian Dollars), or any other dealings in any Alternative Currency (other than Canadian Dollars and Australian Dollars) to be carried out pursuant to this Agreement in respect of any such Loan denominated in an Alternative Currency (other than Canadian Dollars and Australian Dollars and other than any interest rate settings), means any such day on which banks are open for foreign exchange business in the principal financial center of the country of such currency; and (c) with respect to any action taken under, or in relation to, the Additional Collateral Documents, a day (other than Saturday or Sunday) on which banks are open for general business in the appropriate collateral jurisdiction, respectively.

"Businesses" means, at any time, a collective reference to the businesses operated by the Parent Borrower and its Subsidiaries at such time.

"Canadian AML Acts" means applicable Canadian law regarding anti- money laundering, anti- terrorist financing, government sanction and "know your client" matters, including the Proceeds of Crime (Money Laundering) and Terrorist Financing Act (Canada), Parts II. 1, XII.2 and s. 354 of the Criminal Code (Canada), and the Special Economic Measures Act (Canada).

"Canadian Borrower" has the meaning specified in the introductory paragraph hereto.

"Canadian Defined Benefit Pension Plan" means a Canadian Pension Plan that contains or has ever contained a "defined benefit provision" as such term is defined in Section 147.1(1) of the ITA.

"Canadian Dollar" and "CAD\$" means the lawful currency of Canada.

"Canadian Dollar Sublimit" means an amount equal to \$50,000,000. The Canadian Dollar Sublimit is part of, and not in addition to, the Aggregate Revolving Commitments.

"Canadian Loan Parties" means, collectively, the Canadian Borrower and each Guarantor organized under the laws of Canada or any province or territory thereof.

"Canadian Pension Plan" means a pension plan or plan that is subject to applicable pension standards legislation in any jurisdiction of Canada and that is organized and administered to provide pensions, pension benefits or retirement benefits for employees and former employees of any Canadian Loan Party or any Subsidiary thereof, or in respect of which any Loan Party or any Subsidiary thereof has any obligations to contribute, or in respect which any Loan Party or any Subsidiary thereof has any liability, contingent or actual, and, for the avoidance of doubt, shall include any "multi- employer pension plan" as

defined in Section 1(3) of the Pension Benefits Act (Ontario), whether or not subject to the Pension Benefits Act (Ontario).

“Canadian Security Agreement” means the Amended and Restated Canadian Security and Pledge Agreement, dated as of the Closing Date, executed in favor of the Administrative Agent, for the benefit of the holders of the Obligations, by each of the Canadian Loan Parties and governed by the laws of the Province of Ontario.

“Canadian Subsidiary” means each Foreign Subsidiary organized under the laws of Canada or any province or territory thereof.

“Cannabis” means all parts of the plant Cannabis sativa L., whether growing or not; the seeds thereof; the resin extracted from any part of such plant; and every compound, manufacture, salt, derivative, mixture, or preparation of such plant, its seeds or resin, except that “Cannabis” does not include: (a) the mature stalks of such plant, fiber produced from such stalks, oil or cake made from the seeds of such plant, any other compound, manufacture, salt, derivative, mixture, or preparation of such mature stalks (except the resin extracted therefrom), fiber, oil, or cake, or the sterilized seed of such plant which is incapable of germination; (b) hemp, defined as the plant Cannabis sativa L. and any part of that plant, including the seeds thereof and all derivatives, extracts, cannabinoids, isomers, acids, salts, and salts of isomers, whether growing or not, with a delta-9 tetrahydrocannabinol concentration of not more than 0.3 percent on a dry weight basis or (c) any other part or variation or derivative of such plant of which the use, consumption, distribution or sale is not in violation of applicable Law.

“Capital Lease” means, as applied to any Person, any lease of any property by that Person as lessee which, in accordance with GAAP, is required to be accounted for as a capital lease on the balance sheet of that Person, subject, for the avoidance of doubt, to the last sentence of Section 1.03(a).

“Cash Collateralize” means to pledge and deposit with or deliver to the Administrative Agent, for the benefit of one or more of L/C Issuer, the Swing Line Lender or the Revolving Lenders, as collateral for L/C Obligations, Obligations in respect of Swing Line Loans, or obligations of the Revolving Lenders to fund participations in respect of L/C Obligations or Swing Line Loans (as the context may require), cash or deposit account balances, backstop letters of credit entered into on terms, from issuers and in amounts satisfactory to the Administrative Agent and the applicable L/C Issuer and/or, if the Administrative Agent and the L/C Issuer or the Swing Line Lender, as applicable, shall agree in their sole discretion, other credit support, in each case, in Dollars and pursuant to documentation in form and substance satisfactory to the Administrative Agent and the L/C Issuer or the Swing Line Lender, as applicable. “Cash Collateral” shall have a meaning correlative to the foregoing and shall include the proceeds of such cash collateral and other credit support.

“CARES Act” means the Coronavirus Aid, Relief and Economic Security Act, as amended (including any successor thereto), the Economic Aid to Hard-Hit Small Business, Nonprofits, and Venues Act (Pub. L. 116-260), and, in each case, all requests, rules, guidelines, requirements and directives thereunder or issued in connection therewith or in implementation thereof, regardless of the date enacted, adopted, issued or implemented.

“Cash Equivalents” means, as at any date, (a) securities issued or directly and fully guaranteed or insured by the United States, Canada, any member of the European Union, Switzerland, the United Kingdom, or Australia or any agency or instrumentality thereof (provided that the full faith and credit of the United States, Canada, or such other applicable country is pledged in support thereof) having maturities of not more than twelve (12) months from the date of acquisition, (b) Dollar, Canadian Dollar, Euros, Pounds Sterling, Swiss Francs, Swedish Krona, or Australian Dollars denominated time deposits and

certificates of deposit of (i) any Lender, (ii) any commercial bank organized under the laws of the United States, any state thereof, the District of Columbia, Canada, any province or territory thereof, Australia, United Kingdom, Switzerland or any member of the European Union, any province or territory thereof of recognized standing having capital and surplus in excess of \$500,000,000 or (iii) any bank whose short-term commercial paper rating from S&P is at least A-1 or the equivalent thereof or from Moody's is at least P-1 or the equivalent thereof (any such bank being an "Approved Bank"), in each case with maturities of not more than 270 days from the date of acquisition, (c) commercial paper and variable or fixed rate notes issued by any Approved Bank (or by the parent company thereof) or any variable rate notes issued by, or guaranteed by, any domestic corporation rated A-1 (or the equivalent thereof) or better by S&P or P- 1 (or the equivalent thereof) or better by Moody's and maturing within six (6) months of the date of acquisition, (d) repurchase agreements entered into by any Person with a bank or trust company (including any of the Lenders) or recognized securities dealer having capital and surplus in excess of \$500,000,000 for direct obligations issued by or fully guaranteed by the United States, the United Kingdom, Switzerland, any member of the European Union, Australia or Canada in which such Person shall have a perfected first priority security interest (subject to no other Liens) and having, on the date of purchase thereof, a fair market value of at least one hundred percent (100%) of the amount of the repurchase obligations, (e) Investments, classified in accordance with GAAP as current assets, in money market investment programs registered under the Investment Company Act of 1940 which are administered by reputable financial institutions having capital of at least \$500,000,000 and the portfolios of which are limited to Investments of the character described in the foregoing subdivisions (a) through (d), (f) in the case of any Foreign Subsidiary, investments denominated in a Local Currency, in each case which are of substantially the same type as the items specified in clauses (a) through (e) above, and (g) other short term liquid investments approved in writing by Administrative Agent. "Local Currency" means the applicable generally accepted currency or currencies of the jurisdiction where a Foreign Subsidiary is organized.

"Change in Law" means the occurrence, after the Closing Date, of any of the following: (a) the adoption or taking effect of any Law, (b) any change in any Law, or in the administration, interpretation, implementation or application thereof by any Governmental Authority or (c) the making or issuance of any request, rule, guideline or directive (whether or not having the force of law) by any Governmental Authority; provided that notwithstanding anything herein to the contrary, (i) the Dodd- Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines or directives thereunder or issued in connection therewith and (ii) all requests, rules, guidelines or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States, Canadian or foreign regulatory authorities, in each case pursuant to Basel III, shall in each case be deemed to be a "Change in Law", regardless of the date enacted, adopted or issued.

"Change of Control" means the occurrence of any of the following events:

(a) any "person" or "group" (as such terms are used in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934, but excluding any employee benefit plan of such person or its subsidiaries, and any person or entity acting in its capacity as trustee, agent or other fiduciary or administrator of any such plan) becomes, directly or indirectly, the "beneficial owner" (as defined in Rules 13d-3 and 13d-5 under the Securities Exchange Act of 1934, except that a person or group shall be deemed to have "beneficial ownership" of all securities that such person or group has the right to acquire (such right, an "option right"), whether such right is exercisable immediately or only after the passage of time), directly or indirectly, of thirty-five percent (35%) or more of the Equity Interests of the Parent Borrower entitled to vote for members of the board of directors or equivalent governing body of the Parent Borrower on a fully diluted basis (and taking into account all such securities that such person or group has the right to acquire pursuant to any option right);

(b) the Parent Borrower ceases to directly or indirectly own one hundred percent (100%) of the voting rights and economic interests (on a fully diluted basis) with respect to all ownership interests of the Subsidiaries existing on the Closing Date (other than (x) any such Subsidiary, all of the ownership interests of which have been sold or otherwise disposed of in accordance with this Agreement, or (y) the Closing Date Joint Ventures) at all times; or

(c) the occurrence of a “change in control”, “liquidity event” or comparable term under the Series A-2 Preferred Equity Documents, in each case, resulting in a mandatory redemption (but not conversion) of the Series A-2 Preferred Equity.

“Closing Date” means the date hereof.

“Closing Date Joint Ventures” means the Subsidiaries of the Parent Borrower set forth on Schedule 1.01.

“Collateral” means a collective reference to all real and personal property with respect to which Liens in favor of the Administrative Agent, for the benefit of the holders of the Obligations, are purported to be granted pursuant to and in accordance with the terms of the Collateral Documents.

“Collateral Documents” means a collective reference to the Security Agreement, the Canadian Security Agreement, the Additional Collateral Documents, any Deeds of Hypothec, and any other security documents as may be executed and delivered by the Loan Parties pursuant to the terms of Section 7.14.

“Commitment” means, as to each Lender, the Revolving Commitment of such Lender, the Term Loan Commitment of such Lender and/or any Incremental Term Loan Commitment of such Lender.

“Commitment Fee” has the meaning specified in Section 2.09(a).

“Commodity Exchange Act” means the Commodity Exchange Act (7 U.S.C. Section 1 et seq.) as amended or otherwise modified, and any successor statute.

“Competitor” means any direct operating company competitor, supplier, or customer of the Borrowers or their respective subsidiaries.

“Compliance Certificate” means a certificate substantially in the form of Exhibit D.

“Conforming Changes” means, with respect to the use, administration of or any conventions associated with SOFR or any proposed Successor Rate for an Agreed Currency, as applicable, any conforming changes to the definitions of “Base Rate”, “SOFR, and “Interest Period”, timing and frequency of determining rates and making payments of interest and other technical, administrative or operational matters (including, for the avoidance of doubt, the definitions of “Business Day” and “U.S. Government Securities Business Day”, timing of borrowing requests or prepayment, conversion or continuation notices and length of lookback periods) as may be appropriate, in the discretion of the Administrative Agent, to reflect the adoption and implementation of such applicable rate(s) and to permit the administration thereof by the Administrative Agent in a manner substantially consistent with market practice for such Agreed Currency (or, if the Administrative Agent determines that adoption of any portion of such market practice is not administratively feasible or that no market practice for the administration of such rate for such Agreed Currency exists, in such other manner of administration as the Administrative Agent determines is reasonably necessary in connection with the administration of this Agreement and any other Loan Document).

“Connection Income Taxes” means Other Connection Taxes that are imposed on or measured by net income (however denominated) or that are franchise Taxes or branch profits Taxes.

“Consolidated Capital Expenditures” means, for any period, for the Parent Borrower and its Subsidiaries on a consolidated basis, all capital expenditures determined in accordance with GAAP, but excluding (i) expenditures made in connection with the acquisition, replacement, substitution or restoration of assets to the extent financed (x) from insurance proceeds (or other similar recoveries) paid on account of the loss of or damage to the assets being replaced or restored, (y) with cash awards of compensation arising from the taking by eminent domain or condemnation of the assets being replaced or (z) with cash proceeds of Dispositions that are reinvested in accordance with this Agreement, (ii) Permitted Acquisitions or other Investments expressly permitted under Section 8.02, and (iii) expenditures made as a tenant in leasehold improvements to the extent reimbursed by its landlord or any other unaffiliated third party.

“Consolidated Cash Taxes” means, for any period, for the Parent Borrower and its Subsidiaries on a consolidated basis, the aggregate of all taxes, as determined in accordance with GAAP, to the extent the same are paid in cash during such period.

“Consolidated EBITDA” means for any period, for the Parent Borrower and its Subsidiaries on a consolidated basis, an amount equal to:

(a) Consolidated Net Income for such period;

plus,

(b) without duplication, the following to the extent (except in the case of clauses (b)(viii)(B) and (b)(x)(C) below) deducted in calculating such Consolidated Net Income:

(i) Consolidated Interest Charges for such period;

(ii) net income tax expense (or net expense for franchise taxes in lieu of income taxes) of the Parent Borrower and its Subsidiaries for such period;

(iii) depreciation and amortization expense for such period;

(iv) fees, charges and expenses of advisors, legal counsels, lenders, agents or representatives of agents or lenders incurred on or prior to the Closing Date to the extent (A) (a) incurred in connection with the transactions contemplated hereby, or (b) incurred under the Existing Credit Agreement (and any proposed or actual amendments thereto or restatements thereof) or discharge of the indebtedness incurred thereunder and (B) not capitalized (it being agreed that if capitalized, the same are covered by clause (b)(iii) above);

(v) integration and transition expenses (including, without limitation, legal or consulting expenses) incurred in connection with any Permitted Acquisitions or other investment permitted under the Loan Documents in an aggregate amount not to exceed \$5,000,000 during such measurement period;

(vi) fees, charges and expenses (including, without limitation, of advisors, legal counsels, agents or representatives of the Administrative Agent, the Lenders, Series A-2 Preferred Equity Holders, and the Borrowers) (A) incurred in connection with this Agreement, the other Loan Documents and the other transactions contemplated hereby or thereby and consummated on the date hereof (a) incurred or paid on the date hereof in such amounts and to such parties as are

identified on the funding memorandum delivered to the Administrative Agent on or prior to the date hereof or (b) incurred or paid within one hundred eighty (180) days on, before or following the date hereof, solely with respect to this clause (b), in an aggregate amount not to exceed \$3,000,000 or (B) pursuant to or in connection with any amendment, consent, waiver or modification to the Loan Documents (including the Existing Credit Agreement) or the administration thereof;

(vii) all non-cash charges or losses for such period, including non-cash stock based compensation expense for such period (other than (A) charges relating to inventory or accounts receivable and (B) any such non-cash charges or losses to the extent representing accruals of or reserves for cash expenses in any future period or an amortization of a prepaid cash expense);

(viii) (A) charges and expenses reimbursed to the Parent Borrower and its Subsidiaries by insurance or indemnity payments by third parties for such period and, in the case of this clause (A), such additional charges and expenses for such period that, in the good faith judgment of the Parent Borrower, are reasonably expected to be so reimbursed to the Parent Borrower and its Subsidiaries within one (1) year after the incurrence of such charge or expense (and if not so reimbursed within one (1) year, such unreimbursed amounts shall be deducted from Consolidated EBITDA during the next period), and (B) proceeds of business interruption insurance received in such period in an amount representing the earnings for such period that such proceeds are intended to replace (to the extent not reflected in Consolidated Net Income);

(ix) reasonable costs and expenses incurred in connection with Permitted Acquisitions whether consummated or unconsummated during such period to the extent such costs and expenses are not capitalized (it being agreed that if capitalized, the same are covered by clause (b)(iii) above);

(x) (A) other non-recurring or extraordinary losses, charges and expenses for such period, (B) losses from start-up labs or de novo locations, businesses or services, so long as such loss was incurred within twelve (12) months of the openings of such start-up labs or de novo locations, or the initial investment in such de novo business or service offering, as applicable, and (C) the amount of “run-rate” cost savings and synergies (the “Cost Savings”) reasonably projected by the Parent Borrower in good faith to result from actions taken prior to the last day of the applicable measurement period, or expected to be taken following such period (which cost savings or synergies shall be subject only to certification by a senior officer and shall be calculated on a Pro Forma Basis as though such cost savings or synergies had been realized on the first day of such period), net of the amount of actual benefits realized prior to or during such period from such actions; provided that such senior officer shall have certified to the Administrative Agent that (x) such cost savings or synergies are reasonably identifiable, reasonably attributable to the actions specified and reasonably anticipated to result from such actions, and (y) such actions have been taken or are to be taken within twelve (12) months from the last day of such measurement period; provided that no cost savings or operating expense reductions shall be added pursuant to this clause (b)(x)(C) to the extent duplicative of any amounts otherwise added to, or included in, Consolidated EBITDA, whether through an adjustment on a Pro Forma Basis or otherwise, for such period;

provided, that the aggregate amount added back to Consolidated EBITDA pursuant to clause (b)(x)(A)-(b)(x)(C) shall not exceed the greater of (x) \$20.0 million and (y) seventeen and one half percent (17.50%) of Consolidated EBITDA for any such period in the aggregate (calculated prior to giving effect to such addbacks).

minus

(c) to the extent included in calculating Consolidated Net Income,

(i) the amount of cash expended in such period in respect of any amount that, under clause (b)(vii) above, was taken into account in determining Consolidated EBITDA for such or any prior period, all as determined in accordance with GAAP;

(ii) all non-cash gains for such period;

(iii) all extraordinary gains for such period;

(iv) all non-recurring gains; and

(v) without limitation of clauses (iii) and (iv) above, all other gains included in Consolidated Net Income not generated directly from the operations of the permitted lines of business of the Parent Borrower and its Subsidiaries;

and provided, that (x) Consolidated EBITDA shall be calculated so as to exclude the effect of any gain or loss for such period that represents after-tax gains or losses attributable to any sale, transfer or other disposition of assets outside the ordinary course of business; and (y) for purposes of calculating Consolidated EBITDA for any period that the Parent Borrower has consummated a Permitted Acquisition or a material disposition with a fair market value in excess of \$500,000, Consolidated EBITDA for such period shall be calculated after giving effect on a Pro Forma Basis thereto.

“Consolidated Fixed Charge Coverage Ratio” means, as of any date of determination, the ratio of (a)(i) Consolidated EBITDA minus (ii) the sum of (A) net Consolidated Cash Taxes constituting income taxes (or expense for franchise taxes in lieu of income taxes) paid or payable, and (B) Consolidated Unfinanced Capital Expenditures made, in each case, for the period of the four (4) fiscal quarters most recently ended to (b) Consolidated Fixed Charges for the period of the four (4) fiscal quarters most recently ended.

“Consolidated Fixed Charges” means, for any period, for the Parent Borrower and its Subsidiaries on a consolidated basis, an amount equal to the sum of, without duplication, (a) the cash portion of Consolidated Interest Charges (but excluding any amendment, waiver or consent fees or any other amortized financing expenses, any charges related to Indebtedness repaid on the Closing Date, and any charges related to the Series A-2 Preferred Equity) for such period plus (b) Consolidated Scheduled Funded Indebtedness Payments (excluding all Consolidated Scheduled Funded Indebtedness Payments on Indebtedness repaid on the Closing Date) paid or required to be paid for such period, plus (c) all cash payments made with respect to any Restricted Payment Notes pursuant to Section 8.06(l) (excluding, with respect to any Restricted Payment Note issued in partial or full satisfaction of an outstanding Earn Out Obligation, cash payments of principal with respect to such Restricted Payment Note), (d) [reserved], plus (e) all cash coupon payments with respect to the Series A-2 Preferred Equity made pursuant to Section 8.06(g), plus (f) solely for purposes of calculating the Consolidated Fixed Charge Coverage Ratio to determine the permissibility of any Restricted Payment pursuant to Section 8.06(m), Restricted Payments made pursuant to Section 8.06(m) during such period.

“Consolidated Funded Indebtedness” means the Funded Indebtedness (excluding amounts paid in connection with the financing of insurance premiums) of the Parent Borrower and its Subsidiaries on a consolidated basis.

“Consolidated Interest Charges” means, for any period, for the Parent Borrower and its Subsidiaries on a consolidated basis, an amount equal to the sum of (a) 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 but excluding, to the extent otherwise included as an interest expense transaction costs related to the closing of this Agreement, including up-front fees and expenses, plus (b) the portion of rent expense with respect to such period under Capital Leases that is treated as interest in accordance with GAAP plus (c) the implied interest component of Synthetic Leases with respect to such period plus (d) all dividends, interest, premium payments, fees, charges and related expenses in connection with the Series A-2 Preferred Equity to the extent treated as interest in accordance with GAAP but excluding, to the extent otherwise included as an interest expense, transaction costs related to the closing of the Series A-2 Preferred Equity Documents, including “up-front”-like fees and expenses.

“Consolidated Net Income” means, for any period, for the Parent Borrower and its Subsidiaries on a consolidated basis, the net income of the Parent Borrower and its Subsidiaries for that period, as determined in accordance with GAAP; provided that Consolidated Net Income shall exclude any income (or loss) for such period of any Person if such Person is not a Subsidiary, except that the Parent Borrower’s equity in the net 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 Parent Borrower or a Subsidiary as a dividend or other distribution.

“Consolidated Scheduled Funded Indebtedness Payments” means for any period for the Parent Borrower and its Subsidiaries on a consolidated basis, the sum of all scheduled payments of principal on Funded Indebtedness, as determined in accordance with GAAP. For purposes of this definition, “scheduled payments of principal” (a) shall be determined after giving effect to any reduction of such scheduled payments resulting from the application of any voluntary or mandatory prepayments made during the applicable period, (b) shall be deemed to include the Attributable Indebtedness in respect of Capital Leases, Securitization Transactions and Synthetic Leases, (c) shall not include any voluntary prepayments or mandatory prepayments required pursuant to Section 2.05, and (d) shall not include any scheduled payment of principal with respect to Earn Out Obligations; provided that Consolidated Scheduled Funded Indebtedness Payments shall be calculated as if a scheduled principal payment of the Term Loan in the amount of 1.25% of the original principal balance of the Term Loan was due on each of June 30, 2025 and September 30, 2025.

“Consolidated Total Assets” means the consolidated total assets of the Parent Borrower and its Subsidiaries determined in accordance with GAAP as of the date of the financial statements most recently delivered pursuant to Section 7.01 hereunder.

“Consolidated Total Leverage Ratio” means, as of any date of determination, the ratio of (a) Consolidated Funded Indebtedness minus Qualified Cash to (b) Consolidated EBITDA for the period of the four (4) fiscal quarters most recently ended.

“Consolidated Unfinanced Capital Expenditures” means, for any period, Consolidated Capital Expenditures less all expenditures made with the proceeds of any Indebtedness or equity issuance or contribution.

“Contractual Obligation” means, as to any Person, any provision of any security issued by such Person or of any agreement, instrument or other undertaking to which such Person is a party or by which it or any of its property is bound.

“Control” means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through the ability to exercise voting power, by contract or otherwise. “Controlling” and “Controlled” have meanings correlative thereto. Without limiting the

generality of the foregoing, a Person shall be deemed to be Controlled by another Person if such other Person possesses, directly or indirectly, power to vote ten percent (10%) or more of the securities having ordinary voting power for the election of directors, managing general partners or the equivalent.

“Control Agreement” means, with respect to any deposit account, securities account, commodity account, securities entitlement or commodity contract, an agreement, in form and substance reasonably satisfactory to Administrative Agent, among Administrative Agent, the financial institution or other Person at which such account is maintained or with which such entitlement or contract is carried, and the Loan Party maintaining such account or owning such entitlement or contract, effective to grant “control” (within the meaning of Articles 8 and 9 under the applicable Uniform Commercial Code or the applicable STA) over such account to the Administrative Agent (and, if applicable, such holder or representative).

“CORRA” means the Canadian Overnight Repo Rate Average administered and published by the Bank of Canada (or any successor administrator).

“CORRA Adjustment” means (i) 0.29547% (29.547 basis points) for an Interest Period of one-month’s duration and 0.32138% (32.138 basis points) for an Interest Period of three-months’ duration.

“CORRA Loan” means a Loan that bears interest at a rate based on CORRA Rate.

“CORRA Rate” means the rate per annum equal to the forward-looking term rate based on CORRA, as published on the applicable Reuters screen page (or such other commercially available source providing such quotations as may be designated by the Administrative Agent from time to time) (in such case, the “CORRA Rate”) that is two (2) Business Days prior to the first day of such Interest Period (or if such day is not a Business Day, then on the immediately preceding Business Day) with a term equivalent to such Interest Period plus the CORRA Adjustment for such Interest Period. For greater certainty, the CORRA Rate shall not be less than zero.

“Covered Entity” means any of the following: (a) a “covered entity” as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 252.82(b); (b) a “covered bank” as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 47.3(b); or (c) a “covered FSI” as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 382.2(b).

“Covered Party” has the meaning specified in Section 11.22.

“Credit Extension” means each of the following: (a) a Borrowing and (b) an L/C Credit Extension.

“CTEH” means The Center for Toxicology and Environmental Health, L.L.C., an Arkansas limited liability company, and a wholly-owned Subsidiary of Parent Borrower.

“Daily Simple CORRA” means the rate per annum equal to CORRA determined for any day pursuant to the definition thereof plus the Daily Simple CORRA Adjustment. Any change in Daily Simple CORRA shall be effective from and including the date of such change without further notice.

“Daily Simple CORRA Adjustment” means 0.29547% (29.547 basis points) per annum.

“Daily Simple CORRA Loan” means any Loan that bears interest at a rate based on the Daily Simple CORRA.

“Daily SOFR” means the rate per annum equal to SOFR determined for any day pursuant to the definition thereof. Any change in Daily SOFR shall be effective from and including the date of such change

without further notice. If the rate as so determined would be less than zero, such rate shall be deemed to be zero for purposes of this Agreement.

“Daily SOFR Loan” means a Loan that bears interest at a rate based on Daily SOFR.

“Debt Issuance” means the issuance by any Loan Party or any Subsidiary of any Indebtedness other than Indebtedness permitted under Section 8.03.

“Debtor Relief Laws” means the Bankruptcy Code of the United States, the Bankruptcy and Insolvency Act (Canada), the Companies’ Creditors Arrangement Act (Canada), the Winding-Up and Restructuring Act (Canada), 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, Canada or other applicable jurisdictions from time to time in effect.

“Deeds of Hypothec” means all of the deeds of hypothec creating a hypothec in favor of the Administrative Agent, as hypothecary representative for the benefit of the Lenders, pursuant to the laws of the Province of Quebec on the assets of any Loan Party existing under the laws of the Province of Quebec, having its domicile (within the meaning of the Civil Code of Quebec) in the Province of Quebec or having a place of business or tangible property situated in the Province of Quebec, as the same may be amended, supplemented, restated or otherwise modified from time to time.

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

“Default Rate” means (a) when used with respect to Obligations other than Letter of Credit Fees, an interest rate equal to (i) the Base Rate plus (ii) the Applicable Rate, if any, applicable to Base Rate Loans plus (iii) two percent (2%) per annum; provided, however, that with respect to a SOFR Loan, Daily SOFR Loan, a CORRA Loan, a Daily Simple CORRA Loan or a BBSY Loan, the Default Rate shall be an interest rate equal to the interest rate (including any Applicable Rate) otherwise applicable to such Loan plus two percent (2%) per annum, in each case to the fullest extent permitted by applicable Laws and (b) when used with respect to Letter of Credit Fees, a rate equal to the Applicable Rate plus two percent (2%) per annum.

“Default Right” has the meaning assigned to that term in, and shall be interpreted in accordance with, 12 C.F.R. §§ 252.81, 47.2 or 382.1, as applicable.

“Defaulting Lender” means, subject to Section 2.15(b), any Lender that (a) has failed to (i) fund all or any portion of its Loans within two (2) Business Days of the date such Loans were required to be funded hereunder unless such Lender notifies the Administrative Agent, the Parent Borrower and with respect to the Revolving Loans, the Administrative Agent, in writing that such failure is the result of such Lender’s determination that one or more conditions precedent to funding (each of which conditions precedent, together with any applicable default, shall be specifically identified in such writing) has not been satisfied, or (ii) pay to the Administrative Agent, the L/C Issuer, the Swing Line Lender or any other Lender any other amount required to be paid by it hereunder (including in respect of its participation in Letters of Credit or Swing Line Loans) within two (2) Business Days of the date when due, (b) has notified the Parent Borrower, the Administrative Agent, the L/C Issuer or the Swing Line Lender in writing that it does not intend to comply with its funding obligations hereunder, or has made a public statement to that effect (unless such writing or public statement relates to such Lender’s obligation to fund a Loan hereunder and states that such position is based on such Lender’s determination that a condition precedent to funding (which condition precedent, together with any applicable default, shall be specifically identified in such writing or public statement) cannot be satisfied), (c) has failed, within three (3) Business Days after written request by the Administrative Agent or the Parent Borrower, to confirm in writing to the Administrative Agent and

the Parent Borrower that it will comply with its prospective funding obligations hereunder (provided that such Lender shall cease to be a Defaulting Lender pursuant to this clause (c) upon receipt of such written confirmation by the Administrative Agent and the Parent Borrower), or (d) has, or has a direct or indirect parent company that has, (i) become the subject of a proceeding under any Debtor Relief Law, (ii) had appointed for it a receiver, custodian, conservator, trustee, administrator, assignee for the benefit of creditors or similar Person charged with reorganization or liquidation of its business or assets, including the Federal Deposit Insurance Corporation or any other state or federal regulatory authority acting in such a capacity or (iii) become the subject of a Bail-In Action; provided that a Lender shall not be a Defaulting Lender solely by virtue of the ownership or acquisition of any Equity Interest in that Lender or any direct or indirect parent company thereof by a Governmental Authority so long as such ownership interest does not result in or provide such Lender with immunity from the jurisdiction of courts within the United States or from the enforcement of judgments or writs of attachment on its assets or permit such Lender (or such Governmental Authority) to reject, repudiate, disavow or disaffirm any contracts or agreements made with such Lender. Any determination by the Administrative Agent that a Lender is a Defaulting Lender under any one or more of clauses (a) through (d) above, and of the effective date of such status, shall be conclusive and binding absent manifest error, and such Lender shall be deemed to be a Defaulting Lender (subject to Section 2.15(b)) as of the date established therefor by the Administrative Agent in a written notice of such determination, which shall be delivered by the Administrative Agent to the Parent Borrower, the L/C Issuer, the Swing Line Lender and each other Lender promptly following such determination.

“Designated Lender” has the meaning specified in Section 2.16.

“Disposition” or “Dispose” means the sale, transfer, license, lease or other disposition (including any Sale and Leaseback Transaction and any issuance of Equity Interests by a Subsidiary of such Person) of any property by any Person (including the Equity Interests of any Subsidiary), including any sale, assignment, transfer or other disposal, with or without recourse, of any notes or accounts receivable or any rights and claims associated therewith, but excluding (a) the sale, lease, license, transfer or other disposition of inventory in the ordinary course of business; (b) the sale, lease, license, transfer or other disposition in the ordinary course of business of surplus, obsolete or worn out property no longer used or useful in the conduct of business of any Loan Party or any Subsidiary; (c) any sale, lease, license, transfer or other disposition of property to any Loan Party or any Subsidiary (provided, that (i) if the transferor of such property is a Loan Party (A) the transferee thereof is an Unlimited Loan Party, (B) the transferee thereof is a Subsidiary that is not an Unlimited Loan Party (provided, that, all such sales, leases, licenses, transfers or other dispositions of property made pursuant to this clause (c)(i)(B) shall not exceed \$500,000 in the aggregate in any fiscal year of the Parent Borrower) or (C) to the extent such transaction constitutes an Investment, such transaction is permitted under Section 8.02, and (ii) if the transferor of such property is a Canadian Loan Party (A) the transferee thereof must be a Canadian Loan Party or an Unlimited Loan Party, or (B) to the extent such transaction constitutes an Investment, such transaction is permitted under Section 8.02); (d) any Involuntary Disposition; (e) the sale or disposition of Cash Equivalents for fair market value; (f) transfers which constitute Permitted Liens; (g) the forgiveness of notes taken pursuant to Sections 8.02(i) and (o); (h) dispositions of overdue accounts receivable in connection with the collection or compromise thereof in the ordinary course of business; (i) the abandonment of IP Rights that are no longer used or useful to the conduct of the business of the Parent Borrower and its Subsidiaries as determined by the applicable Loan Party in its reasonable judgment and that are disposed of in the ordinary course of business; (j) non-exclusive outbound licenses or sublicenses of IP Rights granted by any Loan Party in the ordinary course of business and not interfering in any material respect with the ordinary conduct of business of the Parent Borrower and its Subsidiaries, taken as a whole; (k) leases or subleases (or licenses or sublicenses) of property (other than IP Rights) entered into in the ordinary course of business and not interfering in any material respect with the ordinary conduct of business of the Parent Borrower and its Subsidiaries, taken as a whole; (l) abandonment of leasehold interests in the ordinary course of business; (m) the granting, existence or creation of a Lien (but not the sale or other disposition of the property subject to such Lien)

permitted by Section 8.01; (n) to the extent constituting Dispositions, Investments permitted under Section 8.02, fundamental changes permitted under Section 8.04 and Restricted Payments permitted under Section 8.06, in each case, except by reference to Section 8.05 or this definition; (o) any issuance by the Parent Borrower of any of its Equity Interests or the issuance of any Equity Interests of any Subsidiary to the Parent Borrower or another Subsidiary; (p) the unwinding of any Swap Contract permitted hereunder in accordance with its terms; (q) [reserved]; and (r) the temporary relocation of assets outside the U.S., Canada or Australia, in the ordinary course of business, with an aggregate value of not greater than \$25,000,000.

“Disqualified Institution” means (i) any Person that is designated by the Borrowers, by written notice delivered to the Arrangers on or prior to the Closing Date and posted on the Platform, to the extent reasonably acceptable to the Administrative Agent as a (x) Disqualified Institution or (y) any Competitor, and mutually agreed upon by the Arrangers and the Parent Borrower or (ii) any Person that is clearly identifiable, solely on the basis of such Person’s name, as an affiliate of any Person referred to in clauses (i)(x) or (i)(y) above; provided that Disqualified Institutions shall (A) exclude any person that the Borrowers have designated as no longer being a Disqualified Institution by written notice delivered to the Administrative Agent from time to time, (B) exclude any Bona Fide Lending Affiliate, unless such Bona Fide Lending Affiliate is identified under clause (i)(x) above, and (C) subject to the exclusions in clauses (A) and (B) above, include any Competitor added by written supplement to the list of Competitors that are Disqualified Institutions delivered by the Borrowers after the date hereof to the Administrative Agent and posted on the Platform. Such supplement referred to in clause (C) in the preceding sentence shall become effective two (2) Business Days after receipt thereof by the Administrative Agent, and shall not apply retroactively to disqualify the transfer of an interest in the Loans or Commitments that was effective prior to the effective date of such supplement.

“Disqualified Stock” means any Equity Interest which, by its terms (or by the terms of any security or other Equity Interests into which it is convertible or for which it is exchangeable), or upon the happening of any event or condition (a) matures or is mandatorily redeemable (other than solely for Equity Interests that are not Disqualified Stock), pursuant to a sinking fund obligation or otherwise (except as a result of a change of control or asset sale so long as any rights of the holders thereof upon the occurrence of a change of control or asset sale event shall be subject to the prior repayment in full of the Loans and all other Obligations that are accrued and payable and the termination of the Commitments), (b) is redeemable or subject to a mandatory repurchase requirement at the option of the holder thereof, in whole or in part, (c) provides for the scheduled payments of dividends in cash or (d) is or becomes convertible into or exchangeable for Indebtedness or any other Equity Interests that would constitute Disqualified Stock, in each case, prior to the date that is one hundred eighty (180) days after the Maturity Date in effect at the time of issuance of the respective Disqualified Stock.

“DQ List” as defined in Section 11.06(g)(ii).

“Dollar” and “\$” mean lawful money of the United States.

“Dollar Equivalent” means, at any time, (a) with respect to any amount denominated in Dollars, such amount, and (b) with respect to any amount denominated in Canadian Dollars, Australian Dollars or other Alternative Currency, the equivalent amount thereof in Dollars as determined by the Administrative Agent or the L/C Issuer, as the case may be, at such time on the basis of the Spot Rate (determined in respect of the most recent Revaluation Date) for the purchase of Dollars with Canadian Dollars, Australian Dollars or such other Alternative Currency, as applicable.

“Domestic Subsidiary” means any Subsidiary that is organized under the laws of any state of the United States or the District of Columbia.

“Earn Out Obligations” means, with respect to an Acquisition, all obligations of the Parent Borrower or any Subsidiary to make earn out or other contingency payments (including purchase price adjustments, non- competition and consulting agreements, or other indemnity obligations) pursuant to the documentation relating to such Acquisition. The amount of any Earn Out Obligations at the time of determination shall be the aggregate amount, if any, of such Earn Out Obligations that are required at such time under GAAP to be recognized as liabilities on the consolidated balance sheet of the Parent Borrower.

“EEA Financial Institution” means (a) any credit institution or investment firm established in any EEA Member Country which is subject to the supervision of an EEA Resolution Authority, (b) any entity established in an EEA Member Country which is a parent of an institution described in clause (a) of this definition, or (c) any financial institution established in an EEA Member Country which is a subsidiary of an institution described in clauses (a) or (b) of this definition and is subject to consolidated supervision with its parent.

“EEA Member Country” means any of the member states of the European Union, Iceland, Liechtenstein, and Norway.

“EEA Resolution Authority” means any public administrative authority or any person entrusted with public administrative authority of any EEA Member Country (including any delegee) having responsibility for the resolution of any EEA Financial Institution.

“Electronic Transmission” means each document, instruction, authorization, file, information and any other communication transmitted, posted or otherwise made or communicated by e- mail or E- Fax, or otherwise to or from an E- System.

“Eligible Assets” means property that is used or useful in the same or a similar line of business as the Parent Borrower and its Subsidiaries were engaged in on the Closing Date (or any reasonable extension or expansions thereof).

“Eligible Assignee” means any Person that meets the requirements to be an assignee under Section 11.06(b)(iii) and (v) (subject to such consents, if any, as may be required under Section 11.06(b)(iii)) or for purposes of an assignment permitted pursuant to Section 10.09, any acquisition vehicle formed pursuant to Section 10.09 in connection with any credit bid.

“Environmental Laws” means any and all federal, state, provincial, territorial, local, foreign and other applicable statutes, laws, regulations, ordinances, rules, judgments, orders, decrees, permits, concessions, grants, franchises, licenses, agreements or governmental restrictions relating to pollution and the protection of the environment or the release of any materials into the environment, including Hazardous Materials, air emissions and discharges to waste or public systems.

“Environmental Liability” means any liability, contingent or otherwise (including any liability for damages, costs of environmental remediation, fines, penalties or indemnities), of any Loan Party or any Subsidiary directly or indirectly resulting from or based upon (a) violation of any Environmental Law, (b) the generation, use, handling, transportation, storage, treatment or disposal of any Hazardous Materials, (c) exposure to any Hazardous Materials, (d) the release or threatened release of any Hazardous Materials into the environment or (e) any contract, agreement or other consensual arrangement pursuant to which liability is assumed or imposed with respect to any of the foregoing.

“Equity Interests” means, with respect to any Person, all of the shares of capital stock of (or other ownership or profit interests in) such Person, all of the warrants, options or other rights for the purchase or acquisition from such Person of shares of capital stock of (or other ownership or profit interests in) such

Person, all of the securities convertible into or exchangeable for shares of capital stock of (or other ownership or profit interests in) such Person or warrants, rights or options for the purchase or acquisition from such Person of such shares (or such other interests), and all of the other ownership or profit interests in such Person (including partnership, member or trust interests therein), whether voting or nonvoting, and whether or not such shares, warrants, options, rights or other interests are outstanding on any date of determination. For the avoidance of doubt, Series A-2 Preferred Equity shall constitute Equity Interests of the Parent Borrower.

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

“ERISA Affiliate” means any trade or business (whether or not incorporated) under common control with any Borrower within the meaning of Section 414(b) or (c) of the Internal Revenue Code (and Sections 414(m) and (o) of the Internal Revenue Code for purposes of provisions relating to Section 412 of the Internal Revenue Code).

“ERISA Event” means (a) a Reportable Event with respect to a Pension Plan; (b) the withdrawal of any Borrower or any ERISA Affiliate from a Pension Plan subject to Section 4063 of ERISA during a plan year in which such entity was a “substantial employer” as defined in Section 4001(a)(2) of ERISA or a cessation of operations that is treated as such a withdrawal under Section 4062(e) of ERISA; (c) a complete or partial withdrawal by any Borrower or any ERISA Affiliate from a Multiple Employer Plan; (d) the filing of a notice of intent to terminate, the treatment of a Pension Plan amendment as a termination under Sections 4041 or 4041A of ERISA; (e) the institution by the PBGC of proceedings to terminate a Pension Plan; (f) any event or condition which constitutes grounds under Section 4042 of ERISA for the termination of, or the appointment of a trustee to administer, any Pension Plan; or (g) the imposition of any liability under Title IV of ERISA, other than for PBGC premiums due but not delinquent under Section 4007 of ERISA, upon any Borrower or any ERISA Affiliate.

“Erroneous Payment” has the meaning assigned to it in Section 2.17(a).

“Erroneous Payment Deficiency Assignment” has the meaning assigned to it in Section 2.17(d).

“Erroneous Payment Impacted Class” has the meaning assigned to it in Section 2.17(d).

“Erroneous Payment Return Deficiency” has the meaning assigned to it in Section 2.17(d).

“Erroneous Payment Subrogation Rights” has the meaning assigned to it in Section 2.17(d).

“E-Signature” means the process of attaching to or logically associating with an Electronic Transmission, an electronic symbol, encryption, digital signature or process (including the name or an abbreviation of the name of the party transmitting the Electronic Transmission) with the intent to sign, authenticate or accept such Electronic Transmission.

“E-System” means any electronic system approved by Administrative Agent, including Syndtrak®, Intralinks® and ClearPar® and any other Internet or extranet-based site, whether such electronic system is owned, operated or hosted by Administrative Agent, any of its Related Parties or any other Person, providing for access to data protected by passcodes or other security system.

“EU Bail-In Legislation Schedule” means the EU Bail-In Legislation Schedule published by the Loan Market Association (or any successor person), as in effect from time to time.

“Event of Default” has the meaning specified in Section 9.01.

“Excess Cash Flow” means, for any period for the Parent Borrower and its Subsidiaries, an amount equal to the sum, without duplication, of (a) Consolidated EBITDA (without giving effect to any adjustments thereto as a result of calculating Consolidated EBITDA on a Pro Forma Basis after giving effect to certain transactions) minus (b) Consolidated Unfinanced Capital Expenditures paid in cash during such period, minus (c) the cash portion of Consolidated Interest Charges paid during such period minus (d) Consolidated Cash Taxes minus (e) Consolidated Scheduled Funded Indebtedness Payments minus (f) voluntary and mandatory prepayments by any Loan Party for such period of any Indebtedness of such Loan Party and solely with respect to revolving Indebtedness, solely to the extent such prepayments are accompanied by a permanent reduction in the revolving commitments (but excluding mandatory prepayments of the Loans); provided that such prepayment is not prohibited by this Agreement minus (g) all cash items added to Consolidated Net Income in the determination of Consolidated EBITDA for such period minus (h) all cash payments (other than any cash payments funded with the cash proceeds of any Indebtedness (other than Revolving Loans) or issuance of Equity Interests or contribution on account of Equity Interests) made during such period with respect to Investments that are permitted to be made hereunder (including, without limitation, Permitted Acquisitions) minus (i) all working capital and purchase price adjustments paid in cash (other than any such payments funded with the cash proceeds of any Indebtedness (other than Revolving Loans) or issuance of Equity Interests or contribution on account of Equity Interests) during such period, in each case, on a consolidated basis determined in accordance with GAAP minus (j) any increases in Net Working Capital during such period, minus (k) unrealized cost savings, to the extent added to Consolidated Net Income in the determination of Consolidated EBITDA for such period plus (l) any decreases in Net Working Capital during such period minus (m) Restricted Payments made pursuant to Sections 8.06(e), (l) or (m), in each case, paid in cash (other than any cash payments funded with the cash proceeds of any Indebtedness (other than Revolving Loans) or issuance of Equity Interests or contribution on account of Equity Interests) made during such period.

“Excluded Accounts” has the meaning given to it in the Security Agreement and the Canadian Security Agreement, as applicable.

“Excluded Equity Collateral” has the meaning given to it in the Security Agreement and the Canadian Security Agreement, as applicable.

“Excluded Property” means, with respect to any Loan Party, including any Person that becomes a Loan Party after the Closing Date as contemplated by Section 7.12(b), (a) any owned real property, (b) any leased real property, (c) any property which, subject to the terms of Section 8.09, is subject to a Lien of the type described in Section 8.01(i) pursuant to documents which prohibit such Loan Party from granting any other Liens in such property, (d) the Aircraft owned by a Loan Party on the Closing Date and any other airplanes, vehicles and other assets subject to certificates of title (except to the extent a security interest therein can be perfected by the filing of a Uniform Commercial Code financing statement or the equivalent under other applicable law) and (e) all other property excluded from Collateral in the Collateral Documents.

“Excluded Subsidiary” means (a) any Subsidiary that is prohibited by any applicable Laws or contract with an unaffiliated third party as of the date of this Agreement or as of the date on which such Person becomes a Subsidiary (so long as such contractual restriction is not created in contemplation of, or in connection with, such Person becoming a Subsidiary) from providing a Guarantee of the Guaranteed Obligations, or which would require governmental (including regulatory) or third-party consent, approval, license or authorization to provide such guarantee, unless such consent, approval, license or authorization has been received (and in any event only for so long as such restriction exists) or for which the provision of such Guarantee would result in material adverse tax consequences to the Parent Borrower and its Subsidiaries (as reasonably determined by the Parent Borrower in good faith), (b) any Subsidiary acquired

pursuant to an acquisition that is at the time of such acquisition an obligor with respect to secured Indebtedness that is being assumed in connection with (and is not incurred in contemplation of) such acquisition and that is permitted to be incurred hereunder and any Subsidiary thereof, in each case, to the extent and for so long as such secured indebtedness prohibits such subsidiary from providing a Guarantee of the Guaranteed Obligations, (c) any Subsidiary organized in (x) China or (y) any other jurisdiction other than a Specified Guarantee Jurisdiction, (d) Immaterial Subsidiaries and (e) any other Subsidiary with respect to which the Administrative Agent and the Parent Borrower reasonably determine that the cost and/or burden of such Subsidiary providing a Guarantee of the Guaranteed Obligations is excessive in view of the benefits to be obtained by the Lenders therefrom.

“Excluded Swap Obligation” means, with respect to any Guarantor, any Swap Obligation if, and to the extent that, all or a portion of the Guaranty of such Guarantor of, or the grant under a Loan Document by such Guarantor of a security interest to secure, such Swap Obligation (or any Guarantee thereof) is or becomes illegal under the Commodity Exchange Act (or the application or official interpretation thereof) by virtue of such Guarantor’s failure for any reason to constitute an “eligible contract participant” as defined in the Commodity Exchange Act (determined after giving effect to Section 4.08 and any and all guarantees of such Guarantor’s Swap Obligations by other Loan Parties) at the time the Guaranty of such Guarantor, or grant by such Guarantor of a security interest, becomes effective with respect to such Swap Obligation. If a Swap Obligation arises under a Master Agreement governing more than one Swap Contract, such exclusion shall apply to only the portion of such Swap Obligations that is attributable to Swap Contracts for which such Guaranty or security interest becomes illegal.

“Excluded Taxes” means any of the following Taxes imposed on or with respect to any Recipient or required to be withheld or deducted from a payment to a Recipient, (a) Taxes imposed on or measured by net income (however denominated), franchise Taxes, and branch profits Taxes, in each case, (i) imposed as a result of such Recipient being organized under the laws of, or having its principal office or, in the case of any Lender, its Lending Office located in, the jurisdiction imposing such Tax (or any political subdivision thereof) or (ii) that are Other Connection Taxes, (b) in the case of a Lender, (i) U.S. federal withholding Taxes imposed on amounts payable to or for the account of such Lender with respect to an applicable interest in a Loan or Commitment pursuant to a law in effect on the date on which (A) such Lender acquires such interest in the Loan or Commitment (other than pursuant to an assignment request by the Parent Borrower under Section 11.13) or (B) such Lender changes its Lending Office, except in each case to the extent that, pursuant to Section 3.01(a)(ii) or 3.01(c), amounts with respect to such Taxes were payable either to such Lender’s assignor immediately before such Lender became a party hereto or to such Lender immediately before it changed its Lending Office or (ii) any Canadian federal withholding Taxes that are imposed on amounts paid or credited (or deemed to be paid or credited) to or for the account of the applicable Recipient as a result of such Recipient (A) not dealing at arm’s length (within the meaning of the ITA) with any Loan Party, or (B) being a “specified non-resident shareholder” (as defined in subsection 18(5) of the ITA) of any Loan Party or not dealing at arm’s length with a “specified shareholder” of any Loan Party for purposes of the ITA, or (C) being a “specified entity” (as defined in subsection 18.4(1) of the ITA) in respect of any Loan Party, except that neither the Administrative Agent nor any Lender (as the case may be) shall be considered to be dealing at non-arm’s length or be a “specified non-resident shareholder” or a Person not at arm’s length with a “specified shareholder”, or be a “specified entity” solely as a result of such Person having received or perfected a security interest under or enforced this Agreement or any other Loan Document, (c) Taxes attributable to such Recipient’s failure to comply with Section 3.01(e), and (d) any withholding Taxes imposed pursuant to FATCA.

“Existing Credit Agreement” has the meaning set forth in the recitals hereto.

“Existing Letters of Credit” means those certain letters of credit set forth on Schedule 1.02.

“Existing Seller Indebtedness” means the unsecured Indebtedness of the Parent Borrower and its Subsidiaries identified on Schedule 8.03 attached hereto.

“Facilities” means, at any time, a collective reference to the facilities and real properties owned, leased or operated by any Loan Party or any Subsidiary.

“Facility Office” means the office designated by the applicable Lender through which such Lender will perform its obligations under this Agreement.

“FASB ASC” means the Accounting Standards Codification of the Financial Accounting Standards Board.

“FATCA” means Sections 1471 through 1474 of the Internal Revenue Code, as of the Closing Date (or any amended or successor version that is substantively comparable and not materially more onerous to comply with) and any current or future regulations or official interpretations thereof, any agreements entered into pursuant to Section 1471(b)(1) of the Internal Revenue Code, and any treaties or intergovernmental agreements implementing the foregoing.

“Federal Funds Rate” means, for any day, the rate per annum calculated by the Federal Reserve Bank of New York based on such day’s federal funds transactions by depository institutions (as determined in such manner as the Federal Reserve Bank of New York shall set forth on its public website from time to time) and published on the next succeeding Business Day by the Federal Reserve Bank of New York as the federal funds effective rate; provided that if the Federal Funds Rate as so determined would be less than zero, such rate shall be deemed to be zero for the purposes of this Agreement.

“Fee Letter” means one or all of, as the context may require, the Fee Letter, dated as of February 4, 2025, between the Parent Borrower and BofA.

“Flood Insurance Laws” means, collectively, (a) National Flood Insurance Reform Act of 1994 (which comprehensively revised the National Flood Insurance Act of 1968 and the Flood Disaster Protection Act of 1973) as now or hereafter in effect or any successor statute thereto, (b) the Flood Insurance Reform Act of 2004 as now or hereafter in effect or any successor statute thereto and (c) the Biggert-Waters Flood Insurance Reform Act of 2012 as now or hereafter in effect or any successor statute thereto.

“Floor” means the benchmark rate floor, if any, provided in this Agreement initially (as of the execution of this Agreement, the modification, amendment or renewal of this Agreement or otherwise) with respect to Term SOFR, CORRA Rate or BBSY Rate, as applicable; provided that the Floor shall not be less than zero percent.

“Foreign Collateral Document Trigger Event” has the meaning set forth in Section 7.14(c).

“Foreign Lender” means, with respect to any Borrower, (a) if such Borrower is a U.S. Person, a Lender that is not a U.S. Person, and (b) if such Borrower is not a U.S. Person, a Lender that is resident or organized under the Laws of a jurisdiction other than that in which such Borrower is resident for tax purposes. For purposes of this definition, the United States, each State thereof and the District of Columbia shall be deemed to constitute a single jurisdiction.

“Foreign Subsidiary” means any Subsidiary that is not a Domestic Subsidiary.

“Fronting Exposure” means, at any time there is a Defaulting Lender, (a) with respect to the L/C Issuer, such Defaulting Lender’s Applicable Percentage of the outstanding L/C Obligations other than L/C

Obligations as to which such Defaulting Lender's participation obligation has been reallocated to other Lenders or Cash Collateralized in accordance with the terms hereof and (b) with respect to the Swing Line Lender, such Defaulting Lender's Applicable Percentage of Swing Line Loans other than Swing Line Loans as to which such Defaulting Lender's participation obligation has been reallocated to other Lenders in accordance with the terms hereof.

“Fund” means any Person (other than a natural Person) that is (or will be) engaged in making, purchasing, holding or otherwise investing in commercial loans and similar extensions of credit in the ordinary course of its activities.

“Funded 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:

(a) all obligations for borrowed money, whether current or long-term (including the Obligations) and all obligations of such Person evidenced by bonds (but excluding any undrawn surety, performance or similar bonds incurred in the ordinary course of business), debentures, notes, loan agreements or other similar instruments;

(b) all purchase money Indebtedness;

(c) the principal portion of all obligations under conditional sale or other title retention agreements relating to property purchased by such Person or any Subsidiary thereof (other than customary reservations or retentions of title under agreements with suppliers entered into in the ordinary course of business);

(d) all obligations arising under letters of credit (including standby and commercial, but excluding any letters of credit which are cash collateralized or undrawn), bankers' acceptances, bank guaranties, surety bonds (but excluding any undrawn performance bonds incurred in the ordinary course of business) and similar instruments;

(e) all obligations in respect of the deferred purchase price of property or services (other than trade accounts payable in the ordinary course of business), including, without limitation, (x) obligations in respect of seller notes and (y) Earn Out Obligations to the extent due and payable at such time;

(f) the Attributable Indebtedness of Capital Leases, Securitization Transactions and Synthetic Leases;

(g) all obligations of such Person to purchase, redeem, retire, defease or otherwise make any payment in respect of any Equity Interests in such Person or any other Person, valued, in the case of a redeemable preferred interest, at the greater of its voluntary or involuntary liquidation preference plus accrued and unpaid dividends, but excluding any Series A-2 Preferred Equity (and any accrued interest, fees, expenses or premiums in respect of such Series A-2 Preferred Equity);

(h) all Funded Indebtedness of others secured by (or for which the holder of such Funded Indebtedness has an existing right, contingent or otherwise, to be secured by) any Lien on, or payable out of the proceeds of production from, property owned or acquired by such Person, whether or not the obligations secured thereby have been assumed;

(i) all Guarantees with respect to Funded Indebtedness of the types specified in clauses (a) through (h) above of another Person; and

(j) all Funded Indebtedness of the types referred to in clauses (a) through (i) above of any partnership or joint venture (other than a joint venture that is itself a corporation or limited liability company) in which such Person is a general partner or joint-venturer, except to the extent that such Funded Indebtedness is expressly made non- recourse to such Person.

For purposes hereof, (i) the amount of any direct obligation arising under letters of credit (including standby and commercial), bankers' acceptances, bank guaranties and similar instruments shall be the maximum amount available to be drawn thereunder; and (ii) "Funded Indebtedness" shall exclude any cash management services, intercompany debt, deferred compensation, undrawn letters of credit, reimbursement obligations under performance, surety or other similar bonds, Series A-2 Preferred Equity (including any accrued dividends, fees, expenses or premiums with respect thereto), or any Indebtedness resulting from a Sale and Leaseback Transaction with respect to the property located at 5120 Northshore Drive, North Little Rock, Arkansas 72118 pursuant to FASB ASC 840-40-25.

"GAAP" means generally accepted accounting principles in the United States set forth in the opinions and pronouncements of the Accounting Principles Board and the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board, consistently applied and as in effect from time to time.

"Governmental Authority" means the government of the United States, Canada or any other nation, or of any political subdivision thereof, whether state, provincial, territorial or local, and any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government (including the Financial Conduct Authority, the Prudential Regulation Authority and any supra-national bodies such as the European Union or the European Central Bank).

"Government Contract Joint Venture" means any non-wholly owned Subsidiary formed to hold a specific government contract; provided that (a) no Government Contract Joint Venture shall be permitted to receive Loan proceeds directly or indirectly, (b) the Government Contract Joint Ventures do not represent more than five percent (5%) of the Parent Borrower's and all of its direct and indirect Subsidiaries' consolidated assets (which, for the avoidance of doubt, shall exclude contracts) as of the last day of the most recently ended fiscal quarter for which the Compliance Certificate has been delivered to Administrative Agent pursuant to Section 7.02(a) on an aggregate basis, (c) any Investment by Parent Borrower in any Government Contract Joint Venture shall be subject to subject to Section 8.02 hereof, (d) each Government Contract Joint Venture shall be deemed to be a "Loan Party" for purposes of Sections 6.16, 6.22, 6.24 and all related covenants, representations, and warranties set forth in this Agreement, (e) that portion of any revenue received by any Government Contract Joint Venture required to be paid to another Subsidiary of Parent Borrower shall be paid over to such other Subsidiary in accordance with the invoiced terms between the Government Contract Joint Venture and such other Subsidiary and (f) notwithstanding anything to the contrary in the definition of Subsidiary, for purposes of determining whether a Person is a non-wholly owned Subsidiary under this definition, a Subsidiary shall be deemed to include a Person which is a corporation, partnership, joint venture, limited liability company or other business entity of which 50% of the shares of Voting Stock is at the time beneficially owned, or the management of which is otherwise controlled, directly, or indirectly through one or more intermediaries, or both, by such Person.

"Guarantee" means, as to any Person, (a) any obligation, contingent or otherwise, of such Person guaranteeing or having the economic effect of guaranteeing any Indebtedness or other obligation payable or performable by another Person (the "primary obligor") in any manner, whether directly or indirectly, and including any obligation of such Person, direct or indirect, (i) to purchase or pay (or advance or supply funds for the purchase or payment of) such Indebtedness or other obligation, (ii) to purchase or lease

property, securities or services for the purpose of assuring the obligee in respect of such Indebtedness or other obligation of the payment or performance of such Indebtedness or other obligation, (iii) to maintain working capital, equity capital or any other financial statement condition or liquidity or level of income or cash flow of the primary obligor so as to enable the primary obligor to pay such Indebtedness or other obligation, or (iv) entered into for the purpose of assuring in any other manner the obligee in respect of such Indebtedness or other obligation of the payment or performance thereof or to protect such obligee against loss in respect thereof (in whole or in part), or (b) any Lien on any assets of such Person securing any Indebtedness or other obligation of any other Person, whether or not such Indebtedness or other obligation is assumed by such Person (or any right, contingent or otherwise, of any holder of such Indebtedness to obtain any such Lien). The amount of any Guarantee shall be deemed to be an amount equal to the stated or determinable amount of the related primary obligation, or portion thereof, in respect of which such Guarantee is made or, if not stated or determinable, the maximum reasonably anticipated liability in respect thereof as determined by the guaranteeing Person in good faith. The term “Guarantee” as a verb has a corresponding meaning.

“Guaranteed Obligations” has the meaning set forth in Section 4.01.

“Guarantors” means, (a) each Subsidiary of the Parent Borrower identified as a “Guarantor” on the signature pages hereto, (b) each other Person that joins as a Guarantor pursuant to Section 7.12(b), (c) with respect to (i) Obligations under any Secured Swap Agreement, (ii) Obligations under any Secured Treasury Management Agreement and (iii) any Swap Obligation of a Specified Loan Party (determined before giving effect to Sections 4.01 and 4.08) under the Guaranty, the Parent Borrower, and (d) the successors and permitted assigns of the foregoing.

“Guaranty” means the guaranty in respect of the Obligations made by the Guarantors in favor of the Administrative Agent and the other holders of the Obligations pursuant to Article IV.

“Hazardous Materials” means all explosive or radioactive substances or wastes and all hazardous or toxic substances, wastes or other pollutants of any nature, including petroleum or petroleum distillates, asbestos or asbestos- containing materials, polychlorinated biphenyls, radon gas, or infectious or medical wastes which are listed or regulated pursuant to any Environmental Law.

“IFRS” means international accounting standards within the meaning of IAS Regulation 1606/2002 to the extent applicable to the relevant financial statements delivered under or referred to herein.

“Immaterial Subsidiary” means, as of any date of determination, any Subsidiary that as of the last day the period of the four (4) fiscal quarters most recently ended for which the Parent Borrower has delivered financial statements pursuant to Section 7.01(a) or (b), did not have annual gross revenue (excluding the portion of revenue that is invoiced to the Immaterial Subsidiary constituting a Government Contract Joint Venture) in excess of (i) five percent (5%) of consolidated revenue of the Parent Borrower and its Subsidiaries on an annual basis with respect to any individual Subsidiary or (ii) ten percent (10%) of consolidated revenue of the Parent Borrower and its Subsidiaries on an annual basis in the aggregate for all such Subsidiaries; provided that (x) the gross revenue of all Subsidiaries (excluding the portion of revenue that is invoiced to the Immaterial Subsidiary constituting a Government Contract Joint Venture by a Loan Party) that fall within the definition of Excluded Equity Collateral shall be included in the foregoing gross revenue tests; and (y) if any Subsidiary that would otherwise constitute an “Immaterial Subsidiary” receives a direct extension of credit under this Agreement, such Subsidiary shall cease to be an Immaterial Subsidiary.

“Impacted Loans” has the meaning specified in Section 3.03.

“Incremental Cap” has the meaning specified in Section 2.02(f).

“Incremental Term Loan” shall have the meaning provided in Section 2.01(c).

“Incremental Term Loan Commitment” means, as to each Incremental Term Loan Lender, the commitment of such Incremental Term Loan Lender to make the Incremental Term Loan hereunder pursuant to the Incremental Term Loan Lender Joinder Agreement; provided that, at any time after the funding of the Incremental Term Loan, determination of “Required Lenders” shall include the Outstanding Amount of the Incremental Term Loan.

“Incremental Term Loan Lender” means each of the Persons identified as an “Incremental Term Loan Lender” in the Incremental Term Loan Lender Joinder Agreement, together with their respective successors and assigns.

“Incremental Term Loan Lender Joinder Agreement” means a joinder agreement, substantially in the form of Exhibit I, executed and delivered in accordance with the provisions of Section 2.02(f).

“Incremental Term Loan Maturity Date” shall be as set forth in the Incremental Term Loan Lender Joinder Agreement.

“Incremental Term Note” has the meaning specified in Section 2.11(a).

“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:

- (a) all Funded Indebtedness;
- (b) the Swap Termination Value of any Swap Contract;
- (c) all Guarantees with respect to outstanding Indebtedness of the types specified in clauses (a) and (b) above of any other Person; and
- (d) all Indebtedness of the types referred to in clauses (a) through (c) above of any partnership or joint venture (other than a joint venture that is itself a corporation or limited liability company) in which such Person or a Subsidiary thereof is a general partner or joint venturer, unless such Indebtedness is expressly made non-recourse to such Person or such Subsidiary.

“Indemnified Taxes” means (a) Taxes, other than Excluded Taxes, imposed on or with respect to any payment made by or on account of any obligation of any Loan Party under any Loan Document and (b) to the extent not otherwise described in clause (a), Other Taxes.

“Indemnitee” has the meaning specified in Section 11.04(b).

“Information” has the meaning specified in Section 11.07.

“Insolvency Proceeding” means (a) any case, action or proceeding before any court or other Governmental Authority relating to bankruptcy, reorganization, insolvency, liquidation, receivership, dissolution, winding-up or relief of debtors, or (b) any general assignment for the benefit of creditors, composition, marshaling of assets for creditors, or other, similar arrangement in respect of its creditors generally or any substantial portion of its creditors; in each case in (a) and (b) above, undertaken under U.S.

federal, state or foreign law or the Debtor Relief Laws of any other jurisdiction, including the Bankruptcy Code of the United States.

“Interest Payment Date” means (a) as to any SOFR Loan, any CORRA Loan or any BBSY Loan, the last day of each Interest Period applicable to such Loan and the Maturity Date or any Incremental Term Loan Maturity Date, as applicable; provided, however, that in the case of SOFR Loans, if any Interest Period for such Loan exceeds three (3) months, the respective dates that fall every three (3) months after the beginning of such Interest Period shall also be Interest Payment Dates; and (b) as to any Base Rate Loan (including a Swing Line Loan), any Daily SOFR Loan or any Daily Simple CORRA Loan, the last Business Day of each March, June, September and December and the Maturity Date or any Incremental Term Loan Maturity Date, as applicable.

“Interest Period” means (a) as to each SOFR Loan, the period commencing on the date such SOFR Loan is disbursed or converted to or continued as a SOFR Loan and ending on the date one (1), three (3) or six (6) months thereafter; (b) as to each CORRA Loan, the period commencing on the date such CORRA Loan is disbursed or continued as a CORRA Loan and ending on the date one (1) or three (3) months thereafter, in each case, subject to availability for the interest rate applicable to the relevant currency, as selected by the applicable Borrower in its Loan Notice; and (c) as to each BBSY Loan, the period commencing on the date such BBSY Loan is disbursed or converted to or continued as a BBSY Loan and ending on the date one (1), three (3) or six (6) months thereafter; provided that:

(a) any Interest Period that would otherwise end on a day that is not a Business Day shall be extended to the next succeeding Business Day unless such Business Day falls in another calendar month, in which case such Interest Period shall end on the next preceding Business Day;

(b) any Interest Period that begins on the last Business Day of a calendar month (or on a day for which there is no numerically corresponding day in the calendar month at the end of such Interest Period) shall end on the last Business Day of the calendar month at the end of such Interest Period;

(c) no Interest Period with respect to any Revolving Loan or Term Loan shall extend beyond the Maturity Date;

(d) no Interest Period with respect to any Incremental Term Loan shall extend beyond the applicable Incremental Term Loan Maturity Date; and

(e) no tenor that has been removed from this definition pursuant to Section 3.03 shall be available for specification in such Borrowing Notice or interest election request.

“Internal Revenue Code” means the U.S. Internal Revenue Code of 1986, as amended.

“Investment” means, as to any Person, any direct or indirect acquisition or investment by such Person, whether by means of (a) the purchase or other acquisition of Equity Interests of another Person, (b) a loan, advance or capital contribution to, Guarantee or assumption of debt of, or purchase or other acquisition of any other debt or equity participation or interest in, another Person, including any partnership or joint venture interest in such other Person and any arrangement pursuant to which the investor Guarantees Indebtedness of such other Person, or (c) an Acquisition. For purposes of covenant compliance, the amount of any Investment shall be the amount actually invested, without adjustment for subsequent increases or decreases in the value of such Investment.

“Involuntary Disposition” means any loss of, damage to or destruction of, or any condemnation or other taking for public use of, any property of any Loan Party or any of its Subsidiaries.

“IP Rights” has the meaning specified in Section 6.17.

“IRS” means the United States Internal Revenue Service.

“Issue” means, with respect to any Letter of Credit, to issue, extend the expiration date of, renew (including by failure to object to any automatic renewal on the last day such objection is permitted), increase the face amount of, or reduce or eliminate any scheduled decrease in the face amount of, such Letter of Credit, or to cause any Person to do any of the foregoing. The terms “Issued” and “Issuance” have correlative meanings.

“Issuer Documents” means with respect to any Letter of Credit, the Letter of Credit Application, and any other document, agreement and instrument entered into by the L/C Issuer and the Parent Borrower (or any Subsidiary) or in favor of the L/C Issuer and relating to any such Letter of Credit.

“ITA” means the *Income Tax Act* (Canada).

“Joinder Agreement” means a joinder agreement substantially in the form of Exhibit E executed and delivered by a Domestic Subsidiary or a Canadian Subsidiary in accordance with the provisions of Section 7.12(b).

“Judgment Currency” has the meaning specified in Section 11.23.

“Laws” means, collectively, all international, foreign, federal, state, provincial, territorial and local statutes, treaties, rules, guidelines, regulations, ordinances, codes and administrative or judicial precedents or authorities, including the interpretation or administration thereof by any Governmental Authority charged with the enforcement, interpretation or administration thereof, and all applicable administrative orders, directed duties, requests, licenses, authorizations and permits of, and agreements with, any Governmental Authority, in each case whether or not having the force of law.

“LCA Test Date” has the meaning specified in Section 1.07.

“L/C Commitment” means, with respect to any L/C Issuer, the commitment of such L/C Issuer to issue Letters of Credit hereunder. The initial amount of a L/C Issuer’s Letter of Credit Commitment is set forth on Schedule 2.03, or if a L/C Issuer has otherwise assumed a commitment to become a L/C Issuer after the Closing Date, the amount set forth for such L/C Issuer in the Register maintained by the Administrative Agent. The L/C Commitment of an L/C Issuer may be modified from time to time by agreement between such L/C Issuer and the Borrower, and notified to the Administrative Agent.

“L/C Credit Extension” means, with respect to any Letter of Credit, the issuance thereof or extension of the expiry date thereof, or the increase of the amount thereof.

“L/C Issuer” means (a) Bank of America, through itself or through one of its designated Affiliates or branch offices, and (b) any Lender or an Affiliate thereof or a bank or other legally authorized Person that agrees to issue Letters of Credit hereunder and is reasonably acceptable to Administrative Agent, in each case, in such Person’s capacity as an issuer of Letters of Credit hereunder. In the event there is more than one L/C Issuer at any time, references herein and in the other Loan Documents to the L/C Issuer shall be deemed to refer to the L/C Issuer in respect of the applicable Letter of Credit or to all L/C Issuers, as the context requires.

“L/C Obligations” means all outstanding obligations incurred by Administrative Agent and Lenders at the request of the Parent Borrower or its Subsidiaries, whether direct or indirect, contingent or

otherwise, due or not due, in connection with the Issuance of Letters of Credit by L/C Issuers or the purchase of a participation as set forth in Section 2.03 with respect to any Letter of Credit. The amount of such L/C Obligations shall equal the maximum amount that may be payable by Administrative Agent and Lenders thereupon or pursuant thereto.

“L/C Reimbursement Agreement” as defined in Section 2.03(a)(iii).

“L/C Reimbursement Date” as defined in Section 2.03(e).

“L/C Reimbursement Obligations” means, for any Letter of Credit, the obligation of the Parent Borrower to the L/C Issuer thereof or to Administrative Agent, as and when matured, to pay all amounts drawn under such Letter of Credit.

“L/C Request” as defined in Section 2.03(b).

“Lenders” means each of the Persons identified as a “Lender” on the signature pages hereto, each other Person that becomes a “Lender” in accordance with this Agreement and their successors and permitted assigns, each Person that executes a lender joinder agreement or commitment agreement in accordance with Section 2.02(f) and each Incremental Term Loan Lender and, as the context requires, includes the Swing Line Lender. The term “Lender” shall include any Designated Lender.

“Lending Office” means, as to any Lender, the office or offices of such Lender described as such in such Lender’s Administrative Questionnaire, or such other office or offices as a Lender may from time to time notify the Parent Borrower, the Administrative Agent and with respect to any Revolving Lender, the Administrative Agent.

“Letter of Credit” means any letter of credit issued hereunder and shall include the Existing Letters of Credit. A Letter of Credit may be a commercial letter of credit or a standby letter of credit. Letters of Credit may be issued in Dollars or in an Alternative Currency.

“Letter of Credit Expiration Date” means the day that is seven (7) Business Days prior to the Maturity Date then in effect (or, if such day is not a Business Day, the next preceding Business Day).

“Letter of Credit Fee” has the meaning specified in Section 2.09(b).

“Letter of Credit Australian Dollar Sublimit” means an amount equal to the lesser of (a) the Letter of Credit Sublimit and (b) \$5,000,000. The Letter of Credit Sublimit is part of, and not in addition to, the Letter of Credit Sublimit.

“Letter of Credit Canadian Dollar Sublimit” means an amount equal to the lesser of (a) the Letter of Credit Sublimit and (b) \$10,000,000. The Letter of Credit Sublimit is part of, and not in addition to, the Letter of Credit Sublimit.

“Letter of Credit Sublimit” means an amount equal to the lesser of (a) the Aggregate Revolving Commitments and (b) \$20,000,000. The Letter of Credit Sublimit is part of, and not in addition to, the Aggregate Revolving Commitments.

“Lien” means any mortgage, pledge, hypothecation, assignment, deposit arrangement, encumbrance, lien (statutory or other), charge, or preference, priority or other security interest or preferential arrangement in the nature of a security interest of any kind or nature whatsoever (including any conditional sale or other title retention agreement, any easement, right of way or other encumbrance on title

to real property, and any financing lease having substantially the same economic effect as any of the foregoing).

“Limited Condition Acquisition” means a Permitted Acquisition that is not conditioned on the availability of, or on obtaining, third party financing that is consummated on or prior to the date that is one hundred twenty (120) days after the date the definitive agreement for such Permitted Acquisition is executed.

“Loan” means an extension of credit by a Lender to a Borrower under Article II in the form of a Revolving Loan, Swing Line Loan, Term Loan or Incremental Term Loan.

“Loan Documents” means this Agreement, each Note, each Issuer Document, each Joinder Agreement, the Fee Letter, each Incremental Term Loan Lender Joinder Agreement, any agreement creating or perfecting rights in Cash Collateral pursuant to the provisions of Section 2.14 of this Agreement, the Collateral Documents, any Guaranty, and any other agreement, instrument or document designated by its terms as a “Loan Document” (but specifically excluding Secured Swap Agreements and Secured Treasury Management Agreements).

“Loan Modification Offer” has the meaning specified in Section 11.01.

“Loan Notice” means a notice of (a) a Borrowing of Loans, (b) a conversion of Loans from one Type to the other, or (c) a continuation of SOFR Loans, CORRA Loans or BBSY Loans, in each case pursuant to Section 2.02(a), which, if in writing, shall be substantially in the form of Exhibit A or such other form as may be approved by the Administrative Agent (including any form on an electronic platform or electronic transmission system as shall be approved by the Administrative Agent) appropriately completed and signed by a Responsible Officer of the applicable Borrower.

“Loan Parties” means, collectively, each Borrower and each Guarantor.

“Mandatory Cost” means any amount incurred periodically by any Lender during the term of this Agreement which constitutes fees, costs or charges imposed on lenders generally in the jurisdiction in which such Lender is domiciled, subject to regulation, or has its Facility Office by any Governmental Authority.

“Master Agreement” has the meaning specified in the definition of “Swap Contract”.

“Material Adverse Effect” means the effect of any event or circumstance that, taken alone or in conjunction with other events or circumstances, (a) has or could be reasonably expected to have a material adverse effect (i) on the business, results of operations, properties or financial condition of Borrowers and their Subsidiaries, taken as a whole, (ii) on the enforceability of any material provision of any of the Loan Documents or (iii) on the validity or priority of the Administrative Agent’s Liens on any material portion of the Collateral; (b) impairs in any material respect the ability of the Loan Parties as a whole to perform their obligations under the Loan Documents, including repayment of any Obligations; or (c) otherwise impairs in any material respect the ability of the Administrative Agent or the Lenders to enforce or collect the Obligations or to realize upon the Collateral.

“Maturity Date” means February 26, 2030; provided, however, that if such date is not a Business Day, the Maturity Date shall be the next preceding Business Day.

“Minimum Collateral Amount” means, at any time, with respect to Cash Collateral consisting of cash or deposit account balances provided to reduce or eliminate Fronting Exposure during the existence of a Defaulting Lender, an amount equal to one hundred five percent (105%) of the Fronting Exposure of

the L/C Issuer with respect to Letters of Credit issued and outstanding at such time, (b) with respect to Cash Collateral consisting of cash or deposit account balances provided in accordance with the provisions of Section 2.14(a)(i), (a)(ii) or (a)(iii), an amount equal to one hundred five percent (105%) of the Outstanding Amount of all L/C Obligations, and (c) otherwise, an amount determined by the Administrative Agent and the L/C Issuer in their sole discretion.

“Moody’s” means Moody’s Investors Service, Inc. and any successor thereto.

“Multiple Employer Plan” means any employee benefit plan of the type described in Section 4001(a)(3) of ERISA, to which any Borrower or any ERISA Affiliate makes or is obligated to make contributions, or during the preceding five (5) plan years, has made or been obligated to make contributions. “Multiple Employer Plan” means a Pension Plan which has two or more contributing sponsors (including any Borrower or any ERISA Affiliate) at least two of whom are not under common control, as such a plan is described in Section 4064 of ERISA.

“Net Cash Proceeds” means the aggregate cash or Cash Equivalents proceeds received by any Loan Party or any Subsidiary in respect of any Disposition, Debt Issuance or Involuntary Disposition, net of (a) direct costs incurred in connection therewith (including, without limitation, legal, accounting and investment banking fees, and sales commissions), (b) taxes paid or payable as a result thereof, (c) the amount of any reserves taken in accordance with GAAP with respect to such event (provided, that if such reserves are released, such released amounts shall constitute Net Cash Proceeds at such time) and (d) in the case of any Disposition, the amount necessary to retire any Indebtedness secured by a Permitted Lien (ranking senior to any Lien of the Administrative Agent) on the related property; it being understood that “Net Cash Proceeds” shall (x) include, without limitation, any cash or Cash Equivalents received upon the sale or other disposition of any non- cash consideration received by any Loan Party or any Subsidiary in any Disposition, Debt Issuance or Involuntary Disposition and (y) exclude any business interruption proceeds.

“Net Working Capital” means the remainder of (a) the consolidated current assets of the Parent Borrower and its Subsidiaries minus the amount of cash and cash equivalents included in such consolidated current assets, minus (b) the consolidated current liabilities of the Parent Borrower and its Subsidiaries minus the amount of consolidated short-term Indebtedness (including current maturities of long-term Indebtedness) of the Parent Borrower and its Subsidiaries included in such consolidated current liabilities.

“Non-Consenting Lender” means any Lender that does not approve any consent, waiver or amendment that (a) requires the approval of all Lenders or the affected Lenders in accordance with the terms of Section 11.01 and (b) has been approved by the Required Lenders.

“Non-Defaulting Lender” means, at any time, each Lender that is not a Defaulting Lender at such time.

“Non-SOFR Successor Rate” has the meaning specified in Section 3.03(c)(iii).

“Non-U.S. Obligations” means (a) all advances to, and debts, liabilities, obligations, covenants and duties of, any Canadian Loan Party arising under any Loan Document or otherwise with respect to any Loan or Letter of Credit, and (b) all obligations of any Canadian Loan Party, or any Subsidiary thereof, owing to a Treasury Management Bank or a Swap Bank in respect of Secured Treasury Management Agreements or Secured Swap Agreements, in the case of each of clauses (a) and (b), whether direct or indirect (including those acquired by assumption), absolute or contingent, due or to become due, now existing or hereafter arising and including interest and fees that accrue after the commencement by or against any Canadian Loan Party or any Affiliate thereof of any proceeding under any Debtor Relief Laws

naming such Person as the debtor in such proceeding, regardless of whether such interest and fees are allowed claims in such proceeding; provided, however, that the “Non-U.S. Obligations” of a Canadian Loan Party shall exclude any Excluded Swap Obligations with respect to such Canadian Loan Party.

“Not Otherwise Applied” means, with reference to any proceeds of any transaction or event or of the Available Amount that is proposed to be applied to a particular use or transaction, that such amount has not previously been (and is not simultaneously being) applied to anything other than such particular use or transaction.

“Note” or “Notes” means the Revolving Notes, the Swing Line Note, the Term Loan Notes, and/or the Incremental Term Notes, individually or collectively, as appropriate.

“Notice of Loan Prepayment” means a notice of prepayment with respect to a Loan, which shall be in substantially the form of Exhibit J or such other form as may be approved by the Administrative Agent (including any form on an electronic platform or electronic transmission system as shall be approved by the Administrative Agent) appropriately completed and signed by a Responsible Officer of the applicable Borrower.

“NYFRB” means the Federal Reserve Bank of New York.

“Obligations” means (a) all advances to, and debts, liabilities, obligations, covenants and duties of, any Loan Party arising under any Loan Document or otherwise with respect to any Loan or Letter of Credit, including but not limited to Erroneous Payment Subrogation Rights, and (b) all obligations of Parent Borrower or any of its Subsidiaries owing to a Treasury Management Bank or a Swap Bank in respect of Secured Treasury Management Agreements or Secured Swap Agreements, in the case of each of clauses (a) and (b), whether direct or indirect (including those acquired by assumption), absolute or contingent, due or to become due, now existing or hereafter arising and including interest and fees that accrue after the commencement by or against any Loan Party or any Affiliate thereof of any proceeding under any Debtor Relief Laws naming such Person as the debtor in such proceeding, regardless of whether such interest and fees are allowed claims in such proceeding; provided, however, that the “Obligations” of a Loan Party shall exclude any Excluded Swap Obligations with respect to such Loan Party.

“Organization Documents” means, (a) with respect to any corporation, the certificate or articles of incorporation and the bylaws (or equivalent or comparable constitutive documents with respect to any non- U.S. jurisdiction); (b) with respect to any limited liability company, the certificate or articles of formation or organization and operating agreement (or equivalent or comparable constitutive documents with respect to any non- U.S. jurisdiction); (c) with respect to any partnership, joint venture, trust or other form of business entity, the partnership, joint venture or other applicable agreement of formation or organization (or equivalent or comparable constitutive documents with respect to any non- U.S. jurisdiction); and (d) with respect to all entities, any agreement, instrument, filing or notice with respect thereto filed in connection with its formation or organization with the applicable Governmental Authority in the jurisdiction of its formation or organization (or equivalent or comparable constitutive documents with respect to any non- U.S. jurisdiction).

“Other Connection Taxes” means, with respect to any Recipient, Taxes imposed as a result of a present or former connection between such Recipient and the jurisdiction imposing such Tax (other than connections arising from such Recipient having executed, delivered, become a party to, performed its obligations under, received payments under, received or perfected a security interest under, engaged in any other transaction pursuant to or enforced any Loan Document, or sold or assigned an interest in any Loan or Loan Document).

“Other Taxes” means all present or future stamp, court or documentary, intangible, recording, filing or similar Taxes that arise from any payment made under, from the execution, delivery, performance, enforcement or registration of, from the receipt or perfection of a security interest under, or otherwise with respect to, any Loan Document, except any such Taxes that are Other Connection Taxes imposed with respect to an assignment (other than an assignment made pursuant to Section 3.06).

“Outbound Investment Rules” means the regulations administered and enforced, together with any related public guidance issued, by the United States Treasury Department under U.S. Executive Order 14105 of August 9, 2023, or any similar law or regulation, as of the Closing Date and as codified at 31 C.F.R. § 850.101 et seq.

“Outstanding Amount” means (a) with respect to any Loans on any date, the Dollar Equivalent amount of the aggregate outstanding principal amount thereof after giving effect to any borrowings and prepayments or repayments of any Loans occurring on such date; and (b) with respect to any L/C Obligations on any date, the Dollar Equivalent amount of the aggregate outstanding amount of such L/C Obligations on such date after giving effect to any L/C Credit Extension occurring on such date and any other changes in the aggregate amount of the L/C Obligations as of such date, including as a result of any reimbursements by the Parent Borrower of unreimbursed amounts.

“Overnight Rate” means, for any day, (a) with respect to any amount denominated in Dollars, the greater of (i) the Federal Funds Rate and (ii) an overnight rate determined by the Administrative Agent, the L/C Issuer, or the Swing Line Lender, as the case may be, in accordance with banking industry rules on interbank compensation, and (b) with respect to any amount denominated in Canadian Dollars or Australian Dollars, an overnight rate determined by the Administrative Agent or the L/C Issuer, as the case may be, in accordance with banking industry rules on interbank compensation.

“Parent Borrower” has the meaning specified in the introductory paragraph hereto.

“Participant” has the meaning specified in Section 11.06(d).

“Participant Register” has the meaning specified in Section 11.06(d).

“PATRIOT Act” has the meaning specified in Section 11.17.

“Payment Recipient” has the meaning assigned to it in Section 2.17(a).

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

“Pension Funding Rules” means the rules of the Internal Revenue Code and ERISA regarding minimum funding standards with respect to Pension Plans and set forth in Sections 412, 430, 431, 432 and 436 of the Internal Revenue Code and Sections 302, 303, 304 and 305 of ERISA.

“Pension Plan” means any employee pension benefit plan (including a Multiple Employer Plan and excluding a Multiple Employer Plan) that is maintained or is contributed to by any Borrower and any ERISA Affiliate and is either covered by Title IV of ERISA or is subject to minimum funding standards under Section 412 of the Internal Revenue Code.

“Permitted Acquisitions” means Investments (whether by purchase, merger, amalgamation or otherwise, of all or substantially all of the assets of, or any business line, unit or division of, any person or of a majority of the outstanding capital stock of any person (but in any event including any investment in (x) any subsidiary which serves to increase Parent Borrower’s, any other Borrowers’ or any subsidiary’s

respective equity ownership in such subsidiary or (y) any joint venture for the purpose of increasing Parent Borrower's, any other Borrowers' or the relevant subsidiary's ownership interest in such joint venture) consisting of an Acquisition by the Parent Borrower or any Subsidiary, provided that, (a) subject, in the case of a Limited Condition Acquisition, to Section 1.07, no Default shall have occurred and be continuing or would result from such Acquisition, (b) the property acquired (or the property of the Person acquired) in such Acquisition is used or useful in the same or a related line of business as the Parent Borrower and its Subsidiaries were engaged in on the Closing Date (or any reasonable extensions or expansions thereof), (c) in the case of an Acquisition of the Equity Interests of another Person, the board of directors, shareholders (or other comparable governing body) of such other Person shall have duly approved such Acquisition, (d) the Administrative Agent shall have received, within 30 days (or such later date as the Administrative Agent may agree in its reasonable discretion) from the date of the consummation of such Acquisition, all items in respect of the Equity Interests or property acquired in such Acquisition required to be delivered by the terms of Section 7.12 and/or Section 7.14, (e) solely with respect to such Acquisition in which the aggregate consideration exceeds \$20,000,000 (including cash and non-cash consideration, any assumption of Indebtedness, incurrence of Seller Subordinated Indebtedness, deferred purchase price and any Earn Out Obligations, but excluding consideration paid in the form of Equity Interests of the Parent Borrower), the Parent Borrower shall have delivered to the Administrative Agent prior to the consummation of such Acquisition a Pro Forma Compliance Certificate demonstrating that, upon giving effect to such Acquisition on a Pro Forma Basis, the Consolidated Total Leverage Ratio does not exceed 0:50:1:00 less than the required level for such period (taking into account the step-up associated with the Adjusted Covenant Period) pursuant to Section 8.11(a) for the most recently completed four fiscal quarter period for which the Parent Borrower has delivered financial statements pursuant to Section 7.01 (a) or (b); provided that, in connection with a Limited Condition Acquisition, at the election of the Parent Borrower, this condition shall solely be tested at the time of the execution and delivery of the definitive acquisition agreements related to such Permitted Acquisition, (f) solely with respect to such Acquisition in which the aggregate consideration exceeds \$20,000,000 (including cash and non-cash consideration, any assumption of Indebtedness, incurrence of Seller Subordinated Indebtedness, deferred purchase price and any Earn Out Obligations, but excluding consideration paid in the form of Equity Interests of the Parent Borrower), at least five (5) days (or such shorter period as the Administrative Agent may agree in its reasonable discretion) prior to the consummation of such Acquisition, the Parent Borrower shall have delivered to the Administrative Agent a quality of earnings report for the target of such Acquisition (to the extent such target has EBITDA greater than \$5,000,000 for the most recent twelve month period for which financial statements are available), (g) to the extent the Earn Out Obligations (excluding Earn Out Obligations paid in the form of Equity Interests of the Parent Borrower) in respect of such Acquisition may exceed \$15,000,000 in the aggregate, such Earn Out Obligations arising out of such Acquisition shall be subordinated to the Obligations in a manner reasonably acceptable to the Administrative Agent and (h) solely with respect to Acquisitions in which the primary assets acquired thereby shall not become Collateral (or the primary Persons acquired thereby shall not become Loan Parties), the aggregate consideration (including cash and non-cash consideration, any assumption of Indebtedness, incurrence of Seller Subordinated Indebtedness, deferred purchase price and any Earn Out Obligations, but excluding (x) consideration paid in the form of Equity Interests of the Parent Borrower, (y) the consideration payable in connection with the Acquisition of Epic Environmental Pty Ltd, and (z) the consideration payable in connection with an Acquisition in which a Foreign Collateral Document Trigger Event does not occur in connection therewith on a pro forma basis) paid by the Parent Borrower or any such Subsidiary, as applicable, for any such Acquisition shall not exceed \$25,000,000; provided that to the extent that any Acquisition is consummated in compliance with Section 8.02(p), upon consummation thereof, such Acquisition shall be deemed to be a "Permitted Acquisition" for all purposes hereof.

"Permitted Amendments" has the meaning specified in Section 11.01.

“Permitted Liens” means, at any time, Liens in respect of property of any Loan Party or any of its Subsidiaries permitted to exist at such time pursuant to the terms of Section 8.01.

“Permitted Refinancing” means, with respect to any Indebtedness of any Person, any modification, refinancing, replacement, refunding, renewal or extension of such Indebtedness; provided, that, (a) the principal amount thereof does not exceed the sum of (i) the outstanding principal amount of the Indebtedness so modified, refinanced, replaced, refunded, renewed or extended plus (ii) prepayment premiums paid, accrued but unpaid interest thereon and reasonable and customary fees and expenses incurred, in connection with such modification, refinancing, replacement, refunding, renewal or extension, (b) such modification, refinancing, replacement, refunding, renewal or extension has (i) a final maturity date equal to or later than the final maturity date of the Indebtedness being modified, refinanced, replaced, refunded, renewed or extended, and (ii) a weighted average life to maturity equal to or longer than the weighted average life to maturity of the Indebtedness being modified, refinanced, replaced, refunded, renewed or extended, (c) the direct and contingent obligors of such Indebtedness shall not be changed, as a result of or in connection with such modification, refinancing, replacement, refunding, renewal or extension, (d) the terms (excluding pricing, fees, rate floors, discounts, premiums and optional prepayment or redemption terms) of such Indebtedness, taken as a whole, shall not be changed in any manner that is materially adverse, taken as a whole, to the Parent Borrower or any Subsidiary, as applicable, as a result of or in connection with such modification, refinancing, replacement, refunding, renewal or extension, (e) if the Indebtedness being modified, refinanced, replaced, refunded, renewed or extended is subordinated in right of payment to the Obligations or secured by Liens on the Collateral junior to those created under the Collateral Documents, such modification, refinancing, replacement, refunding, renewal or extension is subordinated to the Obligations on terms at least as favorable to the Lenders as those contained in the documentation governing the Indebtedness being so modified, refinanced, replaced, refunded, renewed or extended, (f) if the Indebtedness being modified, refinanced, replaced, refunded, renewed or extended is unsecured, such modification, refinancing, replacement, refunding, renewal or extension shall be unsecured (unless such Indebtedness is otherwise permitted to be secured by a Permitted Lien), and (g) at the time of such modification, refinancing, replacement, refunding, renewal or extension of such Indebtedness, no Default or Event of Default shall have occurred and be continuing or result therefrom.

“Person” means any natural person, corporation, limited liability company, trust, joint venture, association, company, partnership, Governmental Authority or other entity.

“Plan” means any employee benefit plan within the meaning of Section 3(3) of ERISA (including a Pension Plan but excluding a Multiple Employer Plan), maintained for employees of any Borrower or any ERISA Affiliate or any such Plan to which any Borrower or any ERISA Affiliate is required to contribute on behalf of any of its employees.

“Platform” has the meaning specified in Section 7.02.

“PPSA” means the *Personal Property Security Act* (British Columbia) and the regulations thereunder, as from time to time in effect, provided, however, if attachment, perfection or priority of the Administrative Agent’s security interests in any Collateral are governed by the personal property security laws of any jurisdiction other than British Columbia, PPSA shall mean those personal property security laws in such other jurisdiction, or, in the case of Québec, other applicable Law governing security interest in personal property (including the *Civil Code of Québec* and the regulation respecting the register of personal and movable real rights thereunder), for the purposes of the provisions hereof relating to such attachment, perfection or priority and for the definitions related to such provisions.

“Pro Forma Basis” means, for purposes of calculating the financial covenants set forth in Section 8.11 (including for purposes of determining the Applicable Rate), that any Disposition, Involuntary

Disposition, Acquisition, Restricted Payment, management fee payments or other applicable transaction shall be deemed to have occurred as of the first day of the most recent four (4) fiscal quarter period preceding the date of such transaction for which the Parent Borrower was required to deliver financial statements pursuant to Section 7.01(a) or (b). In connection with the foregoing, (a) with respect to any Disposition or Involuntary Disposition, income statement and cash flow statement items (whether positive or negative) attributable to the property disposed of shall be excluded to the extent relating to any period occurring prior to the date of such transaction and (b) with respect to any Acquisition, (i) income statement items attributable to the Person or property acquired shall be included to the extent relating to any period applicable in such calculations to the extent (A) such items are not otherwise included in such income statement items for the Parent Borrower and its Subsidiaries in accordance with GAAP or in accordance with any defined terms set forth in Section 1.01 and (B) such items are supported by financial statements or other information reasonably satisfactory to the Administrative Agent, (ii) any Indebtedness incurred or assumed by the Parent Borrower or any Subsidiary (including the Person or property acquired) in connection with such transaction (A) shall be deemed to have been incurred as of the first day of the applicable period and (B) if such Indebtedness has a floating or formula rate, shall have an implied rate of interest for the applicable period for purposes of this definition determined by utilizing the rate which is or would be in effect with respect to such Indebtedness as at the relevant date of determination and (iii) adjustments may be made (x) with respect to the EBITDA of any Person or property acquired relating to such period based on cost savings demonstrated for the applicable period in a quality of earnings report (or with respect to an Acquisition of a Person or property with EBITDA of less than \$1,500,000 for the most recent twelve month period, as demonstrated by the Parent Borrower), such adjustments to be reasonably satisfactory to the Administrative Agent and (y) consistent with a third-party quality of earnings or financial due diligence report from a recognized accounting firm or other accounting firm reasonably acceptable to the Administrative Agent. It is understood and agreed that in calculating compliance on a Pro Forma Basis with any financial covenant set forth in Section 8.11 as a condition to the consummation of a certain transaction, (i) such calculation shall be made in accordance with the foregoing after giving effect to (x) such transaction and (y) any other Disposition, Involuntary Disposition, Acquisition, Restricted Payment, management fee payments or other applicable transaction occurring after the end of the most recent four (4) fiscal quarter period for which the Parent Borrower was required to deliver financial statements pursuant to Section 7.01(a) or (b) and on or prior to the date of such calculation, and (ii) Consolidated Funded Indebtedness for purposes of such calculation shall be actual Consolidated Funded Indebtedness as of the date of the consummation of such transaction, after giving effect thereto.

“Pro Forma Compliance Certificate” means a certificate of a Responsible Officer of the Parent Borrower containing reasonably detailed calculations of the financial covenants set forth in Section 8.11(a) as of the most recent fiscal quarter end for which the Parent Borrower was required to deliver financial statements pursuant to Section 7.01(a) or (b) after giving effect to the applicable transaction on a Pro Forma Basis.

“PTE” means a prohibited transaction class exemption issued by the U.S. Department of Labor, as any such exemption may be amended from time to time.

“Public Lender” has the meaning specified in Section 7.02.

“QFC” has the meaning assigned to the term “qualified financial contract” in, and shall be interpreted in accordance with, 12 U.S.C. 5390(c)(8)(D).

“QFC Credit Support” has the meaning specified in Section 11.22.

“Qualified Cash” means, as of any date of determination, all cash and Cash Equivalents of the Loan Parties and their Subsidiaries that do not appear (or would not be required to appear) as “restricted” on a

consolidated balance sheet of the Parent Borrower and are not subject to a Lien (other than Liens of the type described in Sections 8.01(a), 8.01(m) or 8.01(n)); provided that the aggregate amount of cash and Cash Equivalents of Subsidiaries of the Parent Borrower that are not Loan Parties that may be included in any determination of Qualified Cash shall not exceed \$10,000,000.

“Qualified ECP Guarantor” means, at any time, each Loan Party with total assets exceeding \$10,000,000 or that qualifies at such time as an “eligible contract participant” under the Commodity Exchange Act and can cause another Person to qualify as an “eligible contract participant” at such time under Section 1a(18)(A)(v)(II) of the Commodity Exchange Act.

“Recipient” means any Agent, any Lender, the L/C Issuer or any other recipient of any payment to be made by or on account of any obligation of any Loan Party hereunder.

“Register” has the meaning specified in Section 11.06(c).

“Related Parties” means, with respect to any Person, such Person’s Affiliates and the partners, directors, officers, employees, agents, trustees, administrators, managers, advisors and representatives of such Person and of such Person’s Affiliates.

“Relevant Rate” means with respect to any Credit Extension denominated in (a) Dollars, SOFR, (b) Canadian Dollars, CORRA, and (c) Australian Dollars, BBSY.

“Reportable Event” means any of the events set forth in Section 4043(c) of ERISA, other than events for which the thirty (30)-day notice period has been waived.

“Request for Credit Extension” means (a) with respect to a Borrowing, conversion or continuation of Loans, a Loan Notice, (b) with respect to an L/C Credit Extension, a Letter of Credit Application and (c) with respect to a Swing Line Loan, a Swing Line Loan Notice.

“Required Lenders” means, at any time, Lenders having Total Credit Exposure representing more than fifty percent (50%) of the Total Credit Exposure of all Lenders; provided that, as long as there are fewer than three Lenders, Required Lenders shall mean all such Lenders. The Total Credit Exposure of any Defaulting Lender shall be disregarded in determining Required Lenders at any time; provided that, the amount of any participation in any Swing Line Loan and unreimbursed amounts that such Defaulting Lender has failed to fund that have not been reallocated to and funded by another Lender shall be deemed to be held by the Lender that is the Swing Line Lender or L/C Issuer, as the case may be, in making such determination.

“Resolution Authority” means an EEA Resolution Authority or, with respect to any UK Financial Institution, a UK Resolution Authority.

“Responsible Officer” means the chief executive officer, president, chief financial officer, treasurer, assistant treasurer or controller of a Loan Party and, solely for purposes of the delivery of certificates pursuant to Sections 5.01 or 7.12(b), the secretary or any assistant secretary (or another authorized person) of a Loan Party and, solely for purposes of notices given pursuant to Article II, any other officer or employee of the applicable Loan Party so designated by any of the foregoing officers in a notice to the Agents or any other officer or employee of the applicable Loan Party designated in or pursuant to an agreement between the applicable Loan Party and the Agents. Any document delivered hereunder that is signed by a Responsible Officer of a Loan Party shall be conclusively presumed to have been authorized by all necessary corporate, partnership and/or other action on the part of such Loan Party and such Responsible Officer shall be conclusively presumed to have acted on behalf of such Loan Party. To the

extent requested by any Agent, each Responsible Officer will provide an incumbency certificate and appropriate authorization documentation, in each case, in form and substance satisfactory to such Agent.

“Restricted Payment” means any dividend or other distribution (whether in cash, securities or other property) with respect to any Equity Interests of any Loan Party or any Subsidiary, or any payment (whether in cash, securities or other property), including any sinking fund or similar deposit, on account of the purchase, redemption, retirement, acquisition, cancellation or termination of any such Equity Interests or on account of any return of capital to such Person’s stockholders, partners or members (or the equivalent Person thereof), or any setting apart of funds or property for any of the foregoing, and including, without limitation, any redemption of, or payments of dividends, in cash, in kind or otherwise, in respect of, the Series A-2 Preferred Equity.

“Restricted Payment Note” has the meaning specified in Section 8.06(l).

“Revaluation Date” means (a) with respect to any Loan, each of the following: (i) each date of a Borrowing of any Loan denominated in an Alternative Currency, (ii) each date of a continuation of any Loan denominated in an Alternative Currency pursuant to Section 2.02, and (iii) such additional dates as the Administrative Agent shall determine or the Required Lenders shall require; and (b) with respect to any Letter of Credit, each of the following: (i) each date of issuance, amendment and/or extension of a Letter of Credit denominated in an Alternative Currency, (ii) each date of any payment by the L/C Issuer under any Letter of Credit denominated in an Alternative Currency, (iii) in the case of all Existing Letters of Credit denominated in Alternative Currencies, the Closing Date, and (iv) such additional dates as the Administrative Agent or the L/C Issuer shall determine or the Required Lenders shall require.

“Revolving Commitment” means, as to each Lender, its obligation to (a) make Revolving Loans to a Borrower pursuant to Section 2.01(a), (b) purchase participations in L/C Obligations and (c) purchase participations in Swing Line Loans, in an aggregate principal amount at any one time outstanding not to exceed the amount set forth opposite such Lender’s name on Schedule 2.01 or in the Assignment and Assumption pursuant to which such Lender becomes a party hereto, as applicable, as such amount may be adjusted from time to time in accordance with this Agreement.

“Revolving Credit Exposure” means, as to any Lender at any time, the aggregate principal amount at such time of its outstanding Revolving Loans and such Lender’s participation in L/C Obligations and Swing Line Loans at such time.

“Revolving Lender” means each Lender with a Revolving Commitment (or if the Revolving Commitments have terminated, who hold Revolving Loans or participations in Swing Line Loans or L/C Obligations).

“Revolving Loan” has the meaning specified in Section 2.01(a).

“Revolving Note” has the meaning specified in Section 2.11(a).

“S&P” means Standard & Poor’s Financial Services LLC, a subsidiary of The McGraw- Hill Companies, Inc. and any successor thereto.

“Sale and Leaseback Transaction” means, with respect to any Loan Party or any Subsidiary, any arrangement, directly or indirectly, with any Person whereby the Loan Party or such Subsidiary shall sell or transfer any property used or useful in its business, whether now owned or hereafter acquired, and thereafter rent or lease such property or other property that it intends to use for substantially the same purpose or purposes as the property being sold or transferred.

“Same Day Funds” means (a) with respect to disbursements and payments in Dollars, immediately available funds, and (b) with respect to disbursements and payments in Canadian Dollars or other Alternative Currency, same day or other funds as may be determined by the Administrative Agent or the L/C Issuer, as the case may be, to be customary in the place of disbursement or payment for the settlement of international banking transactions in such Alternative Currency.

“Sanctions” has the meaning specified in Section 6.22.

“Scheduled Unavailability Date” has the meaning specified in Section 3.03(c)(ii).

“SEC” means the Securities and Exchange Commission, or any Governmental Authority succeeding to any of its principal functions.

“Secured Party” means each Agent, each Lender, each L/C Issuer, each other Indemnitee and each other holder of any Obligation of a Loan Party (including each Swap Bank and Treasury Management Bank).

“Secured Party Designation Notice” means a notice from any Lender or an Affiliate of a Lender substantially in the form of Exhibit G.

“Secured Swap Agreement” means any Swap Contract permitted under Section 8.03 between any Loan Party or any of its Subsidiaries and any Swap Bank; provided, that for any of the foregoing to be included as a “Secured Swap Agreement” on any date of determination by the Administrative Agent, the applicable Swap Bank (other than the Administrative Agent or an Affiliate of the Administrative Agent) must have delivered a Secured Party Designation Notice to the Administrative Agent prior to such date of determination.

“Secured Treasury Management Agreement” means any Treasury Management Agreement between any Loan Party or any of its Subsidiaries and any Treasury Management Bank; provided, that for any of the foregoing to be included as a “Secured Treasury Management Agreement” on any date of determination by the Administrative Agent, the applicable Treasury Management Bank (other than the Administrative Agent or an Affiliate of the Administrative Agent) must have delivered a Secured Party Designation Notice to the Administrative Agent prior to such date of determination.

“Securitization Transaction” means, with respect to any Person, any financing transaction or series of financing transactions (including factoring arrangements) pursuant to which such Person or any Subsidiary of such Person may sell, convey or otherwise transfer, or grant a security interest in, accounts, payments, receivables, rights to future lease payments or residuals or similar rights to payment to a special purpose subsidiary or affiliate of such Person.

“Security Agreement” means the Amended and Restated Security and Pledge Agreement governed by the laws of the State of New York, dated as of the Closing Date, executed in favor of the Administrative Agent, for the benefit of the holders of the Obligations, by each of the U.S. Loan Parties and the Canadian Borrower.

“Seller Subordinated Indebtedness” means any unsecured Indebtedness (including non- contingent deferred purchase price obligations) of the Parent Borrower or any Subsidiary issued subsequent to the Closing Date in favor of a seller as consideration for a Permitted Acquisition, which unsecured Indebtedness by its terms is expressly subordinated in right of payment to the prior payment of the Obligations pursuant to subordination provisions reasonably satisfactory to the Administrative Agent and which Indebtedness shall not (a) mature, and have no scheduled principal payments, prepayments, repurchases, redemptions or

sinking fund or like payments required, at any time on or prior to 180 days after the Maturity Date other than scheduled principal payments not exceeding \$3,000,000 in any fiscal year of the Parent Borrower or (b) include any financial maintenance covenants and the terms thereof shall otherwise not be more restrictive in any respect to the Parent Borrower and its Subsidiaries than the provisions of this Agreement.

“Series A-2 Certificate of Designation” means the Certificate of Designation of Cumulative Series A-2 Preferred Stock of the Parent Borrower, executed by the Parent Borrower as in effect on the Closing Date.

“Series A-2 Preferred Equity” means the Cumulative Series A-2 Preferred Stock of the Parent Borrower issued by the Parent Borrower on or about April 13, 2020 in an aggregate amount not to exceed \$175,000,000.

“Series A-2 Preferred Equity Documents” means the Series A-2 Certificate of Designation, the Series A-2 Purchase Agreement and any other documents or agreements entered into in connection with the issuance of, or governing the terms of, the Series A-2 Preferred Equity. It is acknowledged and agreed by the Lenders and each Agent that Series A-2 Preferred Equity Documents as in effect as of the date hereof (including, for the avoidance of doubt, the Consolidated Debt Ratio included in Section 12 of the Series A-2 Certificate of Designation) are acceptable to the Lenders and each Agent.

“Series A-2 Purchase Agreement” means the Purchase Agreement, dated as of March 28, 2020, between the Parent Borrower and the Series A-2 Preferred Equity Holders.

“Series A-2 Preferred Equity Holders” means Oaktree Capital Management, L.P., or any of its Controlled Affiliates through which an investment was made in the Parent Borrower on March 28, 2020.

“SOFR” means, with respect to any applicable determination date, the Secured Overnight Financing Rate published on the fifth U.S. Government Securities Business Day preceding such date by the SOFR Administrator on the Federal Reserve Bank of New York’s website (or any successor source); provided however that if such determination date is not a U.S. Government Securities Business Day, then SOFR means such rate that applied on the first U.S. Government Securities Business Day immediately prior thereto.

“SOFR Administrator” means the NYFRB (or a successor administrator of the secured overnight financing rate).

“SOFR Loan” means a Loan that bears interest at a rate based on “Term SOFR”. SOFR Loans may be denominated in Dollars.

“SOFR Scheduled Unavailability Date” has the meaning specified in Section 3.03(b)(ii).

“SOFR Successor Rate” has the meaning specified in Section 3.03(b)(iii).

“Solvent” or “Solvency” means, with respect to any Person as of a particular date, that on such date (a) such Person is generally able to pay its debts and other liabilities, contingent obligations and other commitments as they mature in the ordinary course of business, (b) such Person does not intend to, and does not believe that it will, incur debts or liabilities beyond such Person’s ability to generally pay as such debts and liabilities mature in their ordinary course, (c) such Person is not engaged in a business or a transaction, and is not about to engage in a business or a transaction, for which such Person’s property would constitute unreasonably small capital after giving due consideration to the prevailing practice in the industry in which such Person is engaged or is to engage, (d) the fair value of the property of such Person

is greater than the total amount of liabilities, including, without limitation, contingent liabilities, of such Person and (e) the present fair salable value of the assets of such Person is not less than the amount that will be required to pay the probable liability of such Person on its debts as they become absolute and matured. In computing the amount of contingent liabilities at any time, it is intended that such liabilities will be computed at the amount which, in light of all the facts and circumstances existing at such time, represents the amount that can reasonably be expected to become an actual or matured liability.

“Specified Subsidiary” means (i) if the Consolidated EBITDA of the Parent Borrower and its Subsidiaries for the most recent period for which financial statements have been delivered pursuant to Section 7.01 is equal to or greater than \$100,000,000, any Subsidiary formed for the purposes of consummating, or acquired in connection with, an Acquisition for which the aggregate consideration exceeded \$50,000,000 (including cash and non-cash consideration, any assumption of Indebtedness, incurrence of Seller Subordinated Indebtedness, deferred purchase price and any Earn Out Obligations) and (ii) if the Consolidated EBITDA of the Parent Borrower and its Subsidiaries for the most recent period for which financial statements have been delivered pursuant to Section 7.01 is less than \$100,000,000, any Subsidiary formed for the purposes of consummating, or acquired in connection with, an Acquisition for which the aggregate consideration exceeded \$25,000,000 (including cash and non-cash consideration, any assumption of Indebtedness, incurrence of Seller Subordinated Indebtedness, deferred purchase price and any Earn Out Obligations).

“Specified Event of Default” means any Event of Default pursuant to Section 9.01(a), Section 9.01(f) or Section 9.01(g).

“Specified Guarantee Jurisdiction” means each of (a) the United States and Canada, and (b) any other jurisdiction in which a Subsidiary is organized (i) that is reasonably satisfactory to the Administrative Agent in its reasonable discretion (taking into account the value to be realized by, and the enforceability of, a Guarantee by a Subsidiary organized in such jurisdiction of the Guaranteed Obligations, and the grant of a security interest in the assets of such Subsidiary to secure the Guaranteed Obligations) and (ii) with respect to which the Administrative Agent and the Parent Borrower have determined that the cost and/or burden of obtaining such guarantee and security does not outweigh the benefit to Lenders therefrom.

“Specified Loan Party” has the meaning specified in Section 4.08.

“Spot Rate” for a currency means the rate determined by the Administrative Agent or the L/C Issuer, as applicable, to be the rate quoted by the Person acting in such capacity as the spot rate for the purchase by such Person of such currency with another currency through its principal foreign exchange trading office at approximately 11:00 a.m. on the date two (2) Business Days prior to the date as of which the foreign exchange computation is made; provided that the Administrative Agent or the L/C Issuer may obtain such spot rate from another financial institution designated by the Administrative Agent or the L/C Issuer if the Person acting in such capacity does not have as of the date of determination a spot buying rate for any such currency; provided, further that the L/C Issuer may use such spot rate quoted on the date as of which the foreign exchange computation is made in the case of any Letter of Credit denominated in Canadian Dollars or other relevant Alternative Currency.

“STA” means the Securities Transfer Act (British Columbia), the Securities Transfer Act (Alberta), or the Securities Transfer Act, 2006 (Ontario), as applicable, and the respective regulations thereunder, as from time to time in effect.

“Subordinated Indebtedness” means, collectively, the Indebtedness evidenced by the Seller Subordinated Indebtedness and the Existing Seller Indebtedness.

“Subsidiary” of a Person means a corporation, partnership, joint venture, limited liability company or other business entity of which a majority of the shares of Voting Stock is at the time beneficially owned, or the management of which is otherwise controlled, directly, or indirectly through one or more intermediaries, or both, by such Person. Unless otherwise specified, all references herein to a “Subsidiary” or to “Subsidiaries” shall refer to a Subsidiary or Subsidiaries of the Parent Borrower; provided, that, for purposes of Articles VI, VII, VIII and IX, Government Contract Joint Ventures shall not be Subsidiaries, except to the extent required by the definition of “Government Contract Joint Venture”.

“Successor Rate” has the meaning specified in Section 3.03(c)(iii).

“Supported QFC” has the meaning specified in Section 11.22.

“Swap Bank” means any Person that (a) at the time it enters into a Swap Contract, is a Revolving Lender or the Administrative Agent or an Affiliate of a Revolving Lender or the Administrative Agent, (b) in the case of any Swap Contract in effect on or prior to the Closing Date, is, as of the Closing Date or within 30 days thereafter, a Revolving Lender or the Administrative Agent or an Affiliate of a Revolving Lender or the Administrative Agent and a party to a Swap Contract or (c) within 30 days after the time it enters into the applicable Swap Contract, becomes a Revolving Lender, the Administrative Agent or an Affiliate of a Revolving Lender or the Administrative Agent, in each case, in its capacity as a party to such Swap Contract.

“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.

“Swap Obligation” means any obligation to pay or perform under any agreement, contract or transaction that constitutes a “swap” within the meaning of Section 1a(47) of the Commodity Exchange Act.

“Swap Termination Value” means, in respect of any one or more Swap Contracts, after taking into account the effect of any legally enforceable netting agreement relating to such Swap Contracts, (a) for any date on or after the date such Swap Contracts have been closed out and termination value(s) determined in accordance therewith, such termination value(s) and (b) for any date prior to the date referenced in clause (a), the amount(s) determined as the mark- to- market value(s) for such Swap Contracts, as determined based upon one or more mid- market or other readily available quotations provided by any recognized dealer in such Swap Contracts (which may include a Lender or any Affiliate of a Lender).

“Swing Line Commitment” means, with respect to the Swing Line Lender, the commitment of the Swing Line Lender to make Swing Line Loans hereunder. The initial amount of the Swing Line Lender’s Swing Line Commitment is set forth on Schedule 2.01.

“Swing Line Lender” means, each in its capacity as Swing Line Lender hereunder, Bank of America or, upon the resignation of Bank of America as Administrative Agent hereunder, any Lender (or Affiliate or Approved Fund of any Lender) that agrees, with the approval of Administrative Agent (or, if there is no such successor Administrative Agent, the Required Lenders) and the Parent Borrower, to act as the Swing Line Lender hereunder.

“Swing Line Loan” has the meaning specified in Section 2.04(a).

“Swing Line Loan Notice” means a notice of a Borrowing of Swing Line Loans pursuant to Section 2.04(b), which, if in writing, shall be substantially in the form of Exhibit K or such other form as is approved by the Administrative Agent (including any form on an electronic platform or electronic transmission system as shall be approved by the Administrative Agent), appropriately completed and signed by a Responsible Officer of the Parent Borrower.

“Swing Line Note” has the meaning specified in Section 2.11(a).

“Swing Line Sublimit” means an amount equal to the lesser of (a) the Aggregate Revolving Commitments and (b) \$20,000,000. The Swing Line Sublimit is part of, and not in addition to, the Aggregate Revolving Commitments.

“Synthetic Lease” means any synthetic lease, tax retention operating lease, off- balance sheet loan or similar off- balance sheet financing arrangement whereby the arrangement is considered borrowed money indebtedness for tax purposes but is classified as an operating lease or does not otherwise appear on a balance sheet under GAAP.

“Taxes” means all present or future taxes, levies, imposts, duties, deductions, withholdings (including backup withholding), assessments, fees or other charges imposed by any Governmental Authority, including any interest, additions to tax or penalties applicable thereto.

“Term Lender” means each Lender that holds a Term Loan Commitment or Term Loan.

“Term Loan” has the meaning specified in Section 2.01(b)(i).

“Term Loan Commitment” means, as to each Lender, its obligation to make its portion of the Term Loan to the Parent Borrower pursuant to Section 2.01(b)(i), in the principal amount set forth opposite such Lender’s name on Schedule 2.01 or in the Assignment and Assumption pursuant to which such Lender becomes a party hereto, as applicable, as such amount may be adjusted from time to time in accordance with this Agreement. The aggregate principal amount of the Term Loan Commitments of all of the Lenders as in effect on the Closing Date is \$200,000,000.

“Term Loan Note” has the meaning provided in Section 2.11(a).

“Term SOFR” means:

(a) for any Interest Period with respect to a SOFR Loan, the rate per annum equal to the Term SOFR Screen Rate two U.S. Government Securities Business Days prior to the commencement of such Interest Period with a term equivalent to such Interest Period; *provided* that if the rate is not published prior to 11:00 a.m. on such determination date then Term SOFR means the Term SOFR Screen Rate on the first U.S. Government Securities Business Day immediately prior thereto; and

(b) for any interest calculation with respect to a Base Rate Loan on any date, the rate per annum equal to the Term SOFR Screen Rate two U.S. Government Securities Business Days prior to such date with a term of one month commencing that day; *provided* that if the rate is not published prior to 11:00 a.m. on such determination date then Term SOFR means the Term SOFR Screen Rate on the first U.S. Government Securities Business Day immediately prior thereto;

provided that if the Term SOFR determined in accordance with either of the foregoing provisions (a) or (b) of this definition would otherwise be less than zero, the Term SOFR shall be deemed zero for purposes of this Agreement.

“Term SOFR Administrator” means CME Group Benchmark Administration Limited (CBA) (or a successor administrator of the Term SOFR Reference Rate selected by the Administrative Agent in its reasonable discretion).

“Term SOFR Reference Rate” means the forward-looking term rate based on SOFR.

“Term SOFR Screen Rate” means the forward-looking Secured Overnight Financing Rate (as administered by the SOFR Administrator) term rate administered by CME (or any successor administrator satisfactory to the Administrative Agent) and published on the applicable Reuters screen page (or such other commercially available source providing such quotations as may be designated by the Administrative Agent from time to time).

“Threshold Amount” means \$2,500,000.

“Total Credit Exposure” means, as to any Lender at any time, the unused Commitments, Revolving Credit Exposure, Outstanding Amount of the Term Loan, and Outstanding Amount of all Incremental Term Loans of such Lender at such time.

“Total Revolving Outstandings” means the aggregate Outstanding Amount of all Revolving Loans, all Swing Line Loans and all L/C Obligations.

“Trade Date” as defined in Section 11.06(g)(i).

“Treasury Management Agreement” means any agreement governing the provision of treasury or cash management services, including deposit accounts, overdraft, credit or debit card, funds transfer, automated clearinghouse, zero balance accounts, returned check concentration, controlled disbursement, lockbox, account reconciliation and reporting and trade finance services and other cash management services.

“Treasury Management Bank” means any Person that (a) at the time it enters into a Treasury Management Agreement, is a Lender or the Administrative Agent or an Affiliate of a Lender or the Administrative Agent or (b) within 30 days after the time it enters into the applicable Treasury Management Agreement, becomes a Lender, the Administrative Agent or an Affiliate of a Lender or the Administrative Agent, in each case, in its capacity as a party to such Treasury Management Agreement.

“Type” means, with respect to any Loan, its character as a Base Rate Loan, a Daily SOFR Loan, a SOFR Loan, a CORRA Loan, a Daily Simple CORRA Loan, or a BBSY Loan.

“UK Financial Institution” means any BRRD Undertaking (as such term is defined under the PRA Rulebook (as amended from time to time) promulgated by the United Kingdom Prudential Regulation Authority) or any person subject to IFPRU 11.6 of the FCA Handbook (as amended from time to time)

promulgated by the United Kingdom Financial Conduct Authority, which includes certain credit institutions and investment firms, and certain affiliates of such credit institutions or investment firms.

“UK Resolution Authority” means the Bank of England or any other public administrative authority having responsibility for the resolution of any UK Financial Institution.

“Uniform Commercial Code” means the Uniform Commercial Code of any applicable jurisdiction and, if the applicable jurisdiction shall not have any Uniform Commercial Code, the Uniform Commercial Code as in effect from time to time in the State of New York.

“United States” and “U.S.” mean the United States of America.

“Unlimited Loan Parties” means, collectively, the U.S. Loan Parties, the Canadian Loan Parties, and any other Guarantor that has provided Additional Collateral Documents, in each case, with respect to a Guarantor, whose Guaranty, at the applicable time of determination, is not limited to the Non-U.S. Obligations in accordance with the Guaranty.

“U.S. Government Securities Business Day” means any day except for (a) a Saturday, (b) a Sunday or (c) a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in United States government securities.

“U.S. Loan Parties” means, collectively, the Parent Borrower and each Guarantor that is organized under the laws of any state of the United States or the District of Columbia.

“U.S. Person” means any Person that is a “United States person” as defined in Section 7701(a)(30) of the Internal Revenue Code.

“U.S. Special Resolution Regimes” has the meaning specified in Section 11.22.

“U.S. Tax Compliance Certificate” has the meaning specified in Section 3.01(e)(ii)(B)(3).

“Voting Stock” means, with respect to any Person, Equity Interests issued by such Person the holders of which are ordinarily, in the absence of contingencies, entitled to vote for the election of directors (or persons performing similar functions) of such Person, even though the right so to vote has been suspended by the happening of such a contingency.

“Wholly Owned Subsidiary” means any Person one hundred percent (100%) of whose Equity Interests are at the time owned by the Parent Borrower directly or indirectly through other Persons one hundred percent (100%) of whose Equity Interests are at the time owned, directly or indirectly, by the Parent Borrower.

“Write- Down and Conversion Powers” means, (a) with respect to any EEA Resolution Authority, the write-down and conversion powers of such EEA Resolution Authority from time to time under the Bail-In Legislation for the applicable EEA Member Country, which write-down and conversion powers are described in the EU Bail-In Legislation Schedule, and (b) with respect to the United Kingdom, any powers of the applicable Resolution Authority under the Bail-In Legislation to cancel, reduce, modify or change the form of a liability of any UK Financial Institution or any contract or instrument under which that liability arises, to convert all or part of that liability into shares, securities or obligations of that person or any other person, to provide that any such contract or instrument is to have effect as if a right had been exercised

under it or to suspend any obligation in respect of that liability or any of the powers under that Bail-In Legislation that are related to or ancillary to any of those powers.

1.02 Other Interpretive Provisions. With reference to this Agreement and each other Loan Document, unless otherwise specified herein or in such other Loan Document:

(a) The definitions of terms herein shall apply equally to the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words “include” “includes” and “including” shall be deemed to be followed by the phrase “without limitation.” The word “will” shall be construed to have the same meaning and effect as the word “shall.” Unless the context requires otherwise, (i) any definition of or reference to any agreement, instrument or other document (including the Loan Documents and any Organization Document) shall be construed as referring to such agreement, instrument or other document as from time to time amended, extended, restated, replaced, supplemented or otherwise modified from time to time (subject to any restrictions on such amendments, supplements or modifications set forth herein or in any other Loan Document), (ii) any reference herein to any Person shall be construed to include such Person’s successors and assigns, (iii) the words “hereto”, “herein,” “hereof” and “hereunder,” and words of similar import when used in any Loan Document, shall be construed to refer to such Loan Document in its entirety and not to any particular provision thereof, (iv) all references in a Loan Document to Articles, Sections, Exhibits and Schedules shall be construed to refer to Articles and Sections of, and Exhibits and Schedules to, the Loan Document in which such references appear, (v) any reference to any law shall include all statutory and regulatory rules, regulations, orders and provisions consolidating, amending, replacing or interpreting such law and any reference to any law or regulation shall, unless otherwise specified, refer to such law or regulation as amended, modified, extended, restated, replaced or supplemented from time to time, and (vi) the words “asset” and “property” shall be construed to have the same meaning and effect and to refer to any and all real and personal property and tangible and intangible assets and properties, including cash, securities, accounts and contract rights.

(b) In the computation of periods of time from a specified date to a later specified date, the word “from” means “from and including,” the words “to” and “until” each mean “to but excluding,” and the word “through” means “to and including.”

(c) Section headings herein and in the other Loan Documents are included for convenience of reference only and shall not affect the interpretation of this Agreement or any other Loan Document.

(d) Any reference herein to a merger, transfer, consolidation, amalgamation, assignment, sale, disposition or transfer, or similar term, shall be deemed to apply to a division of or by a limited liability company, or an allocation of assets to a series of a limited liability company (or the unwinding of such a division or allocation), as if it were a merger, transfer, consolidation, amalgamation, assignment, sale, disposition or transfer, or similar term, as applicable, to, of or with a separate Person. Any division of a limited liability company shall constitute a separate Person hereunder (and each division of any limited liability company that is a Subsidiary, joint venture or any other like term shall also constitute such a Person or entity).

(e) Any reference to a “merger” shall be deemed to include an “amalgamation” and any reference to the “continuing or surviving entity” shall be deemed to include the entity resulting from such amalgamation.

(f) Any term defined in this Agreement by reference to the UCC shall also have any extended, alternative or analogous meaning given to such term in the PPSA and under other Canadian laws

(including, without limitation, the STA and the other securities transfer legislation in effect from time to time in any of province or territory of Canada, the *Bills of Exchange Act* (Canada) and the *Depository Bills and Notes Act* (Canada)), in all cases for the extension, preservation or betterment of the security and rights of the Administrative Agent and the Lenders, (ii) all references in this Agreement to a financing statement, continuation statement, amendment or termination statement shall be deemed to refer also to the analogous documents used under the PPSA, including, without limitation, where applicable, financing change statements and (iii) all references to federal or state securities law of the United States shall be deemed to refer also to analogous federal, provincial and territorial securities laws in Canada.

1.03 Accounting Terms.

(a) **Generally.** Except as otherwise specifically prescribed herein, all accounting terms not specifically or completely defined herein shall be construed in conformity with, and all financial data (including financial ratios and other financial calculations) required to be submitted pursuant to this Agreement shall be prepared in conformity with, GAAP applied on a consistent basis, as in effect from time to time, applied in a manner consistent with that used in preparing the Audited Financial Statements, except as otherwise specifically prescribed herein; provided, however, that calculations of Attributable Indebtedness under any Synthetic Lease or the implied interest component of any Synthetic Lease shall be made by the Parent Borrower in accordance with accepted financial practice and consistent with the terms of such Synthetic Lease. Notwithstanding the foregoing, for purposes of determining compliance with any covenant (including the computation of any financial covenant) contained herein, (i) Indebtedness of the Loan Parties and their Subsidiaries shall be deemed to be carried at one hundred percent (100%) of the outstanding principal amount thereof, and the effects of FASB ASC 825 and FASB ASC 470- 20 on financial liabilities shall be disregarded and (ii) all liability amounts shall be determined excluding any liability relating to any operating lease, all asset amounts shall be determined excluding any right- of- use assets relating to any operating lease, all amortization amounts shall be determined excluding any amortization of a right- of- use asset relating to any operating lease, and all interest amounts shall be determined excluding any deemed interest comprising a portion of fixed rent payable under any operating lease, in each case to the extent that such liability, asset, amortization or interest pertains to an operating lease under which the covenantor or a member of its consolidated group is the lessee and would not have been accounted for as such under GAAP as in effect on December 31, 2018.

(b) **Changes in GAAP.** The Parent Borrower will provide a written summary of material changes in GAAP and in the consistent application thereof with each annual and quarterly Compliance Certificate delivered in accordance with Section 7.02(a). If at any time any change in GAAP (including the adoption of IFRS) would affect the computation of any financial ratio or requirement set forth in any Loan Document, and either the Parent Borrower or the Required Lenders shall so request, the Administrative Agent, the Lenders and the Parent Borrower shall negotiate in good faith to amend such ratio or requirement to preserve the original intent thereof in light of such change in GAAP (subject to the approval of the Required Lenders); provided that, until so amended, (i) such ratio or requirement shall continue to be computed in accordance with GAAP prior to such change therein and (ii) the Parent Borrower shall provide to the Administrative Agent and the Lenders financial statements and other documents required under this Agreement or as requested hereunder setting forth a reconciliation between calculations of such ratio or requirement made before and after giving effect to such change in GAAP.

(c) **Pro Forma Calculations.** Notwithstanding the above, the parties hereto acknowledge and agree that all calculations of the financial covenant in Section 8.11(a) (including for purposes of determining the Applicable Rate) shall be made on a Pro Forma Basis.

1.04 Rounding. Any financial ratios required to be maintained by the Parent Borrower pursuant to this Agreement shall be calculated by dividing the appropriate component by the other component,

carrying the result to one place more than the number of places by which such ratio is expressed herein and rounding the result up or down to the nearest number (with a rounding- up if there is no nearest number).

1.05 Times of Day; Rates; Licensing; Exchange Rates; Currency Equivalents.

(a) Times of Day. Unless otherwise specified, all references herein to times of day shall be references to Eastern time (daylight or standard, as applicable). With respect to any obligation or performance of a Loan Party (other than a payment, which is addressed in Section 2.12(a)) on a certain “Business Day”, if the applicable day in question is not a Business Day, such obligation or performance of such Loan Party shall be required on the next succeeding Business Day.

(b) Rates. The Administrative Agent does not warrant, nor accept responsibility, nor shall the Administrative Agent have any liability with respect to the administration, submission or any other matter related to any reference rate referred to herein, the selection of rates, any related spread or adjustment or with respect to any rate that is an alternative or replacement for or successor to any of such rates (including, without limitation, any Successor Rate) (or any component of any of the foregoing) or the effect of any of the foregoing, or of any Conforming Changes. The Administrative Agent and its affiliates or other related entities may engage in transactions or other activities that affect any reference rate referred to herein, or any alternative, successor or replacement rate (including, without limitation, any Successor Rate) (or any component of any of the foregoing) or any related spread or other adjustments thereto, in each case, in a manner adverse to the Borrowers. The Administrative Agent may select information sources or services in its reasonable discretion to ascertain any reference rate referred to herein or any alternative, successor or replacement rate (including, without limitation, any Successor Rate) (or any component of any of the foregoing), in each case pursuant to the terms of this Agreement, and shall have no liability to the Borrowers, any Lender or any other person or entity for damages of any kind, including direct or indirect, special, punitive, incidental or consequential damages, costs, losses or expenses (whether in tort, contract or otherwise and whether at law or in equity), for any error or other action or omission related to or affecting the selection, determination, or calculation of any rate (or component thereof) provided by any such information source or service.

(c) Licensing. By agreeing to make Loans under this Agreement, each Lender is confirming it has all licenses, permits and approvals necessary for use of the reference rates referred to herein as provided for in this Agreement and it will comply with, preserve, renew and keep in full force and effect such licenses, permits and approvals for use of such rates under this Agreement.

(d) Exchange Rate. The Administrative Agent or the L/C Issuer, as applicable, shall determine the Spot Rates as of each Revaluation Date to be used for calculating Dollar Equivalent amounts of Credit Extensions and Outstanding Amounts denominated in Canadian Dollars or other Alternative Currency. Such Spot Rates shall become effective as of such Revaluation Date and shall be the Spot Rates employed in converting any amounts between the applicable currencies until the next Revaluation Date to occur. Except for purposes of financial statements delivered by Loan Parties hereunder or calculating financial covenants hereunder or except as otherwise provided herein, the applicable amount of any currency (other than Dollars) for purposes of the Loan Documents shall be such Dollar Equivalent amount as so determined by the Administrative Agent or the L/C Issuer, as applicable.

(e) Currency Equivalents. Wherever in this Agreement in connection with a Borrowing, conversion, continuation or prepayment of a SOFR Loan, Daily SOFR Loan, CORRA Loan, Daily Simple CORRA Loan, or BBSY Loan or the issuance, amendment or extension of a Letter of Credit, an amount, such as a required minimum or multiple amount, is expressed in Dollars, but such Borrowing, SOFR Loan, Daily SOFR Loan, CORRA Loan, Daily Simple CORRA Loan, BBSY Loan or Letter of Credit is denominated in an Alternative Currency, such amount shall be the Alternative Currency

Equivalent of such Dollar amount (rounded to the nearest unit of such Alternative Currency, with 0.5 of a unit being rounded upward), as determined by the Administrative Agent or the L/C Issuer, as the case may be. Except for purposes of financial statements delivered by the Parent Borrower hereunder or calculating financial covenants hereunder or except as otherwise provided herein, the applicable amount of any currency (other than Dollars) for purposes of the Loan Documents shall be such Dollar Equivalent amount as so determined by the Administrative Agent or the L/C Issuer, as applicable.

1.06 Letter of Credit Amounts. Unless otherwise specified herein, the amount of a Letter of Credit at any time shall be deemed to be the Dollar Equivalent of the stated amount of such Letter of Credit in effect at such time; provided, however, that with respect to any Letter of Credit that, by its terms or the terms of any Issuer Document related thereto, provides for one or more automatic increases in the stated amount thereof, the amount of such Letter of Credit shall be deemed to be the Dollar Equivalent of the maximum stated amount of such Letter of Credit after giving effect to all such increases, whether or not such maximum stated amount is in effect at such time.

1.07 Limited Condition Acquisitions. Notwithstanding anything to the contrary herein, to the extent that the terms of this Agreement require (a) compliance with any basket, financial ratio or test (including any Consolidated Total Leverage Ratio test or any Consolidated Fixed Charge Coverage Ratio test), (b) the absence of a Default or an Event of Default, or (c) a determination as to whether the representations and warranties contained in this Agreement or any other Loan Document, or which are contained in any document furnished at any time under or in connection herewith or therewith, shall be true and correct in all material respects (without duplication of any materiality qualifiers), in each case in connection with the consummation of a Limited Condition Acquisition, the determination of whether the relevant condition is satisfied may be made, at the election of the Parent Borrower, (A) on the date of the execution of the definitive agreement with respect to such Limited Condition Acquisition (such date, the “LCA Test Date”), or (B) on the date on which such Limited Condition Acquisition is consummated, in either case, after giving effect to the relevant Limited Condition Acquisition and any related incurrence of Indebtedness, on a Pro Forma Basis; provided, that, notwithstanding the foregoing, in connection with any Limited Condition Acquisition: (1) the condition set forth in clause (a) of the definition of “Permitted Acquisition” shall be satisfied if (x) no Default or Event of Default shall have occurred and be continuing as of the applicable LCA Test Date, and (y) no Specified Event of Default shall have occurred and be continuing at the time of consummation of such Limited Condition Acquisition; (2) if the proceeds of an Incremental Term Loan are being used to finance such Limited Condition Acquisition, then (x) the conditions set forth in Sections 2.02(f)(I)(II)(x) and 5.02(a) shall be required to be satisfied at the time of closing of the Limited Condition Acquisition and funding of such Incremental Term Loan but, if the lenders providing such Incremental Term Loan so agree, the representations and warranties which must be accurate at the time of closing of the Limited Condition Acquisition and funding of such Incremental Term Loan may be limited to customary “specified representations” and such other representations and warranties as may be required by the lenders providing such Incremental Term Loan, and (y) the conditions set forth in Section 2.02(f)(I)(II)(y) and Section 5.02(b) shall, if and to the extent the lenders providing such Incremental Term Loan so agree, be satisfied if (I) no Default or Event of Default shall have occurred and be continuing as of the applicable LCA Test Date, and (II) no Specified Event of Default shall have occurred and be continuing at the time of the funding of such Incremental Term Loan in connection with the consummation of such Limited Condition Acquisition; and (3) such Limited Condition Acquisition and the related Indebtedness to be incurred in connection therewith and the use of proceeds thereof shall be deemed incurred and/or applied at the LCA Test Date (until such time as the Indebtedness is actually incurred or the applicable definitive agreement is terminated without actually consummating the applicable Limited Condition Acquisition) and outstanding thereafter for purposes of determining compliance on a Pro Forma Basis (other than for purposes of determining compliance on a Pro Forma Basis in connection with the making of any Restricted Payment or the prepayment of any Indebtedness) with any financial ratio or test (including any Consolidated Total Leverage Ratio test or any Consolidated Fixed Charge Coverage Ratio

test, or any calculation of the financial covenants set forth in Section 8.11) (it being understood and agreed that for purposes of determining compliance on a Pro Forma Basis in connection with the making of any Restricted Payment or prepayment of any Indebtedness, the Parent Borrower shall demonstrate compliance with the applicable test both after giving effect to the applicable Limited Condition Acquisition and assuming that such transaction had not occurred). For the avoidance of doubt, if any of such ratios or amounts for which compliance was determined or tested as of the LCA Test Date are thereafter exceeded or otherwise failed to have been complied with as a result of fluctuations in such ratio or amount (including due to fluctuations in Consolidated EBITDA), at or prior to the consummation of the relevant Limited Condition Acquisition, such ratios or amounts will not be deemed to have been exceeded or failed to be complied with as a result of such fluctuations solely for purposes of determining whether the relevant Limited Condition Acquisition is permitted to be consummated or taken. Except as set forth in clause (2) in the proviso to the first sentence in this Section 1.07 in connection with the use of the proceeds of an Incremental Term Loan to finance a Limited Condition Acquisition (and, in the case of such clause (2), only if and to the extent the lenders providing such Incremental Term Loan so agree as provided in such clause (2)), it is understood and agreed that this Section 1.07 shall not limit the conditions set forth in Section 5.02 with respect to any proposed Credit Extension, in connection with a Limited Condition Acquisition or otherwise.

1.08 Quebec Interpretation. For purposes of any assets, liabilities or entities located in the Province of Quebec and for all other purposes pursuant to which the interpretation or construction of this Agreement may be subject to the laws of the Province of Quebec or a court or tribunal exercising jurisdiction in the Province of Quebec, (a) “personal property” shall include “movable property”, (b) “real property” or “real estate” shall include “immovable property”, (c) “tangible property” shall include “corporeal property”, (d) “intangible property” shall include “incorporeal property”, (e) “security interest”, “mortgage” and “lien” shall include a “hypothec”, “right of retention”, “prior claim”, “reservation of ownership” and a resolutive clause, (f) all references to filing, perfection, priority, remedies, registering or recording under the Uniform Commercial Code or the PPSA shall include publication under the Civil Code of Quebec, (g) all references to “perfection” of or “perfected” liens or security interest shall include a reference to an “opposable” or “set up” hypothec as against third parties, (h) any “right of offset”, “right of setoff” or similar expression shall include a “right of compensation”, (i) “goods” shall include “corporeal movable property” other than chattel paper, documents of title, instruments, money and securities, (j) an “agent” shall include a “mandatary”, (k) “construction liens” or “mechanics, materialmen, repairmen, construction contractors or other like Liens” shall include “legal hypothecs” and “legal hypothecs in favor of persons having taken part in the construction or renovation of an immovable”, (l) “joint and several” shall include “solidary”, (m) “gross negligence or willful misconduct” shall be deemed to be “intentional or gross fault”, (n) “beneficial ownership” shall include “ownership on behalf of another as mandatary”, (o) “easement” shall include “servitude”, (p) “priority” shall include “rank” or “prior claim”, as applicable (q) “survey” shall include “certificate of location and plan”, (r) “state” shall include “province”, (s) “fee simple title” shall include “absolute ownership” and “ownership” (including ownership under a right of superficies), (t) “accounts” shall include “claims”, (u) “legal title” shall be including “holding title on behalf of an owner as mandatory or prete-nom”, (v) “ground lease” shall include “emphyteusis” or a “lease with a right of superficies”, as applicable, (w) “leasehold interest” shall include a “valid lease”, (x) “lease” shall include a “leasing contract” and (y) “guarantee” and “guarantor” shall include “suretyship” and “surety”, respectively. The parties hereto confirm that it is their wish that this Agreement and any other document executed in connection with the transactions contemplated herein be drawn up in the English language only (except if another language is required under any applicable Law) and that all other documents contemplated thereunder or relating thereto, including notices, may also be drawn up in the English language only. *Les parties aux présentes confirment que c’est leur volonté que cette convention et les autres documents de crédit soient rédigés en langue anglaise seulement et que tous les documents, y compris tous avis, envisagés par cette convention et les autres documents peuvent être rédigés en langue anglaise seulement (sauf si une autre langue est requise en vertu d’une loi applicable).*

1.09 Additional Alternative Currencies.

(a) The Parent Borrower may from time to time request that Revolving Loans be made and/or Letters of Credit be issued in a currency other than Dollars and those specifically listed in the definition of “Alternative Currency”; provided that such requested currency is a lawful currency that is readily available and freely transferable and convertible into Dollars. In the case of any such request with respect to the making of Revolving Loans, such request shall be subject to the approval of the Administrative Agent and each Lender with a Revolving Commitment; and in the case of any such request with respect to the issuance of Letters of Credit, such request shall be subject to the approval of the Administrative Agent and the L/C Issuers.

(b) Any such request shall be made to the Administrative Agent not later than 11:00 a.m., twenty (20) Business Days prior to the date of the desired Credit Extension (or such other time or date as may be agreed by the Administrative Agent and, in the case of any such request pertaining to Letters of Credit, the L/C Issuers, in its or their sole discretion). In the case of any such request pertaining to Revolving Loans, the Administrative Agent shall promptly notify each Lender with a Revolving Commitment thereof; and in the case of any such request pertaining to Letters of Credit, the Administrative Agent shall promptly notify each L/C Issuer thereof. Each Lender with a Revolving Commitment (in the case of any such request pertaining to Revolving Loans) or each L/C Issuer (in the case of a request pertaining to Letters of Credit) shall notify the Administrative Agent, not later than 11:00 a.m., ten Business Days after receipt of such request whether it consents, in its sole discretion, to the making of Revolving Loans or the issuance of Letters of Credit, as the case may be, in such requested currency.

(c) Any failure by a Lender or a L/C Issuer, as the case may be, to respond to such request within the time period specified in the preceding sentence shall be deemed to be a refusal by such Lender or L/C Issuer, as the case may be, to permit Revolving Loans to be made or Letters of Credit to be issued in such requested currency. If the Administrative Agent and all the applicable Lenders consent to making Revolving Loans in such requested currency and the Administrative Agent and such Lenders reasonably determine that an appropriate interest rate is available to be used for such requested currency, the Administrative Agent shall so notify the Parent Borrower and (i) the Administrative Agent and such Lenders may amend this Agreement to the extent necessary to add the applicable interest rate for such currency and any applicable adjustment for such rate and (ii) to the extent this Agreement has been so amended to reflect the appropriate rate for such currency, such currency shall thereupon be deemed for all purposes to be an Alternative Currency hereunder for purposes of any borrowings of Revolving Loans. If the Administrative Agent and each L/C Issuer consent to the issuance of Letters of Credit in such requested currency, the Administrative Agent shall so notify the Parent Borrower and such currency shall thereupon be deemed for all purposes to be an Alternative Currency hereunder for purposes of any Letter of Credit issuances. If the Administrative Agent shall fail to obtain consent to any request for an additional currency under this Section 1.09, the Administrative Agent shall promptly so notify the Parent Borrower.

1.10 Divisions. For all purposes under the Loan Documents, in connection with any division or plan of division under Delaware law (or any comparable event under a different jurisdiction’s laws): (a) if any asset, right, obligation or liability of any Person becomes the asset, right, obligation or liability of a different Person, then it shall be deemed to have been transferred from the original Person to the subsequent Person, and (b) if any new Person comes into existence, such new Person shall be deemed to have been organized on the first date of its existence by the holders of its Equity Interests at such time.

ARTICLE II.
THE COMMITMENTS AND CREDIT EXTENSIONS

2.01 Commitments.

(a) Revolving Loans. Subject to the terms and conditions set forth herein, each Revolving Lender severally agrees to make loans (each such loan, a “Revolving Loan”) (x) to the Parent Borrower in Dollars or Alternative Currencies, and (y) to the Canadian Borrower in Canadian Dollars, in each case, from time to time on any Business Day during the Availability Period with respect to the Revolving Commitments in an aggregate amount not to exceed at any time outstanding the amount of such Revolving Lender’s Revolving Commitment; provided, however, that after giving effect to any Borrowing of Revolving Loans, (i) the Total Revolving Outstandings shall not exceed the Aggregate Revolving Commitments, (ii) the Revolving Credit Exposure of any Revolving Lender shall not exceed such Revolving Lender’s Revolving Commitment, (iii) the aggregate Revolving Credit Exposure denominated in Canadian Dollars shall not exceed the Canadian Dollar Sublimit, and (iv) the aggregate Revolving Credit Exposure denominated in Australian Dollars shall not exceed the Australian Dollar Sublimit. Within the limits of each Revolving Lender’s Revolving Commitment, and subject to the other terms and conditions hereof, any Borrower may borrow under this Section 2.01(a), prepay under Section 2.05, and reborrow under this Section 2.01(a). Revolving Loans denominated in Dollars may be Base Rate Loans, Daily SOFR Loans or SOFR Loans, or a combination thereof, as further provided herein. Revolving Loans denominated in Canadian Dollars are only available as CORRA Loans or Daily Simple CORRA Loans and Revolving Loans denominated in Australian Dollars are only available as BBSY Loans (and Revolving Loans denominated in another Alternative Currency, as applicable, shall not be Base Rate Loans, and shall be subject to Section 1.09).

(b) Term Loans. Subject to the terms and conditions set forth herein, each Term Lender severally agrees to make its portion of a term loan (the “Term Loan”) to the Borrowers in Dollars on the Closing Date in an amount not to exceed such Term Lender’s Term Loan Commitment. Amounts repaid on the Term Loan may not be reborrowed. The Term Loan may consist of Base Rate Loans, Daily SOFR Loans or SOFR Loans, or a combination thereof, as further provided herein.

(c) Increase in Commitments; Incremental Term Loan. Subject to Section 2.02(f), the Parent Borrower shall have the right to increase the Commitments by obtaining additional Commitments, either from one or more of the Lenders or another lending institution, provided that (i) any such request for an increase shall be in a minimum amount of \$25,000,000, (ii) the Parent Borrower may make a maximum of 5 such requests, (iii) after giving effect thereto, the sum of the total of the additional Commitments does not exceed \$200,000,000, (iv) the Administrative Agent has (and, in the case of an increase in the Revolving Commitments, the Swing Line Lender and the L/C Issuer have) approved the identity of any such new Lender, such approvals not to be unreasonably withheld, delayed or conditioned, (v) any such new Lender assumes all of the rights and obligations of a “Lender” hereunder, and (vi) the procedures described in Section 2.02(f) below have been satisfied. Nothing contained in this Section 2.01 shall constitute, or otherwise be deemed to be, a commitment on the part of any Lender to increase its Commitment hereunder at any time. Without limiting the foregoing, on the effective date of any Incremental Term Loan Lender Joinder Agreement, each applicable Incremental Term Loan Lender severally agrees to make its portion of a term loan (each, an “Incremental Term Loan”) in a single advance to the Parent Borrower in Dollars in the amount of its respective Incremental Term Loan Commitment as set forth in the applicable Incremental Term Loan Lender Joinder Agreement; provided, however, that after giving effect to such advances, the Outstanding Amount of each Incremental Term Loan shall not exceed the aggregate amount of the Incremental Term Loan Commitments of the applicable Incremental Term Loan Lenders. Amounts repaid on any Incremental Term Loan may not be reborrowed. Incremental Term Loans may consist of Base Rate

Loans, Daily SOFR Loans, SOFR Loans, CORRA Loans, Daily Simple CORRA Loans, BBSY Loans or a combination thereof, as the Parent Borrower may request.

2.02 Borrowings. Conversions and Continuations of Loans.

(a) Each Borrowing, each conversion of Loans from one Type to the other, and each continuation of SOFR Loans, CORRA Loans, or BBSY Loans shall be made upon the applicable Borrower's irrevocable notice to the Administrative Agent, which may be given by (A) telephone or (B) a Loan Notice; provided, that, each telephonic notice by any Borrower pursuant to this Section 2.02(a) must be confirmed promptly by delivery to the Administrative Agent of a written Loan Notice, appropriately completed and signed by a Responsible Officer of such Borrower. Each such Loan Notice must be received by the Administrative Agent not later than 11:00 a.m. (i) two (2) Business Days prior to the requested date of any Borrowing of, conversion to or continuation of, Term SOFR Loans or of any conversion of Term SOFR Loans to Base Rate Loans or Daily SOFR Loans, (ii) three (3) Business Days prior to the requested date of any Borrowing of Daily Simple CORRA Loans or CORRA Loans, any conversion to Daily CORRA Loans, or conversion to or continuation of CORRA Loans, (iii) four (4) Business Days prior to the requested date of any Borrowing or continuation of BBSY Loans and (iv) on the requested date of any Borrowing of Base Rate Loans or Daily SOFR Loans, or any conversion of Base Rate Loans to Daily SOFR Loans or any conversion of Daily SOFR Loans to Base Rate Loans; provided, however, that if any Borrower wishes to request SOFR Loans having an Interest Period other than one (1), three (3) or six (6) months in duration or CORRA Loans or BBSY Loans having an Interest Period other than one (1) or three (3) months in duration, in each case, as provided in the definition of "Interest Period", (x) the applicable notice must be received by the Administrative Agent not later than 11:00 a.m. four (4) Business Days prior to the requested date of such Borrowing, conversion or continuation of SOFR Loans, (y) five Business Days (or six Business Days in the case of BBSY Loans) prior to the requested date of such Borrowing, conversion or continuation of Loans denominated in an Alternative Currency, whereupon the Administrative Agent shall give prompt notice to the Lenders of such request and determine whether the requested Interest Period is acceptable to all of them and (z) not later than 11:00 a.m., three (3) Business Days before the requested date of such Borrowing, conversion or continuation, the Administrative Agent shall notify the applicable Borrower (which notice may be by telephone) whether or not the requested Interest Period has been consented to by all the Lenders. Each Borrowing of, conversion to or continuation of SOFR Loans denominated in Dollars shall be in a principal amount of \$500,000 or a whole multiple of \$500,000 in excess thereof. Each Borrowing of, conversion to or continuation of CORRA Loans or Borrowing or continuation of Daily Simple CORRA Loans shall be in a principal amount of CAD\$500,000 or a whole multiple of CAD\$500,000 in excess thereof. Each Borrowing or continuation of BBSY Loans shall be in a principal amount of AU\$500,000 or a whole multiple of AU\$500,000 in excess thereof. Except as provided in Sections 2.03(c) and 2.04(c), each Borrowing of or conversion to Base Rate Loans or Daily SOFR Loans shall be in a principal amount of the Dollar Equivalent of \$500,000 or a whole multiple of the Dollar Equivalent of \$100,000 in excess thereof. Each Loan Notice (whether telephonic or written) shall specify (i) whether the applicable Borrower is requesting a Borrowing, a conversion of Loans from one Type to the other, or a continuation of SOFR Loans, CORRA Loans, Daily SOFR Loans, Daily Simple CORRA Loans or BBSY Loans, (ii) the requested date of the Borrowing, conversion or continuation, as the case may be (which shall be a Business Day), (iii) the principal amount of Loans to be borrowed, converted or continued, (iv) the Type of Loans to be borrowed or to which existing Loans are to be converted, (v) if applicable, the duration of the Interest Period with respect thereto, (vi) the currency of the Loans to be borrowed, and (vii) the applicable Borrower. If the applicable Borrower fails to specify a currency in a Loan Notice requesting a Borrowing, then the Loans so requested shall be made in Dollars. If the applicable Borrower fails to specify a Type of a Loan in a Loan Notice or if such Borrower fails to give a timely notice requesting a conversion or continuation, then the applicable Loans shall be made as, or converted to, Term SOFR Loans with an Interest Period of one (1) month; provided, however, that (x) in the case of a failure to timely request a Type of Loan in a Loan Notice for a Borrowing in Canadian Dollars or if a Borrower fails to give a timely

notice requesting a conversion or continuation of CORRA Loans, such Loans shall be made or continued, as applicable, as CORRA Loans with an Interest Period of one (1) month, and (y) in the case of a failure to timely request a Type of Loan in a Loan Notice for a Borrowing in Australian Dollars or if a Borrower fails to give a timely notice requesting a continuation of BBSY Loans, such Loans shall be made or continued, as applicable, as BBSY Loans with an Interest Period of one (1) month. Any such automatic continuation of Term SOFR Loans shall be effective as of the last day of the Interest Period then in effect with respect to the applicable Term SOFR Loans. If the applicable Borrower requests a Borrowing of, conversion to, or continuation of SOFR Loans, CORRA Loans or BBSY Loans in any Loan Notice, but fails to specify an Interest Period, it will be deemed to have specified an Interest Period of one (1) month. Notwithstanding anything to the contrary herein, a Swing Line Loan may not be converted to a SOFR Loan, a CORRA Loan or a BBSY Loan. Except as provided pursuant to Section 2.02(c), no Loan may be converted into or continued as a Loan denominated in a different currency, but instead must be repaid in the original currency of such Loan and reborrowed in the other currency.

(b) Following receipt of a Loan Notice, the Administrative Agent shall promptly notify each Lender of the amount (and currency) of its Applicable Percentage of the applicable Loans, and if no timely notice of a conversion or continuation is provided by the applicable Borrower, the Administrative Agent shall notify each Lender of the details of any automatic conversion to Base Rate Loans or continuation of Loans denominated in a Canadian Dollars or Australian Dollars, in each case as, as described in the preceding Section 2.02(a). In the case of a Borrowing, each Lender shall make the amount of its Loan available to the Administrative Agent in Same Day Funds at the Administrative Agent's Office for the applicable currency not later than 1:00 p.m., in the case of any Loan denominated in Dollars, and not later than the Applicable Time specified by the Administrative Agent in the case of any Loan in Canadian Dollars, or other Alternative Currency, in each case, on the Business Day specified in the applicable Loan Notice. Upon satisfaction of the applicable conditions set forth in Article V, the Administrative Agent shall make all funds so received available to the applicable Borrower in like funds as received by the Administrative Agent either by (i) crediting the account of such Borrower on the books of the Administrative Agent with the amount of such funds or (ii) wire transfer of such funds, in each case, in accordance with instructions provided to (and acceptable to) the Administrative Agent by such Borrower; provided, however, that if, on the date the Loan Notice with respect to a Borrowing of Revolving Loans denominated in Dollars is given by the Parent Borrower, there are L/C Reimbursement Obligations outstanding, then the proceeds of such Borrowing, first, shall be applied to the payment in full of any such L/C Reimbursement Obligations and second, shall be made available to the Parent Borrower as provided above.

(c) Except as otherwise provided herein, a SOFR Loan, CORRA Loan or a BBSY Loan may be continued or converted only on the last day of the Interest Period for such SOFR Loan, CORRA Loan or BBSY Loan. During the existence of an Event of Default, upon the written election of the Required Lenders, no Loans may be requested as, converted to or continued as SOFR Loans, CORRA Loans or BBSY Loans and the Required Lenders may demand that and any or all of the then outstanding CORRA Loans or BBSY Loans (and any other Loans denominated in another Alternative Currency, to the extent applicable and subject to Section 1.09) be prepaid, or redenominated into Dollars in the amount of the Dollar Equivalent thereof, on the last day of the then current Interest Period with respect thereto.

(d) The Administrative Agent shall promptly notify the applicable Borrower and the Lenders of the interest rate applicable to any Interest Period for SOFR Loans, CORRA Loans and BBSY Loans upon determination of such interest rate. At any time that Base Rate Loans are outstanding, the Administrative Agent shall notify the Parent Borrower and the Lenders of any change in Bank of America's prime rate used in determining the Base Rate promptly following the public announcement of such change.

(e) After giving effect to all Borrowings, all conversions of Loans from one Type to the other, and all continuations of Loans as the same Type, there shall not be more than 10 Interest Periods in effect with respect to all Loans.

(f) The Parent Borrower may at any time and from time to time, upon prior written notice by the Parent Borrower to the Administrative Agent, borrow one or more Incremental Term Loans and/or increase the Revolving Commitments (each Incremental Term Loan Commitment and/or increase in the Revolving Commitments is sometimes referred to herein individually as an “Incremental Facility” and collectively as the “Incremental Facilities”), as follows; provided that the sum of (x) the aggregate principal amount of all unfunded increases to the Commitments plus (y) the aggregate principal amount of all Incremental Facilities, shall not exceed \$200,000,000 (the “Incremental Cap”); provided further that:

(A) (i) any such increase in the Revolving Commitments shall be made on the same terms and provisions (other than upfront fees) as apply to the existing Revolving Commitments, including with respect to maturity date, interest rate and prepayment provisions, and shall not constitute a credit facility separate and apart from the existing revolving credit facility set forth in Section 2.01(a), and (ii) the terms and provisions of any Incremental Term Loan Commitment shall be as set forth in the applicable Incremental Term Loan Lender Joinder Agreement, subject to the other terms of this clause (f), and otherwise acceptable to the Administrative Agent, including (A) participation on a pro rata basis or lesser (but not greater) than pro rata basis with the Term Loan in any optional and mandatory prepayments and (B) being unsecured or secured on a junior or pari passu basis with the Obligations;

(B) any such institution of an Incremental Facility shall be in a minimum aggregate principal amount of \$25,000,000 (or, if less, the remaining amount of the Incremental Cap) and integral multiples of \$5,000,000 (or, if less, the remaining amount of the Incremental Cap) in excess thereof;

(C) subject, in the case of an Incremental Term Loan being used to finance a Limited Condition Acquisition, to Section 1.07, no Default or Event of Default shall exist and be continuing at the time of such institution;

(D) the Applicable Rate of each Incremental Term Loan shall be as set forth in the Incremental Term Loan Lender Joinder Agreement;

(E) the Incremental Term Loan Maturity Date for any Incremental Term Loan shall be as set forth in the applicable Incremental Term Loan Lender Joinder Agreement, provided that such date shall not be earlier than the Maturity Date or the maturity date of any existing Incremental Term Loan;

(F) the scheduled principal amortization payments under any Incremental Term Loan shall be as set forth in the applicable Incremental Term Loan Lender Joinder Agreement; provided that the weighted average life to maturity of any Incremental Term Loan shall not be less than the remaining weighted average life to maturity of the Term Loan or any existing Incremental Term Loan;

(G) if the All-In Yield payable with respect to any Incremental Term Loan exceeds the All-In Yield payable pursuant to the terms of this Agreement (as

amended through the date of such calculation) with respect to the Term Loan or any existing Incremental Term Loan plus 50 basis points per annum, then the Applicable Rate percentages then in effect for the Term Loan and any existing Incremental Term Loan shall automatically be increased by an amount so as to cause the then applicable All-In Yield under this Agreement on the Term Loan and any existing Incremental Term Loan to equal the All-In Yield then applicable to such Incremental Term Loan minus 50 basis points per annum;

(H) reserved;

(I) Schedule 2.01 shall be deemed revised to reflect the commitments and commitment percentages of the Lenders providing the Incremental Facilities (including but not limited to the Incremental Term Loan Lenders as set forth in the applicable Incremental Term Loan Lender Joinder Agreement);

(J) subject, in the case of an Incremental Term Loan being used to finance a Limited Condition Acquisition, to Section 1.07, as a condition precedent to such institution of an Incremental Term Loan and the effectiveness of an Incremental Term Loan Lender Joinder Agreement, the Parent Borrower shall deliver to the Administrative Agent a certificate of each Loan Party dated as of the date of such institution and effectiveness (in sufficient copies for each Lender) signed by a Responsible Officer of such Loan Party (I) certifying and attaching the resolutions adopted by such Loan Party approving or consenting to such Incremental Term Loan, and (II) in the case of the Parent Borrower, certifying that, before and after giving effect to such Incremental Term Loan, (x) the representations and warranties contained in Article VI and the other Loan Documents are true and correct in all material respects (and in all respects if any such representation or warranty is already qualified by materiality or reference to Material Adverse Effect) on and as of the date of borrowing of such Incremental Term Loan, except to the extent that such representations and warranties specifically refer to an earlier date, in which case they are true and correct in all material respects (and in all respects if any such representation or warranty is already qualified by materiality or reference to Material Adverse Effect) as of such earlier date, and except that for purposes of this Section 2.02(f), the representations and warranties contained in subsections (a) and (b) of Section 6.05 shall be deemed to refer to the most recent statements furnished pursuant to clauses (a) and (b), respectively, of Section 7.01, (y) no Default or Event of Default exists and (z) after giving effect on a Pro Forma Basis to such Incremental Term Loan borrowed under this Section 2.02(f) and any refinancing of existing Indebtedness in connection therewith, the Parent Borrower is in compliance with the financial covenants in Sections 8.11(a) and (b);

(K) subject, in the case of an Incremental Facility which constitutes a Revolving Loan, as a condition precedent to the making of any such Revolving Loan, the Parent Borrower shall deliver to the Administrative Agent a certificate of each Loan Party dated as of the date of the making of any such Revolving Loan (in sufficient copies for each Lender) signed by a Responsible Officer of such Loan Party (I) certifying and attaching the resolutions adopted by such Loan Party approving or consenting to such Revolving Loan, and (II) in the case of the Parent Borrower, certifying that, before and after giving effect to such Revolving Loan, (x) the representations and warranties contained in Article VI and the other Loan

Documents are true and correct in all material respects (and in all respects if any such representation or warranty is already qualified by materiality or reference to Material Adverse Effect) on and as of the date of borrowing of such Revolving Loan, except to the extent that such representations and warranties specifically refer to an earlier date, in which case they are true and correct in all material respects (and in all respects if any such representation or warranty is already qualified by materiality or reference to Material Adverse Effect) as of such earlier date, and except that for purposes of this Section 2.02(f), the representations and warranties contained in subsections (a) and (b) of Section 6.05 shall be deemed to refer to the most recent statements furnished pursuant to clauses (a) and (b), respectively, of Section 7.01 and (y) no Default or Event of Default; and

(L) no existing Lender shall be under any obligation to become an Incremental Term Loan Lender (or otherwise provide an Incremental Facility), and any such decision to become an Incremental Term Loan Lender (or provide an Incremental Facility) shall be in such Lender's sole and absolute discretion.

2.03 Letters of Credit.

(a) Conditions. On the terms and subject to the conditions contained herein, the Parent Borrower may request that one or more L/C Issuers Issue, in accordance with such L/C Issuers' usual and customary business practices, and for the account of any Loan Party, Letters of Credit from time to time on any Business Day during the period from the Closing Date through the earlier of (x) the Letter of Credit Expiration Date and (y) the date on which the Aggregate Revolving Commitment shall terminate in accordance with the provisions of this Agreement; provided, however, that no L/C Issuer shall Issue any Letter of Credit upon the occurrence of any of the following or, if after giving effect to such Issuance:

(i) (A) the Total Revolving Outstandings would exceed the Aggregate Revolving Commitments, (B) the Revolving Credit Exposure of any Revolving Lender would exceed such Revolving Lender's Revolving Commitment, (C) the aggregate Revolving Credit Exposure denominated in Canadian Dollars would exceed the Canadian Dollar Sublimit, (D) the aggregate Revolving Credit Exposure denominated in Australian Dollars would exceed the Australian Dollar Sublimit, (E) the L/C Obligations for all Letters of Credit would exceed the Letter of Credit Sublimit, (F) the L/C Obligations for all Letters of Credit denominated in Canadian Dollars would exceed the Letter of Credit Canadian Dollar Sublimit, (G) the L/C Obligations for all Letters of Credit denominated in Australian Dollars would exceed the Letter of Credit Australian Dollar Sublimit or (H) the aggregate amount of the outstanding Letters of Credit issued by the applicable L/C Issuer would exceed its L/C Commitment;

(ii) the expiration date of such Letter of Credit (i) is not a Business Day, (ii) is more than one year after the date of Issuance thereof or (iii) is later than the Letter of Credit Expiration Date; provided, however, that any Letter of Credit with a term not exceeding one year may provide for its renewal for additional periods not exceeding one year as long as (x) the Parent Borrower and such L/C Issuer have the option to prevent such renewal before the expiration of such term or any such period and (y) neither such L/C Issuer nor the Parent Borrower shall permit any such renewal to extend such expiration date beyond the date set forth in clause (iii) above; provided further that notwithstanding the foregoing, Administrative Agent and the L/C Issuer, in their respective sole discretion, may agree to extend such Letter of Credit beyond the date set forth in clause (iii) above upon the Borrowers either (A) delivering to Administrative Agent for the benefit of the L/C Issuer

cash equal to one hundred five percent (105%) (or such greater percentage as the L/C Issuer may require in the case of any Letter of Credit with an expiration date later than one year after the date of providing such cash collateral) of the sum of (1) the aggregate undrawn amount of all outstanding Letters of Credit at such time plus (2) the aggregate principal amount of all L/C Reimbursement Obligations outstanding at such time with respect to such Letter of Credit that have matured, in each instance, on and as of the date of such extension for deposit in a cash collateral account which cash collateral account will be held as a pledged cash collateral account and applied to reimbursement of all drafts submitted under such outstanding Letter of Credit or (B) delivering to the L/C Issuer on the date of such extension one or more letters of credit for the benefit of the L/C Issuer, issued by a bank reasonably acceptable to the L/C Issuer in its sole discretion, each in form and substance reasonably acceptable to the L/C Issuer in its sole discretion) and in an amount equal to the sum of (1) and (2) above.

(iii) (i) any fee due in connection with, and on or prior to, such Issuance has not been paid, (ii) such Letter of Credit is requested to be Issued in a form that is not acceptable to such L/C Issuer or (iii) such L/C Issuer shall not have received, each in form and substance reasonably acceptable to it and duly executed by the Parent Borrower on behalf of the Loan Parties, the documents that such L/C Issuer generally uses in the ordinary course of business for the Issuance of letters of credit of the type of such Letter of Credit (collectively, the “L/C Reimbursement Agreement”).

For each Issuance, the applicable L/C Issuer may, but shall not be required to, determine that, or take notice whether, the conditions precedent set forth in Section 5.02 have been satisfied or waived in connection with the Issuance of any Letter of Credit; provided, however, that no Letters of Credit shall be Issued during the period starting on the first Business Day after the receipt by such L/C Issuer of notice from Administrative Agent or the Required Lenders that any condition precedent contained in Section 5.02 is not satisfied and ending on the date all such conditions are satisfied or duly waived.

Notwithstanding anything else to the contrary herein, if any Lender is a Defaulting Lender, no L/C Issuer shall be obligated to Issue any Letter of Credit unless (w) the Defaulting Lender has been replaced in accordance with Section 11.06 or 11.13, (x) the L/C Obligations of such Defaulting Lender have been cash collateralized, (y) the Revolving Commitments of the other Lenders have been increased by an amount sufficient to satisfy Administrative Agent that all future L/C Obligations will be covered by all Revolving Lenders that are not Defaulting Lenders, or (z) the L/C Obligations of such Defaulting Lender have been reallocated to other Revolving Lenders in a manner consistent with Section 2.15(a)(iv).

(b) Notice of Issuance. The Parent Borrower shall give the relevant L/C Issuer and Administrative Agent a notice of any requested Issuance of any Letter of Credit, which shall be effective only if received by such L/C Issuer and Administrative Agent not later than 2:00 p.m. on the third Business Day prior to the date of such requested Issuance. Such notice shall be made in a writing or Electronic Transmission substantially in the form of Exhibit M duly completed or in any other written form acceptable to such L/C Issuer (an “L/C Request”).

(c) Reporting Obligations of L/C Issuers. Each L/C Issuer agrees to provide Administrative Agent, in form and substance satisfactory to Administrative Agent, each of the following on the following dates: (A) (i) on or prior to any Issuance of any Letter of Credit by such L/C Issuer, (ii) immediately after any drawing under any such Letter of Credit or (iii) immediately after any payment (or failure to pay when due) by any Borrower of any related L/C Reimbursement Obligation, notice thereof, which shall contain a reasonably detailed description of such Issuance, drawing or payment and Administrative Agent shall provide copies of such notices to each Revolving Lender reasonably promptly

after receipt thereof; (B) upon the request of Administrative Agent (or any Revolving Lender through Administrative Agent), copies of any Letter of Credit Issued by such L/C Issuer and any related L/C Reimbursement Agreement and such other documents and information as may reasonably be requested by Administrative Agent; and (C) on the first Business Day of each calendar week, a schedule of the Letters of Credit Issued by such L/C Issuer, in form and substance reasonably satisfactory to Administrative Agent, setting forth the L/C Obligations for such Letters of Credit outstanding on the last Business Day of the previous calendar week.

(d) Acquisition of Participations. Upon any Issuance of a Letter of Credit in accordance with the terms of this Agreement resulting in any increase in the L/C Obligations, each Revolving Lender shall be deemed to have acquired, without recourse or warranty, an undivided interest and participation in such Letter of Credit and the related L/C Obligations in an amount equal to its Applicable Percentage of such L/C Obligations.

(e) Reimbursement Obligations of the Borrowers. The Borrowers agree to pay to the L/C Issuer of any Letter of Credit, or to Administrative Agent for the benefit of such L/C Issuer, each L/C Reimbursement Obligation owing with respect to such Letter of Credit no later than the first Business Day after the Borrowers or the Parent Borrower receive notice from such L/C Issuer or from Administrative Agent that payment has been made under such Letter of Credit or that such L/C Reimbursement Obligation is otherwise due (the "L/C Reimbursement Date") with interest thereon computed as set forth in clause (A) below. In the event that any L/C Reimbursement Obligation is not repaid by the Borrowers as provided in this clause (v) (or any such payment by the Borrowers is rescinded or set aside for any reason), such L/C Issuer shall promptly notify Administrative Agent of such failure (and, upon receipt of such notice, Administrative Agent shall notify each Revolving Lender) and, irrespective of whether such notice is given, such L/C Reimbursement Obligation shall be payable by the Borrowers on demand with interest thereon computed (A) from the date on which such L/C Reimbursement Obligation arose to the L/C Reimbursement Date, at the interest rate applicable during such period to Revolving Loans that are Base Rate Loans and (B) thereafter until payment in full, at the interest rate specified in Section 2.08(b) to past due Revolving Loans that are Base Rate Loans (regardless of whether or not an election is made under such Section).

(f) Reimbursement Obligations of the Revolving Lenders.

(i) Upon receipt of the notice described in clause (v) above from Administrative Agent, each Revolving Lender shall pay to Administrative Agent for the account of such L/C Issuer its commitment percentage of such L/C Obligations (as such amount may be increased pursuant to Section 2.15(b)(iv));

(ii) By making any payment described in clause (i) above (other than during the continuation of an Event of Default under Section 9.01(f) or 9.01(g)), such Lender shall be deemed to have made a Revolving Loan to the applicable Borrower, which, upon receipt thereof by Administrative Agent for the benefit of such L/C Issuer, the Borrowers shall be deemed to have used in whole to repay such L/C Reimbursement Obligation. Any such payment that is not deemed a Revolving Loan shall be deemed a funding by such Lender of its participation in the applicable Letter of Credit and the L/C Obligation in respect of the related L/C Reimbursement Obligations. Such participation shall not otherwise be required to be funded. Following receipt by any L/C Issuer of any payment from any Lender pursuant to this clause (vi) with respect to any portion of any L/C Reimbursement Obligation, such L/C Issuer shall promptly pay to Administrative Agent, for the benefit of such Lender, all amounts received by such L/C Issuer (or to the extent such amounts shall have been received by Administrative Agent for the benefit of such L/C Issuer,

Administrative Agent shall promptly pay to such Lender all amounts received by Administrative Agent for the benefit of such L/C Issuer) with respect to such portion.

(g) Obligations Absolute. The obligations of the Borrowers and the Revolving Lenders pursuant to clauses (d), (e) and (f) above shall be absolute, unconditional and irrevocable and performed strictly in accordance with the terms of this Agreement irrespective of (A) (i) the invalidity or unenforceability of any term or provision in any Letter of Credit, any document transferring or purporting to transfer a Letter of Credit, any Loan Document (including the sufficiency of any such instrument), or any modification to any provision of any of the foregoing, (ii) any document presented under a Letter of Credit being forged, fraudulent, invalid, insufficient or inaccurate in any respect or failing to comply with the terms of such Letter of Credit or (iii) any loss or delay, including in the transmission of any document, (B) the existence of any setoff, claim, abatement, recoupment, defense or other right that any Person (including any Loan Party) may have against the beneficiary of any Letter of Credit or any other Person, whether in connection with any Loan Document or any other Contractual Obligation or transaction, or the existence of any other withholding, abatement or reduction, (C) in the case of the obligations of any Revolving Lender, (i) the failure of any condition precedent set forth in Section 5.02 to be satisfied (each of which conditions precedent the Revolving Lenders hereby irrevocably waive) or (ii) any adverse change in the condition (financial or otherwise) of any Loan Party and (D) any other act or omission to act or delay of any kind of L/C Issuer, Administrative Agent, any Lender or any other Person or any other event or circumstance whatsoever, whether or not similar to any of the foregoing, that might, but for the provisions of this clause (vii), constitute a legal or equitable discharge of any obligation of the Borrowers or any Revolving Lender hereunder. No provision hereof shall be deemed to waive or limit the Borrowers' right to seek repayment of any payment of any L/C Reimbursement Obligations from the L/C Issuer under the terms of the applicable L/C Reimbursement Agreement or applicable Law.

2.04 Swing Line Loans.

(a) Swing Line Facility. Subject to the terms and conditions set forth herein, the Swing Line Lender, in reliance upon the agreements of the other Lenders set forth in this Section 2.04, shall make loans (each such loan, a "Swing Line Loan") to the Parent Borrower in Dollars from time to time on any Business Day during the Availability Period with respect to the Revolving Commitments in an aggregate amount not to exceed at any time outstanding the amount of the Swing Line Sublimit; provided, however, that (x) after giving effect to any Swing Line Loan, (i) the Total Revolving Outstandings shall not exceed the Aggregate Revolving Commitments, (ii) the Revolving Credit Exposure of any Lender shall not exceed such Lender's Revolving Commitment, and (iii) the aggregate amount of all Swing Line Loans outstanding shall not exceed the Swing Line Commitment of the Swing Line Lender, (y) the Parent Borrower shall not use the proceeds of any Swing Line Loan to refinance any outstanding Swing Line Loan, and (z) the Swing Line Lender shall not be under any obligation to make any Swing Line Loan if it shall determine (which determination shall be conclusive and binding absent manifest error) that it has, or by such Credit Extension may have, Fronting Exposure. Within the foregoing limits, and subject to the other terms and conditions hereof, the Parent Borrower may borrow under this Section 2.04, prepay under Section 2.05, and reborrow under this Section 2.04. Each Swing Line Loan shall be a Base Rate Loan. Immediately upon the making of a Swing Line Loan, each Lender shall be deemed to, and hereby irrevocably and unconditionally agrees to, purchase from the Swing Line Lender a risk participation in such Swing Line Loan in an amount equal to the product of such Lender's Applicable Percentage times the amount of such Swing Line Loan.

(b) Borrowing Procedures. Each Borrowing of Swing Line Loans shall be made upon the Parent Borrower's irrevocable notice to the Swing Line Lender and the Administrative Agent, which may be given by (A) telephone or (B) a Swing Line Loan Notice; provided, that, each such telephonic notice must be confirmed promptly by delivery to the Swing Line Lender and the Administrative Agent of a written Swing Line Loan Notice, appropriately completed and signed by a Responsible Officer of the

Parent Borrower. Each such Swing Line Loan Notice must be received by the Swing Line Lender and the Administrative Agent not later than 1:00 p.m. on the requested borrowing date, and shall specify (i) the amount to be borrowed, which shall be a minimum principal amount of \$100,000 and in integral multiples of \$100,000 in excess thereof and (ii) the requested borrowing date, which shall be a Business Day. Promptly after receipt by the Swing Line Lender of any telephonic Swing Line Loan Notice, the Swing Line Lender will confirm with the Administrative Agent (by telephone or in writing) that the Administrative Agent has also received such Swing Line Loan Notice and, if not, the Swing Line Lender will notify the Administrative Agent (by telephone or in writing) of the contents thereof. Unless the Swing Line Lender has received notice (by telephone or in writing) from the Administrative Agent (including at the request of any Lender) prior to 2:00 p.m. on the date of the proposed Borrowing of Swing Line Loans (A) directing the Swing Line Lender not to make such Swing Line Loan as a result of the limitations set forth in the first proviso to the first sentence of Section 2.04(a), or (B) that one or more of the applicable conditions specified in Article V is not then satisfied, then, subject to the terms and conditions hereof, the Swing Line Lender will, not later than 3:00 p.m. on the borrowing date specified in such Swing Line Loan Notice, make the amount of its Swing Line Loan available to the Parent Borrower.

(c) Refinancing of Swing Line Loans.

(i) The Swing Line Lender at any time in its sole discretion may request, on behalf of the Parent Borrower (which hereby irrevocably requests and authorizes the Swing Line Lender to so request on its behalf), that each Lender make a Base Rate Loan in an amount equal to such Lender's Applicable Percentage of the amount of Swing Line Loans then outstanding. Such request shall be made in writing (which written request shall be deemed to be a Loan Notice for purposes hereof) and in accordance with the requirements of Section 2.02, without regard to the minimum and multiples specified therein for the principal amount of Base Rate Loans, but subject to the conditions set forth in Section 5.02 (other than the delivery of a Loan Notice) and provided that, after giving effect to such Borrowing, the Total Revolving Outstandings shall not exceed the Aggregate Revolving Commitments. The Swing Line Lender shall furnish the Parent Borrower with a copy of the applicable Loan Notice promptly after delivering such notice to the Administrative Agent. Each Lender shall make an amount equal to its Applicable Percentage of the amount specified in such Loan Notice available to the Administrative Agent in immediately available funds (and the Administrative Agent may apply Cash Collateral available with respect to the applicable Swing Line Loan) for the account of the Swing Line Lender at the Administrative Agent's Office for Dollar-denominated payments not later than (x) 1:00 p.m. on the Business Day specified in such Loan Notice by the Administrative Agent if such Loan Notice is delivered to the Lenders by 11:00 a.m. on such day, and (y) 1:00 p.m. on the next succeeding Business Day if such Loan Notice is delivered after 11:00 a.m. on such day, whereupon, in each case, subject to Section 2.04(c)(ii), each Lender that so makes funds available shall be deemed to have made a Base Rate Loan to the Parent Borrower in such amount. The Administrative Agent shall remit the funds so received to the Swing Line Lender.

(ii) If for any reason any Swing Line Loan cannot be refinanced by such a Borrowing of Revolving Loans in accordance with Section 2.04(c)(i), the request for Base Rate Loans submitted by the Swing Line Lender as set forth herein shall be deemed to be a request by the Swing Line Lender that each of the Lenders fund its risk participation in the relevant Swing Line Loan and each Lender's payment to the Administrative Agent for the account of the Swing Line Lender pursuant to Section 2.04(c)(i) shall be deemed payment in respect of such participation.

(iii) If any Lender fails to make available to the Administrative Agent for the account of the Swing Line Lender any amount required to be paid by such Lender pursuant to the foregoing provisions of this Section 2.04(c) by the time specified in Section 2.04(c)(i), the Swing Line Lender shall be entitled to recover from such Lender (acting through the Administrative Agent), on demand, such amount with interest thereon for the period from the date such payment is required to the date on which such payment is immediately available to the Swing Line Lender at a rate per annum equal to the greater of the Federal Funds Rate and a rate determined by the Swing Line Lender in accordance with banking industry rules on interbank compensation. A certificate of the Swing Line Lender submitted to any Lender (through the Administrative Agent) with respect to any amounts owing under this clause (iii) shall be conclusive absent manifest error.

(iv) Each Lender's obligation to make Revolving Loans or to purchase and fund risk participations in Swing Line Loans pursuant to this Section 2.04(c) shall be absolute and unconditional and shall not be affected by any circumstance, including (A) any setoff, counterclaim, recoupment, defense or other right that such Lender may have against the Swing Line Lender, the Parent Borrower or any other Person for any reason whatsoever, (B) the occurrence or continuance of a Default, or (C) any other occurrence, event or condition, whether or not similar to any of the foregoing; provided, however, that each Lender's obligation to make Revolving Loans pursuant to this Section 2.04(c) is subject to the conditions set forth in Section 5.02. No such purchase or funding of risk participations shall relieve or otherwise impair the obligation of the Parent Borrower to repay Swing Line Loans, together with interest as provided herein.

(d) Repayment of Participations.

(i) At any time after any Lender has purchased and funded a risk participation in a Swing Line Loan, if the Swing Line Lender receives any payment on account of such Swing Line Loan, the Swing Line Lender will distribute to such Lender its Applicable Percentage of such payment (appropriately adjusted, in the case of interest payments, to reflect the period of time during which such Lender's risk participation was funded) in the same funds as those received by the Swing Line Lender.

(ii) If any payment received by the Swing Line Lender in respect of principal or interest on any Swing Line Loan is required to be returned by the Swing Line Lender under any of the circumstances described in Section 11.05 (including pursuant to any settlement entered into by the Swing Line Lender in its discretion), each Lender shall pay to the Swing Line Lender its Applicable Percentage thereof on demand of the Administrative Agent, plus interest thereon from the date of such demand to the date such amount is returned, at a rate per annum equal to the Federal Funds Rate. The Administrative Agent will make such demand upon the request of the Swing Line Lender. The obligations of the Lenders under this clause shall survive the payment in full of the Obligations and the termination of this Agreement.

(e) Interest for Account of Swing Line Lender. The Swing Line Lender shall be responsible for invoicing the Parent Borrower for interest on the Swing Line Loans. Until each Lender funds its Revolving Loans that are Base Rate Loans or risk participation pursuant to this Section 2.04 to refinance such Lender's Applicable Percentage of any Swing Line Loan, interest in respect of such Applicable Percentage shall be solely for the account of the Swing Line Lender.

(f) Payments Directly to Swing Line Lender. The Parent Borrower shall make all payments of principal and interest in respect of the Swing Line Loans directly to the Swing Line Lender.

(g) Autoborrow Arrangement. In order to facilitate the borrowing of Swing Line Loans, the Parent Borrower and the Swing Line Lender may mutually agree to, and are hereby authorized to, enter into an autoborrow arrangement in form and substance satisfactory to the Swing Line Lender and the Administrative Agent (the “Autoborrow Agreement”) providing for the automatic advance by the Swing Line Lender of Swing Line Loans under the conditions set forth in the Autoborrow Agreement, subject to the conditions set forth herein. At any time an Autoborrow Agreement is in effect, advances under the Autoborrow Agreement shall be deemed Swing Line Loans for all purposes hereof, except that Borrowings and prepayments of Swing Line Loans under the Autoborrow Agreement shall be made in accordance with the Autoborrow Agreement (and for the avoidance of doubt, the provisions of Sections 2.04(b) and 2.05(a)(ii) with respect to minimum and incremental Borrowing and prepayment amounts, and other requirements for Swing Line Loans, shall not apply); provided that any automatic advance made by Bank of America in reliance of the Autoborrow Agreement shall be deemed a Swing Line Loan as of the time such automatic advance is made notwithstanding any provision in the Autoborrow Agreement to the contrary. For purposes of determining the Total Revolving Outstandings at any time during which an Autoborrow Agreement is in effect (other than for purposes of calculating Commitment Fees), the Outstanding Amount of all Swing Line Loans shall be deemed to be the amount of the Swing Line Sublimit. For purposes of any Swing Line Borrowing pursuant to the Autoborrow Agreement, all references to Bank of America in the Autoborrow Agreement shall be deemed to be a reference to Bank of America, in its capacity as Swing Line Lender hereunder.

2.05 Prepayments.

(a) Voluntary Prepayments.

(i) Revolving Loans, Term Loan and Incremental Term Loans. Each Borrower may, upon notice from such Borrower to the Administrative Agent pursuant to delivery to the Administrative Agent of a Notice of Loan Prepayment, at any time or from time to time voluntarily prepay Revolving Loans, the Term Loan and/or any Incremental Term Loan in whole or in part without premium or penalty except as otherwise specified in the Fee Letter; provided that (A) such notice must be received by the Administrative Agent not later than 11:00 a.m. (1) three (3) Business Days (or such shorter period as may be agreed by the Administrative Agent in its reasonable discretion) prior to any date of prepayment of SOFR Loans, CORRA Loans or Daily Simple CORRA Loans, (2) five (5) Business Days (or such shorter period as may be agreed by the Administrative Agent in its reasonable discretion) prior to any date of prepayment of BBSY Loans and (3) on the date of prepayment of Base Rate Loans or Daily SOFR Loans; (B) any such prepayment of (i) SOFR Loans shall be in a principal amount of \$500,000 or a whole multiple of \$500,000 in excess thereof (or, if less, the entire principal amount thereof then outstanding), (ii) CORRA Loans or Daily Simple CORRA Loans shall be in a principal amount of CAD\$500,000 or a whole multiple of CAD\$500,000 in excess thereof (or, if less, the entire principal amount thereof then outstanding) and (iii) BBSY Loans shall be in a principal amount of AU\$500,000 or a whole multiple of AU\$500,000 in excess thereof (or, if less, the entire principal amount thereof then outstanding); (C) any prepayment of Base Rate Loans or Daily SOFR Loans shall be in a principal amount of \$500,000 or a whole multiple of \$100,000 in excess thereof (or, if less, the entire principal amount thereof then outstanding) and (D) any prepayment of the Term Loan or any Incremental Term Loan, as directed by the Parent Borrower, pursuant to this Section 2.05(a), shall be applied ratably

to the remaining principal amortization payments thereof, except for the final payment on the Maturity Date. Each such notice shall specify (x) the date, the currency, and the amount of such prepayment, (y) the Type(s) of Loans to be prepaid, and if SOFR Loans, CORRA Loans or BBSY Loans are to be prepaid, the Interest Period(s) of such Loans and (z) whether the Loans to be prepaid are the Revolving Loans, the Term Loan and/or an Incremental Term Loan. The Administrative Agent will promptly notify each Lender of its receipt of each such notice, and of the amount of such Lender's Applicable Percentage of such prepayment. If such notice is given by the applicable Borrower, such Borrower shall make such prepayment and the payment amount specified in such notice shall be due and payable on the date specified therein. Any prepayment of a SOFR Loan, CORRA Loan or BBSY Loan shall be accompanied by all accrued interest on the amount prepaid, together with any additional amounts required pursuant to Section 3.05. Subject to Section 2.15, each such prepayment shall be applied to the Loans of the Lenders in accordance with their respective Applicable Percentages. Notwithstanding anything to the contrary contained herein but subject to Section 3.05, any notice of prepayment or repayment may be revocable (or conditional or extendable) in the event of a prepayment in connection with a transaction in the event that such transaction does not close.

(ii) Swing Line Loans. The Parent Borrower may, upon notice to the Swing Line Lender pursuant to delivery to the Swing Line Lender of a Notice of Loan Prepayment (with a copy to the Administrative Agent), at any time or from time to time, voluntarily prepay Swing Line Loans in whole or in part without premium or penalty; provided that (i) such notice must be received by the Swing Line Lender and the Administrative Agent not later than 1:00 p.m. on the date of the prepayment, and (ii) any such prepayment shall be in a minimum principal amount of \$100,000 or a whole multiple of \$100,000 in excess thereof (or, if less, the entire principal thereof then outstanding). Each such notice shall specify the date and amount of such prepayment. If such notice is given by the Parent Borrower, the Parent Borrower shall make such prepayment and the payment amount specified in such notice shall be due and payable on the date specified therein.

(b) Mandatory Prepayments of Loans.

(i) Revolving Commitments. If for any reason the Total Revolving Outstandings at any time exceed the Aggregate Revolving Commitments then in effect, (A) the Parent Borrower shall immediately prepay Revolving Loans in Dollars, Swing Line Loans and/or Cash Collateralize the L/C Obligations and/or (B) the Borrowers shall immediately prepay Revolving Loans in Canadian Dollars or other Alternative Currency, in each case, in an aggregate amount equal to such excess; provided, however, that the Parent Borrower shall not be required to Cash Collateralize the L/C Obligations pursuant to this Section 2.05(b)(i) unless after the prepayment in full of the Revolving Loans and the Swing Line Loans the Total Revolving Outstandings exceed the Aggregate Revolving Commitments then in effect.

(ii) Dispositions and Involuntary Dispositions. Within five Business Days of the receipt thereof (or, if applicable, the expiration of the reinvestment period described herein), the Borrowers shall prepay the Loans and/or Cash Collateralize the L/C Obligations as hereafter provided in an aggregate amount equal to 100% (or, 50%, when Consolidated Total Leverage Ratio is less than 2.0 to 1.0 for the most recent period for which financial statements have been delivered pursuant to Section 7.01) of the Net Cash Proceeds of all Dispositions and Involuntary Dispositions to the extent such Net Cash Proceeds are not reinvested in Eligible Assets or used to consummate a Permitted

Acquisition or other Investment permitted hereunder within 180 days of the date such Net Cash Proceeds in respect of such Disposition or Involuntary Disposition are received; provided, however, the Borrowers shall be permitted to retain Net Cash Proceeds from Dispositions and Involuntary Dispositions of up to \$4,000,000 in the aggregate in any fiscal year. Any prepayment pursuant to this Section 2.05(b)(ii) shall be applied as set forth in Section 2.05(b)(vi) below.

(iii) Debt Issuances. Within five Business Days of the receipt thereof by any Loan Party or any Subsidiary of the Net Cash Proceeds of any Debt Issuance, the Borrowers shall prepay the Loans and/or Cash Collateralize the L/C Obligations as hereafter provided in an aggregate amount equal to one hundred percent (100%) of such Net Cash Proceeds (such prepayment to be applied as set forth in Section 2.05(b)(vi) below).

(iv) Reserved.

(v) Reserved.

(vi) Application of Mandatory Prepayments. All amounts required to be paid pursuant to Section 2.05(b)(ii) and (iii) shall be applied first, to the Term Loan and any Incremental Term Loan (ratably to the remaining principal amortization payments of each Loan), second, to Revolving Loans, and third, (after the Term Loan, all Incremental Term Loans and all Revolving Loans have been repaid), to Cash Collateralize L/C Obligations and in the case of clauses second and third above, without a corresponding reduction of the Revolving Commitments in such applicable amount required to be paid pursuant to Section 2.05(b).

(vii) Alternative Currencies.

(A) [Reserved].

(B) If the Administrative Agent notifies the Parent Borrower in writing at any time that the Outstanding Amount of all Loans and L/C Obligations denominated in an Alternative Currency (including Canadian Dollars) at such time exceeds an amount equal to one hundred five percent (105%) of the Alternative Currency Sublimit with respect to such Alternative Currency then in effect for at least one (1) consecutive Business Day, then, within five (5) Business Days after receipt of such written notice, the Borrowers shall prepay Loans and/or Cash Collateralize Letters of Credit denominated in such Alternative Currency in an aggregate amount sufficient to reduce such Outstanding Amount as of such date of payment to an amount not to exceed one hundred percent (100%) of the Alternative Currency Sublimit then in effect with respect to such Alternative Currency.

Within the parameters of the applications set forth above, prepayments shall be applied, as applicable, first to Base Rate Loans, then to Daily SOFR Loans, then to Daily Simple CORRA Loans, and then to SOFR Loans, CORRA Loans and BBSY Loans in direct order of Interest Period maturities. All prepayments under this Section 2.05(b) shall be subject to Section 3.05 and any payments due and owing pursuant to the Fee Letter, but otherwise without premium or penalty, and shall be accompanied by interest on the principal amount prepaid through the date of prepayment.

2.06 Termination or Reduction of Aggregate Revolving Commitments.

(a) **Optional Reductions.** The Parent Borrower may, upon notice to the Administrative Agent, terminate the Aggregate Revolving Commitments, or from time to time permanently reduce the Aggregate Revolving Commitments to an amount not less than the Outstanding Amount of Revolving Loans, Swing Line Loans and L/C Obligations; provided that (A) any such notice shall be received by the Administrative Agent not later than 12:00 noon five (5) Business Days (or such shorter period as may be agreed by the Administrative Agent in its reasonable discretion) prior to the date of termination or reduction, (B) any such partial reduction shall be in an aggregate amount of \$5,000,000 or any whole multiple of \$1,000,000 in excess thereof, and (C) the Parent Borrower shall not terminate or reduce (1) the Aggregate Revolving Commitments if, after giving effect thereto and to any concurrent prepayments hereunder, the Total Revolving Outstandings would exceed the Aggregate Revolving Commitments or (2) the Letter of Credit Sublimit if, after giving effect thereto, the Outstanding Amount of L/C Obligations not fully Cash Collateralized hereunder would exceed the Letter of Credit Sublimit, or (3) the Swing Line Sublimit if, after giving effect thereto and to any concurrent prepayments hereunder, the Outstanding Amount of Swing Line Loans would exceed the Swing Line Sublimit. Notwithstanding anything to the contrary contained herein, any notice of termination or reduction may be revocable (or conditional or extendable) in the event of a termination or reduction in connection with a transaction in the event that such transaction does not close.

(b) **Mandatory Reductions.** If after giving effect to any reduction or termination of Revolving Commitments under this Section 2.06, any Alternative Currency Sublimit, the Letter of Credit Sublimit or the Swing Line Sublimit exceeds the Aggregate Revolving Commitments at such time, such Alternative Currency Sublimit, the Letter of Credit Sublimit or the Swing Line Sublimit, as the case may be, shall be automatically reduced by the amount of such excess.

(c) **Notice.** The Administrative Agent will promptly notify the Lenders of any termination or reduction of an Alternative Currency Sublimit, the Letter of Credit Sublimit, Swing Line Sublimit, or the Aggregate Revolving Commitments under this Section 2.06. The amount of any such reduction of the Revolving Commitments shall not be applied to any Alternative Currency Sublimit unless otherwise specified by the Parent Borrower. Upon any reduction of the Aggregate Revolving Commitments, the Revolving Commitment of each Lender shall be reduced by such Lender's Applicable Percentage of such reduction amount. All fees in respect of the Aggregate Revolving Commitments accrued until the effective date of any termination of the Aggregate Revolving Commitments shall be paid on the effective date of such termination.

2.07 Repayment of Loans.

(a) **Revolving Loans.** The Borrowers shall repay to the Lenders on the Maturity Date the aggregate principal amount of all Revolving Loans (including Revolving Loans made as part of any Incremental Facility) outstanding on such date.

(b) **Swing Line Loans.** The Borrowers shall repay each Swing Line Loan on the earliest to occur of (i) the date ten Business Days after such Swing Line Loan is made and (ii) the Maturity Date.

(c) **Term Loan.** The Borrowers shall repay the outstanding principal amount of the Term Loan in consecutive quarterly installments on the last day of each calendar quarter, commencing with the fiscal quarter ending December 31, 2025, in an amount equal to 1.25% of the original principal balance of the Term Loan, with any unpaid principal balance, plus accrued and unpaid interest thereon, due on the Maturity Date (as such installments may hereafter be adjusted as a result of prepayments made pursuant to Section 2.05), unless accelerated sooner pursuant to Section 9.02.

(d) Incremental Term Loan. The Parent Borrower shall repay the outstanding principal amount of an Incremental Term Loan in the installments on the dates and in the amounts set forth in the Incremental Term Loan Lender Joinder Agreement with respect to such Incremental Term Loan (as such installments may hereafter be adjusted as a result of prepayments made pursuant to Section 2.05), unless accelerated sooner pursuant to Section 9.02.

2.08 Interest.

(a) Subject to the provisions of subsection (b) below, (i) each SOFR Loan shall bear interest on the outstanding principal amount thereof for each Interest Period at a rate per annum equal to the sum of the Term SOFR for such Interest Period plus the Applicable Rate, (ii) each CORRA Loan shall bear interest on the outstanding principal amount thereof for each Interest Period at a rate per annum equal to the sum of the CORRA Rate for such Interest Period plus the Applicable Rate, (iii) each Base Rate Loan shall bear interest on the outstanding principal amount thereof from the applicable borrowing date at a rate per annum equal to the Base Rate plus the Applicable Rate; (iv) each Daily SOFR Loan shall bear interest at a rate per annum equal to the sum of Daily SOFR plus the Applicable Rate; (v) each Daily Simple CORRA Loan shall bear interest on the outstanding principal amount thereof from the applicable borrowing date at a rate per annum equal to the Daily Simple CORRA plus the Applicable Rate, (vi) each BBSY Loan shall bear interest on the outstanding principal amount thereof for each Interest Period at a rate per annum equal to the sum of the BBSY Rate for such Interest Period plus the Applicable Rate and (vii) each Swing Line Loan shall bear interest on the outstanding principal amount thereof from the applicable borrowing date, at a rate per annum equal to the Base Rate plus the Applicable Rate (or with respect to any Swing Line Loan advanced pursuant to an Autoborrow Agreement, such other rate as separately agreed in writing between the Parent Borrower and the Swing Line Lender).

(b) (1) If any amount of principal of any Loan is not paid when due (without regard to any applicable grace periods), whether at stated maturity, by acceleration or otherwise, such amount shall thereafter bear interest at a fluctuating interest rate per annum at all times equal to the Default Rate to the fullest extent permitted by applicable Laws.

(i) If any amount (other than principal of any Loan) payable by the Borrowers under any Loan Document is not paid when due (after giving effect to any applicable grace period), whether at stated maturity, by acceleration or otherwise, then upon the request of the Required Lenders, such amount shall thereafter bear interest at a fluctuating interest rate per annum at all times equal to the Default Rate to the fullest extent permitted by applicable Laws.

(ii) Upon the request of the Required Lenders, while any Event of Default exists, the Borrowers shall pay interest on the principal amount of all outstanding Obligations hereunder at a fluctuating interest rate per annum at all times equal to the Default Rate to the fullest extent permitted by applicable Laws.

(iii) Accrued and unpaid interest on past due amounts (including interest on past due interest) shall be due and payable upon demand.

(c) Interest on each Loan shall be due and payable in arrears on each Interest Payment Date applicable thereto and at such other times as may be specified herein. Interest hereunder shall be due and payable in accordance with the terms hereof before and after judgment, and before and after the commencement of any proceeding under any Debtor Relief Law.

(d) For the purposes of the Interest Act (Canada), (i) whenever a rate of interest or fee rate hereunder is calculated on the basis of a year (the “deemed year”) that contains fewer days than the actual number of days in the calendar year of calculation, such rate of interest or fee rate shall be expressed as a yearly rate by multiplying such rate of interest or fee rate by the actual number of days in the calendar year of calculation and dividing it by the number of days in the deemed year, (ii) the principle of deemed reinvestment of interest shall not apply to any interest calculation hereunder and (iii) the rates of interest stipulated herein are intended to be nominal rates and not effective rates or yields. Each Loan Party hereby irrevocably agrees not to plead or assert, whether by way of defense or otherwise, in any proceeding relating to this Agreement and the other Loan Documents, that the interest payable under this Agreement and the calculation thereof has not been adequately disclosed to it, whether pursuant to section 4 of the Interest Act (Canada) or any other applicable Law or legal principle.

2.09 Fees.

(a) Commitment Fee. The Parent Borrower shall pay to the Administrative Agent, for the account of each Revolving Lender in accordance with its Applicable Percentage, a commitment fee in Dollars (the “Commitment Fee”) at a rate per annum equal to the product of (x) the Applicable Rate times (y) the actual daily amount by which the Aggregate Revolving Commitments exceed the sum of (1) the Outstanding Amount of Revolving Loans and (2) the Outstanding Amount of L/C Obligations, subject to adjustment as provided in Section 2.15. For the avoidance of doubt, the Outstanding Amount of Swing Line Loans shall not be counted towards or considered usage of the Aggregate Revolving Commitments for purposes of determining the Commitment Fee. The Commitment Fee shall accrue at all times during the Availability Period applicable to the Revolving Commitments, including at any time during which one or more of the conditions in Article V is not met, and shall be due and payable quarterly in arrears on the last Business Day of each March, June, September and December, commencing with the first such date to occur after the Closing Date, and on the Maturity Date; provided, that (A) no Commitment Fee shall accrue on the Revolving Commitment of a Defaulting Lender so long as such Lender shall be a Defaulting Lender and (B) any Commitment Fee accrued with respect to the Revolving Commitment of a Defaulting Lender during the period prior to the time such Lender became a Defaulting Lender and unpaid at such time shall not be payable by the Parent Borrower so long as such Lender shall be a Defaulting Lender.

(b) Letter of Credit Fee. The Borrowers agree to pay to Administrative Agent for the ratable benefit of the Revolving Lenders, as compensation to such Lenders for L/C Obligations incurred hereunder, (i) without duplication of costs and expenses otherwise payable to Administrative Agent or Lenders hereunder or fees otherwise paid by the Borrowers, all reasonable costs and expenses incurred by Administrative Agent or any Lender on account of such L/C Obligations, and (ii) for each calendar quarter during which any L/C Obligation shall remain outstanding, a fee (the “Letter of Credit Fee”) in an amount equal to the product of the daily undrawn face amount of all Letters of Credit Issued, guaranteed or supported by risk participation agreements multiplied by a per annum rate equal to the Applicable Rate with respect to Revolving Loans which are SOFR Loans. Such fee shall be paid to Administrative Agent for the benefit of the Revolving Lenders in arrears, on the last Business Day of each calendar quarter and on the date on which all L/C Reimbursement Obligations have been discharged. In addition, the Borrowers shall pay to Administrative Agent, any L/C Issuer or any prospective L/C Issuer, as appropriate, on demand, such L/C Issuer’s or prospective L/C Issuer’s issuance fee of 0.25% of the value of such Issued Letter of Credit, without duplication of fees otherwise payable hereunder (including all per annum fees), charges and expenses of such L/C Issuer or prospective L/C Issuer in respect of the application for, and the Issuance, negotiation, acceptance, amendment, transfer and payment of, each Letter of Credit or otherwise payable pursuant to the application and related documentation under which such Letter of Credit is Issued.

(c) Fee Letter; Other Fees.

(i) The Parent Borrower shall pay to the Administrative Agent for its own account, in Dollars, fees in the amounts and at the times specified in the Fee Letter. Such fees shall be fully earned when paid and shall be non-refundable for any reason whatsoever, except as provided in the Fee Letter.

(ii) The Borrowers shall pay to the Lenders, in Dollars, such fees as shall have been separately agreed upon in writing in the amounts and at the times so specified. Such fees shall be fully earned when paid and shall not be refundable for any reason whatsoever, except as provided in the Fee Letter.

2.10 Computation of Interest and Fees.

(a) All computations of interest for Base Rate Loans (including Base Rate Loans determined by reference to the Term SOFR), CORRA Loans and BBSY Loans shall be made on the basis of a year of 365 or 366 days, as the case may be, and actual days elapsed. All other computations of fees and interest shall be made on the basis of a 360-day year and actual days elapsed (which results in more fees or interest, as applicable, being paid than if computed on the basis of a 365-day year). Interest shall accrue on each Loan for the day on which the Loan is made, and shall not accrue on a Loan, or any portion thereof, for the day on which the Loan or such portion is paid, provided that any Loan that is repaid on the same day on which it is made shall, subject to Section 2.12(a), bear interest for one day. Each determination by any Agent of an interest rate or fee hereunder shall be conclusive and binding for all purposes, absent manifest error.

(b) Reserved.

2.11 Evidence of Debt.

(a) The Credit Extensions made by each Lender shall be evidenced by one or more accounts or records maintained by such Lender and by (1) the Administrative Agent, with respect to Term Loans and (2) the Administrative Agent, with respect to Revolving Loans and Revolving Commitments, in the ordinary course of business. The accounts or records maintained by the Agents and each Lender shall be conclusive absent manifest error of the amount of the Credit Extensions made by the Lenders to any Borrower and the interest and payments thereon. Any failure to so record or any error in doing so shall not, however, limit or otherwise affect the obligation of any Borrower hereunder to pay any amount owing with respect to the Obligations. In the event of any conflict between the accounts and records maintained by any Lender and the accounts and records of the Administrative Agent in respect of such matters, the accounts and records of the Administrative Agent shall control in the absence of manifest error. Upon the request of any Lender made through the Administrative Agent, each Borrower shall execute and deliver to such Lender (through the Administrative Agent) a promissory note, which shall evidence such Lender's Loans in addition to such accounts or records. Each such promissory note shall (i) in the case of Revolving Loans, be in the form of Exhibit B (a "Revolving Note"), (ii) in the case of the Term Loan, be in the form of Exhibit C-1 (a "Term Loan Note"), (iii) in the case of an Incremental Term Loan, be in the form of Exhibit C-2 (an "Incremental Term Note") and (iv) in the case of Swing Line Loans, be in the form of Exhibit L (a "Swing Line Note") and (iv) in the case of Swing Line Loans, be in the form of Exhibit L (a "Swing Line Note"). Each Lender may attach schedules to its Note and endorse thereon the date, Type (if applicable), amount, currency, and maturity of its Loans and payments with respect thereto.

(b) In addition to the accounts and records referred to in subsection (a), each Revolving Lender and the Administrative Agent shall maintain in accordance with its usual practice

accounts or records evidencing the purchases and sales by such Revolving Lender of participations in Letters of Credit and Swing Line Loans. In the event of any conflict between the accounts and records maintained by the Administrative Agent and the accounts and records of any Lender in respect of such matters, the accounts and records of the Administrative Agent shall control in the absence of manifest error.

2.12 Payments Generally; Agents' Clawback.

(a) General. All payments to be made by the Borrowers shall be made free and clear of and without condition or deduction for any counterclaim, defense, recoupment or setoff. Except as otherwise expressly provided herein and except with respect to principal of and interest on Loans denominated in Canadian Dollars or other Alternative Currency, all payments by the Borrowers hereunder shall be made to the Administrative Agent, for the account of the respective Lenders to which such payment is owed, at the Administrative Agent's Office in Dollars and in Same Day Funds not later than 2:00 p.m. on the date specified herein. Except as otherwise expressly provided herein, all payments by the Borrowers hereunder with respect to principal and interest on Loans denominated in Canadian Dollars shall be made to the Administrative Agent, for the account of the respective Lenders to which such payment is owed, at the applicable Administrative Agent's Office in Canadian Dollars and in Same Day Funds not later than the Applicable Time specified by the Administrative Agent on the dates specified herein. Except as otherwise expressly provided herein, all payments by the Borrowers hereunder with respect to principal and interest on Loans denominated in any other Alternative Currency not specified herein shall be made to the Administrative Agent, for the account of the respective Lenders to which such payment is owed, at the applicable Administrative Agent's Office in such relevant Alternative Currency and in Same Day Funds not later than the Applicable Time specified by the Administrative Agent on the dates specified herein. Without limiting the generality of the foregoing, the Administrative Agent may require that any payments due under this Agreement be made in the United States. If, for any reason, any Borrower is prohibited by any Law from making any required payment hereunder in Canadian Dollars or other Alternative Currency, such Borrower shall make such payment in Dollars in the Dollar Equivalent of such payment amount. The Administrative Agent will promptly distribute to each Lender its Applicable Percentage (or other applicable share as provided herein) of such payment in like funds as received by wire transfer to such Lender's Lending Office. All payments received by the Administrative Agent (i) after 2:00 p.m., in the case of payments in Dollars, or (ii) after the Applicable Time specified by the Administrative Agent, in the case of payments in Canadian Dollars or other Alternative Currency, shall, in each case, be deemed received on the next succeeding Business Day and any applicable interest or fee shall continue to accrue. Subject to the definition of "Interest Period", if any payment to be made by any Borrower shall come due on a day other than a Business Day, payment shall be made on the next following Business Day, and such extension of time shall be reflected in computing interest or fees, as the case may be.

(b) Funding by Lenders; Presumption by Administrative Agent. Unless the Administrative Agent shall have received notice from a Lender prior to the proposed date of any Borrowing of SOFR Loans, CORRA Loans, Daily Simple CORRA Loans or BBSY Loans (or, in the case of any Borrowing of Base Rate Loans or Daily SOFR Loans, prior to 12:00 noon on the date of such Borrowing) that such Lender will not make available to the Administrative Agent such Lender's share of such Borrowing, the Administrative Agent may assume that such Lender has made such share available on such date in accordance with Section 2.02 (or, in the case of any Borrowing of Base Rate Loans, that such Lender has made such share available in accordance with and at the time required by Section 2.02) and may, in reliance upon such assumption, make available to the applicable Borrower a corresponding amount. In such event, if a Lender has not in fact made its share of the applicable Borrowing available to the Administrative Agent, then the applicable Lender and the applicable Borrower severally agree to pay to the Administrative Agent forthwith on demand such corresponding amount in Same Day Funds with interest thereon, for each day from and including the date such amount is made available to such Borrower to but excluding the date of payment to the Administrative Agent, at (A) in the case of a payment to be made by such Lender, the

Overnight Rate, plus any administrative processing or similar fees customarily charged by the Administrative Agent in connection with the foregoing and (B) in the case of a payment to be made by such Borrower with respect to the applicable Borrowing in Dollars, the interest rate applicable to Base Rate Loans or, in the case of a payment to be made by such Borrower in Canadian Dollars, in accordance with such market practice. If such Borrower and such Lender shall pay such interest to the Administrative Agent for the same or an overlapping period, the Administrative Agent shall promptly remit to such Borrower the amount of such interest paid by such Borrower for such period. If such Lender pays its share of the applicable Borrowing to the Administrative Agent, then the amount so paid shall constitute such Lender's Loan included in such Borrowing. Any payment by such Borrower shall be without prejudice to any claim such Borrower may have against a Lender that shall have failed to make such payment to any Agent.

(i) Payments by Borrowers; Presumptions by Agents. Unless the Administrative Agent shall have received notice from the applicable Borrower prior to the date on which any payment is due to such Agent for the account of the Lenders or the L/C Issuer hereunder that such Borrower will not make such payment, the Administrative Agent may assume that such Borrower has made such payment on such date in accordance herewith and may, in reliance upon such assumption, distribute to the Lenders or the L/C Issuer, as the case may be, the amount due. In such event, if the applicable Borrower has not in fact made such payment, then each of the Lenders or the L/C Issuer, as the case may be, severally agrees to repay to the Administrative Agent forthwith on demand the amount so distributed to such Lender or the L/C Issuer, in Same Day Funds with interest thereon, for each day from and including the date such amount is distributed to it to but excluding the date of payment to the Administrative Agent, at the Overnight Rate.

A notice of the Administrative Agent to any Lender or any Borrower with respect to any amount owing under this Section 2.12(b) shall be conclusive, absent manifest error.

(c) Failure to Satisfy Conditions Precedent. If any Lender makes available to the Administrative Agent funds for any Loan to be made by such Lender as provided in the foregoing provisions of this Article II, and such funds are not made available to the applicable Borrower by the Administrative Agent because the conditions to the applicable Credit Extension set forth in Article V are not satisfied or waived in accordance with the terms hereof, the Administrative Agent shall return such funds (in like funds as received from such Lender) to such Lender, without interest.

(d) Obligations of Lenders Several. The obligations of the Lenders hereunder to make Loans, to fund participations in Letters of Credit and Swing Line Loans and to make payments pursuant to Section 11.04(c) are several and not joint. The failure of any Lender to make any Loan, to fund any such participation or to make any payment under Section 11.04(c) on any date required hereunder shall not relieve any other Lender of its corresponding obligation to do so on such date, and no Lender shall be responsible for the failure of any other Lender to so make its Loan, to purchase its participation or to make its payment under Section 11.04(c).

(e) Funding Source. Nothing herein shall be deemed to obligate any Lender to obtain the funds for any Loan in any particular place or manner or to constitute a representation by any Lender that it has obtained or will obtain the funds for any Loan in any particular place or manner.

2.13 Sharing of Payments by Lenders. If any Lender shall, by exercising any right of setoff or counterclaim or otherwise, obtain payment in respect of any principal of or interest on any of the Loans made by it, or the participations in L/C Obligations or in Swing Line Loans held by it (excluding any amounts applied by the Swing Line Lender to outstanding Swing Line Loans) resulting in such Lender's receiving payment of a proportion of the aggregate amount of such Loans or participations and accrued

interest thereon greater than its pro rata share thereof as provided herein, then the Lender receiving such greater proportion shall (a) notify the Administrative Agent of such fact, and (b) purchase (for cash at face value) participations in the Loans and subparticipations in L/C Obligations and Swing Line Loans of the other Lenders, or make such other adjustments as shall be equitable, so that the benefit of all such payments shall be shared by the Lenders ratably in accordance with the aggregate amount of principal of and accrued interest on their respective Loans and other amounts owing them, provided that:

(i) if any such participations or subparticipations are purchased and all or any portion of the payment giving rise thereto is recovered, such participations or subparticipations shall be rescinded and the purchase price restored to the extent of such recovery, without interest; and

(ii) the provisions of this Section 2.13 shall not be construed to apply to (x) any payment made by or on behalf of any Borrower pursuant to and in accordance with the express terms of this Agreement (including the application of funds arising from the existence of a Defaulting Lender), (y) the application of Cash Collateral provided for in Section 2.14 or (z) any payment obtained by a Lender as consideration for the assignment of or sale of a participation in any of its Loans or subparticipations in L/C Obligations or Swing Line Loans to any assignee or participant, other than an assignment to any Loan Party or any Subsidiary (as to which the provisions of this Section shall apply).

Each Loan Party consents to the foregoing and agrees, to the extent it may effectively do so under applicable Law, that any Lender acquiring a participation pursuant to the foregoing arrangements may exercise against such Loan Party rights of setoff and counterclaim with respect to such participation as fully as if such Lender were a direct creditor of such Loan Party in the amount of such participation.

2.14 Cash Collateral.

(a) Certain Credit Support Events. If (i) the L/C Issuer has honored any full or partial drawing request under any Letter of Credit and such drawing has resulted in an Issuance, (ii) as of the Letter of Credit Expiration Date, any L/C Obligation for any reason remains outstanding, (iii) the Parent Borrower shall be required to provide Cash Collateral pursuant to Section 9.02(c) or (iv) there shall exist a Defaulting Lender, the Parent Borrower shall immediately (in the case of clause (iii) above) or within one Business Day (in all other cases) following any request by the Administrative Agent or the L/C Issuer, provide Cash Collateral in an amount not less than the applicable Minimum Collateral Amount (determined in the case of Cash Collateral provided pursuant to clause (iv) above, after giving effect to Section 2.15(a)(iv) and any Cash Collateral provided by the Defaulting Lender). Additionally, if the Administrative Agent notifies the Parent Borrower in writing at any time that the Outstanding Amount of all L/C Obligations at such time exceeds one hundred five percent (105%) of the Letter of Credit Sublimit then in effect for at least one (1) consecutive Business Day, then within five (5) Business Days after receipt of such written notice, the Parent Borrower shall provide Cash Collateral for the Outstanding Amount of the L/C Obligations in an amount not less than the amount by which the Outstanding Amount of all L/C Obligations exceeds the Letter of Credit Sublimit.

(b) Grant of Security Interest. All Cash Collateral (other than credit support not constituting funds subject to deposit) shall be maintained in blocked, non-interest bearing deposit accounts at Bank of America. The Parent Borrower, and to the extent provided by any Defaulting Lender, such Defaulting Lender, hereby grants to (and subjects to the control of) the Administrative Agent, for the benefit of the Administrative Agent, the L/C Issuer and the Lenders and agrees to maintain, a first priority security interest in all such cash, deposit accounts and all balances therein, and all other property so provided as collateral pursuant hereto, and in all proceeds of the foregoing, all as security for the obligations to which

such Cash Collateral may be applied pursuant to Section 2.14(c). If at any time the Administrative Agent determines that Cash Collateral is subject to any right or claim of any Person other than the Administrative Agent or the L/C Issuer as herein provided, or that the total amount of such Cash Collateral is less than the Minimum Collateral Amount, the Parent Borrower will, promptly upon demand by the Administrative Agent, pay or provide to the Administrative Agent additional Cash Collateral in an amount sufficient to eliminate such deficiency. The Parent Borrower shall pay on demand therefor from time to time all customary account opening, activity and other administrative fees and charges in connection with the maintenance and disbursement of Cash Collateral.

(c) Application. Notwithstanding anything to the contrary contained in this Agreement, Cash Collateral provided under any of this Section 2.14 or Sections 2.03, 2.05, 2.15 or 9.02 in respect of Letters of Credit shall be held and applied in satisfaction of the specific L/C Obligations, obligations to fund participations therein (including, as to Cash Collateral provided by a Defaulting Lender, any interest accrued on such obligation) and other obligations for which the Cash Collateral was so provided, prior to any other application of such property as may otherwise be provided for herein.

(d) Release. Cash Collateral (or the appropriate portion thereof) provided to reduce Fronting Exposure or to secure other obligations shall be released promptly following (i) the elimination of the applicable Fronting Exposure or other obligations giving rise thereto (including by the termination of Defaulting Lender status of the applicable Lender or, as appropriate, its assignee following compliance with Section 11.06(b)(vi)), or (ii) the good faith determination of the Administrative Agent and the L/C Issuer that there exists excess Cash Collateral; provided, however, (x) that Cash Collateral furnished by or on behalf of a Loan Party shall not be released during the continuance of a Default or Event of Default (and following application as provided in this Section 2.14 may be otherwise applied in accordance with Section 9.03), (y) the Person providing Cash Collateral and the L/C Issuer may agree that Cash Collateral shall not be released but instead held to support future anticipated Fronting Exposure or other obligations and (z) any such release shall be without prejudice to, and any disbursement or other transfer of Cash Collateral shall be and remain subject to, any other Lien conferred under the Loan Documents and the other applicable provisions of the Loan Documents.

2.15 Defaulting Lenders.

(a) Adjustments. Notwithstanding anything to the contrary contained in this Agreement, if any Lender becomes a Defaulting Lender, then, until such time as that Lender is no longer a Defaulting Lender, to the extent permitted by applicable Law:

(i) Waivers and Amendment. The Defaulting Lender's right to approve or disapprove any amendment, waiver or consent with respect to this Agreement shall be restricted as set forth in the definition of "Required Lenders" and Section 11.01.

(ii) Defaulting Lender Waterfall. Any payment of principal, interest, fees or other amount received by any Agent for the account of that Defaulting Lender (whether voluntary or mandatory, at maturity, pursuant to Article IX or otherwise, and including any amounts made available to any Agent by that Defaulting Lender pursuant to Section 11.08), shall be applied at such time or times as may be determined by the Administrative Agent as follows: first, to the payment of any amounts owing by that Defaulting Lender to the Agents hereunder; second, to the payment on a pro rata basis of any amounts owing by that Defaulting Lender to the L/C Issuer or Swing Line Lender hereunder; third, to Cash Collateralize the L/C Issuer's Fronting Exposure with respect to such Defaulting Lender in accordance with Section 2.14; fourth, as the Parent Borrower may request (so long as no Default or Event of Default exists), to the funding of any Loan in respect of which that

Defaulting Lender has failed to fund its portion thereof as required by this Agreement, as determined by the Administrative Agent; fifth, if so determined by the Administrative Agent and the Parent Borrower, to be held in a deposit account and released pro rata in order to (x) satisfy potential future funding obligations of such Defaulting Lender to fund Loans under this Agreement and (y) Cash Collateralize the L/C Issuer's future Fronting Exposure with respect to such Defaulting Lender with respect to future Letters of Credit issued under this Agreement, in accordance with Section 2.14; sixth, to the payment of any amounts owing to the Lenders, the L/C Issuer or Swing Line Lender as a result of any judgment of a court of competent jurisdiction obtained by any Lender, the L/C Issuer or the Swing Line Lender against that Defaulting Lender as a result of that Defaulting Lender's breach of its obligations under this Agreement; seventh, so long as no Default or Event of Default exists, to the payment of any amounts owing to any Borrower as a result of any judgment of a court of competent jurisdiction obtained by such Borrower against that Defaulting Lender as a result of that Defaulting Lender's breach of its obligations under this Agreement; and eighth, to that Defaulting Lender or as otherwise directed by a court of competent jurisdiction; provided, that, if (x) such payment is a payment of the principal amount of any Loans or L/C Borrowings in respect of which that Defaulting Lender has not fully funded its appropriate share and (y) such Loans were made or the related Letters of Credit were issued at a time when the conditions set forth in Section 5.02 were satisfied or waived, such payment shall be applied solely to the pay the Loans of, and L/C Obligations owed to, all Non-Defaulting Lenders on a pro rata basis prior to being applied to the payment of any Loans of, or L/C Obligations owed to, that Defaulting Lender until such time as all Loans and funded and unfunded participations in L/C Obligations and Swing Line Loans are held by the Lenders pro rata in accordance with the Commitments hereunder without giving effect to Section 2.15(a)(iv). Any payments, prepayments or other amounts paid or payable to a Defaulting Lender that are applied (or held) to pay amounts owed by a Defaulting Lender or to post Cash Collateral pursuant to this Section 2.15(a)(ii) shall be deemed paid to and redirected by that Defaulting Lender, and each Lender irrevocably consents hereto.

(iii) Certain Fees.

(A) No Defaulting Lender shall be entitled to receive any Commitment Fee pursuant to Section 2.09(a) for any period during which such Lender is a Defaulting Lender (and the Borrowers shall not be required to pay any such fee that otherwise would have been required to have been paid to such Defaulting Lender).

(B) Each Defaulting Lender shall be entitled to receive Letter of Credit Fees for any period during which that Lender is a Defaulting Lender only to the extent allocable to its Applicable Percentage of the stated amount of Letters of Credit for which it has provided Cash Collateral pursuant to Section 2.14.

(C) With respect to any Letter of Credit Fee not required to be paid to any Defaulting Lender pursuant to clause (B) above, the Parent Borrower shall (x) pay to each Non-Defaulting Lender that portion of any such fee otherwise payable to such Defaulting Lender with respect to such Defaulting Lender's participation in L/C Obligations that has been reallocated to such Non-Defaulting Lender pursuant to clause (iv) below, (y) pay to the L/C Issuer the amount of any such fee otherwise payable to such Defaulting Lender to the extent allocable to such L/C

Issuer's Fronting Exposure to such Defaulting Lender, and (z) not be required to pay the remaining amount of any such fee.

(iv) Reallocation of Applicable Percentages to Reduce Fronting Exposure. All or any part of such Defaulting Lender's participation in L/C Obligations and Swing Line Loans shall be reallocated among the Non-Defaulting Lenders in accordance with their respective Applicable Percentages (calculated without regard to such Defaulting Lender's Revolving Commitment) but only to the extent that (x) the conditions set forth in Section 5.02 are satisfied at the time of such reallocation (and, unless the Parent Borrower shall have otherwise notified the Administrative Agent at such time, the Parent Borrower shall be deemed to have represented and warranted that such conditions are satisfied at such time), and (y) such reallocation does not cause the aggregate Revolving Credit Exposure of any Non-Defaulting Lender to exceed such Non-Defaulting Lender's Revolving Commitment. Subject to Section 11.21, no reallocation hereunder shall constitute a waiver or release of any claim of any party hereunder against a Defaulting Lender arising from that Lender having become a Defaulting Lender, including any claim of a Non-Defaulting Lender as a result of such Non-Defaulting Lender's increased exposure following such reallocation.

(v) Cash Collateral, Repayment of Swing Line Loans. If the reallocation described in clause (a)(iv) above cannot, or can only partially, be effected, the Parent Borrower shall, without prejudice to any right or remedy available to it hereunder or under applicable Law, (x) first, prepay Swing Line Loans in an amount equal to the Swing Line Lender's Fronting Exposure and (y) second, Cash Collateralize the L/C Issuer's Fronting Exposure in accordance with the procedures set forth in Section 2.14.

(b) Defaulting Lender Cure. If the Parent Borrower, the Administrative Agent, Swing Line Lender and the L/C Issuer agree in writing that a Defaulting Lender should no longer be deemed to be a Defaulting Lender, the Administrative Agent will so notify the parties hereto, whereupon as of the effective date specified in such notice and subject to any conditions set forth therein (which may include arrangements with respect to any Cash Collateral), that Lender will, to the extent applicable, purchase at par that portion of outstanding Loans of the other Lenders or take such other actions as the Agents may determine to be necessary to cause the Loans and funded and unfunded participations in Letters of Credit and Swing Line Loans to be held on a pro rata basis by the Lenders in accordance with their Applicable Percentages (without giving effect to Section 2.15(a)(iv)), whereupon such Lender will cease to be a Defaulting Lender; provided, that, no adjustments will be made retroactively with respect to fees accrued or payments made by or on behalf of the Parent Borrower while that Lender was a Defaulting Lender; provided, further, that, except to the extent otherwise expressly agreed by the affected parties, no change hereunder from Defaulting Lender to Lender will constitute a waiver or release of any claim of any party hereunder arising from that Lender having been a Defaulting Lender.

2.16 Designated Lenders. Each of the Administrative Agent, the L/C Issuer, the Swing Line Lender and each Lender at its option may make any Credit Extension or otherwise perform its obligations hereunder through any Lending Office (each, a "Designated Lender"); provided, that, any exercise of such option shall not affect the obligation of the applicable Borrower to repay any Credit Extension in accordance with the terms of this Agreement. Any Designated Lender shall be considered a Lender; provided, that, in the case of an Affiliate or branch of a Lender, all provisions applicable to a Lender shall apply to such Affiliate or branch of such Lender to the same extent as such Lender; provided, further, that, for the purposes only of voting in connection with any Loan Document, any participation by any Designated Lender in any outstanding Credit Extension shall be deemed a participation of such Lender.

2.17 Erroneous Payment.

(a) If the Administrative Agent notifies a Lender, L/C Issuer or Secured Party, or any Person who has received funds on behalf of a Lender, L/C Issuer or Secured Party such Lender or L/C Issuer (any such Lender, L/C Issuer, Secured Party or other recipient, a “Payment Recipient”) that the Administrative Agent has determined in its sole discretion (whether or not after receipt of any notice under immediately succeeding clause (b)) that any funds received by such Payment Recipient from the Administrative Agent or any of its Affiliates were erroneously transmitted to, or otherwise erroneously or mistakenly received by, such Payment Recipient (whether or not known to such Lender, L/C Issuer, Secured Party or other Payment Recipient on its behalf) (any such funds, whether received as a payment, prepayment or repayment of principal, interest, fees, distribution or otherwise, individually and collectively, an “Erroneous Payment”) and demands the return of such Erroneous Payment (or a portion thereof), such Erroneous Payment shall at all times remain the property of the Administrative Agent and shall be segregated by the Payment Recipient and held in trust for the benefit of the Administrative Agent, and such Lender, L/C Issuer or Secured Party shall (or, with respect to any Payment Recipient who received such funds on its behalf, shall cause such Payment Recipient to) promptly, but in no event later than two Business Days thereafter, return to the Administrative Agent the amount of any such Erroneous Payment (or portion thereof) as to which such a demand was made, in same day funds (in the currency so received), together with interest thereon in respect of each day from and including the date such Erroneous Payment (or portion thereof) was received by such Payment Recipient to the date such amount is repaid to the Administrative Agent in same day funds at the greater of the Federal Funds Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation from time to time in effect. A notice of the Administrative Agent to any Payment Recipient under this clause (a) shall be conclusive, absent manifest error.

(b) Without limiting immediately preceding clause (a), each Lender, L/C Issuer or Secured Party, or any Person who has received funds on behalf of a Lender, L/C Issuer or Secured Party such Lender or L/C Issuer, hereby further agrees that if it receives a payment, prepayment or repayment (whether received as a payment, prepayment or repayment of principal, interest, fees, distribution or otherwise) from the Administrative Agent (or any of its Affiliates) (x) that is in a different amount than, or on a different date from, that specified in a notice of payment, prepayment or repayment sent by the Administrative Agent (or any of its Affiliates) with respect to such payment, prepayment or repayment, (y) that was not preceded or accompanied by a notice of payment, prepayment or repayment sent by the Administrative Agent (or any of its Affiliates), or (z) that such Lender, L/C Issuer or Secured Party, or other such recipient, otherwise becomes aware was transmitted, or received, in error or by mistake (in whole or in part) in each case:

(i) (A) in the case of immediately preceding clauses (x) or (y), an error shall be presumed to have been made (absent written confirmation from the Administrative Agent to the contrary) or (B) an error has been made (in the case of immediately preceding clause (z)), in each case, with respect to such payment, prepayment or repayment; and

(ii) such Lender, L/C Issuer or Secured Party shall (and shall cause any other recipient that receives funds on its respective behalf to) promptly (and, in all events, within one Business Day of its knowledge of such error) notify the Administrative Agent of its receipt of such payment, prepayment or repayment, the details thereof (in reasonable detail) and that it is so notifying the Administrative Agent pursuant to this Section 2.17(b); and

(c) Each Lender, L/C Issuer or Secured Party hereby authorizes the Administrative Agent to set off, net and apply any and all amounts at any time owing to such Lender, L/C Issuer or Secured Party under any Loan Document, or otherwise payable or distributable by the Administrative Agent to such

Lender, L/C Issuer or Secured Party from any source, against any amount due to the Administrative Agent under immediately preceding clause (a) or under the indemnification provisions of this Agreement.

(d) In the event that an Erroneous Payment (or portion thereof) is not recovered by the Administrative Agent for any reason, after demand therefor by the Administrative Agent in accordance with immediately preceding clause (a), from any Lender or L/C Issuer that has received such Erroneous Payment (or portion thereof) (and/or from any Payment Recipient who received such Erroneous Payment (or portion thereof) on its respective behalf) (such unrecovered amount, an “Erroneous Payment Return Deficiency”), upon the Administrative Agent’s notice to such Lender or L/C Issuer at any time, (i) such Lender or L/C Issuer shall be deemed to have assigned its Loans (but not its Commitments) of the relevant class with respect to which such Erroneous Payment was made (the “Erroneous Payment Impacted Class”) in an amount equal to the Erroneous Payment Return Deficiency (or such lesser amount as the Administrative Agent may specify) (such assignment of the Loans (but not Commitments) of the Erroneous Payment Impacted Class, the “Erroneous Payment Deficiency Assignment”) at par plus any accrued and unpaid interest (with the assignment fee to be waived by the Administrative Agent in such instance), and is hereby (together with the Parent Borrower) deemed to execute and deliver an Assignment and Assumption (or, to the extent applicable, an agreement incorporating an Assignment and Assumption by reference pursuant to a Platform as to which the Administrative Agent and such parties are participants) with respect to such Erroneous Payment Deficiency Assignment, and such Lender or L/C Issuer shall deliver any Notes evidencing such Loans to the Parent Borrower or the Administrative Agent, (ii) the Administrative Agent as the assignee Lender shall be deemed to acquire the Erroneous Payment Deficiency Assignment, (iii) upon such deemed acquisition, the Administrative Agent as the assignee Lender shall become a Lender or L/C Issuer, as applicable, hereunder with respect to such Erroneous Payment Deficiency Assignment and the assigning Lender or assigning L/C Issuer shall cease to be a Lender or L/C Issuer, as applicable, hereunder with respect to such Erroneous Payment Deficiency Assignment, excluding, for the avoidance of doubt, its obligations under the indemnification provisions of this Agreement and its applicable Commitments which shall survive as to such assigning Lender or assigning L/C Issuer and (iv) the Administrative Agent may reflect in the Register its ownership interest in the Loans subject to the Erroneous Payment Deficiency Assignment. The Administrative Agent may, in its discretion, sell any Loans acquired pursuant to an Erroneous Payment Deficiency Assignment and upon receipt of the proceeds of such sale, the Erroneous Payment Return Deficiency owing by the applicable Lender or L/C Issuer shall be reduced by the net proceeds of the sale of such Loan (or portion thereof), and the Administrative Agent shall retain all other rights, remedies and claims against such Lender or L/C Issuer (and/or against any recipient that receives funds on its respective behalf). For the avoidance of doubt, no Erroneous Payment Deficiency Assignment will reduce the Commitments of any Lender or L/C Issuer and such Commitments shall remain available in accordance with the terms of this Agreement. In addition, each party hereto agrees that, except to the extent that the Administrative Agent has sold a Loan (or portion thereof) acquired pursuant to an Erroneous Payment Deficiency Assignment, and irrespective of whether the Administrative Agent may be equitably subrogated, the Administrative Agent shall be contractually subrogated to all the rights and interests of the applicable Lender, L/C Issuer or Secured Party under the Loan Documents with respect to each Erroneous Payment Return Deficiency (the “Erroneous Payment Subrogation Rights”).

(e) The parties hereto agree that an Erroneous Payment shall not pay, prepay, repay, discharge or otherwise satisfy any Obligations owed by the Parent Borrower or any other Loan Party, except, in each case, to the extent such Erroneous Payment is, and solely with respect to the amount of such Erroneous Payment that is, comprised of funds received by the Administrative Agent from the Parent Borrower or any other Loan Party for the purpose of making such Erroneous Payment.

(f) To the extent permitted by applicable Law, no Payment Recipient shall assert any right or claim to an Erroneous Payment, and hereby waives, and is deemed to waive, any claim, counterclaim, defense or right of set-off or recoupment with respect to any demand, claim or counterclaim

by the Administrative Agent for the return of any Erroneous Payment received, including without limitation waiver of any defense based on “discharge for value” or any similar doctrine.

(g) Each party’s obligations, agreements and waivers under this Section 2.17 shall survive the resignation or replacement of the Administrative Agent, any transfer of rights or obligations by, or the replacement of, a Lender or L/C Issuer, the termination of the Commitments and/or the repayment, satisfaction or discharge of all Obligations (or any portion thereof) under any Loan Document.

ARTICLE III. TAXES, YIELD PROTECTION AND ILLEGALITY

3.01 Taxes.

(a) Payments Free of Taxes; Obligation to Withhold; Payments on Account of Taxes.

(i) Any and all payments by or on account of any obligation of any Loan Party under any Loan Document shall be made without deduction or withholding for any Taxes, except as required by applicable Laws. If any applicable Laws (as determined in the good faith discretion of the Administrative Agent) require the deduction or withholding of any Tax from any such payment by any Agent or a Loan Party, then such Agent or such Loan Party shall be entitled to make such deduction or withholding, upon the basis of the information and documentation to be delivered pursuant to subsection (e) below.

(ii) If any Loan Party or any Agent shall be required by applicable Laws to withhold or deduct any Taxes from any payment, then (A) such Loan Party or such Agent shall withhold or make such deductions as are determined by such Loan Party or such Agent to be required based upon the information and documentation it has received pursuant to subsection (e) below, (B) such Loan Party or such Agent shall timely pay the full amount withheld or deducted to the relevant Governmental Authority in accordance with the applicable Laws, and (C) to the extent that the withholding or deduction is made on account of Indemnified Taxes, the sum payable by the applicable Loan Party shall be increased as necessary so that after any required withholding or the making of all required deductions (including deductions applicable to additional sums payable under this Section 3.01) the applicable Recipient receives an amount equal to the sum it would have received had no such withholding or deduction been made.

(b) Payment of Other Taxes by the Loan Parties. Without limiting the provisions of subsection (a) above, the Loan Parties shall timely pay to the relevant Governmental Authority in accordance with applicable Laws, or at the option of the Administrative Agent timely reimburse it for the payment of, any Other Taxes.

(c) Tax Indemnifications.

(i) Each of the Loan Parties shall, and does hereby, jointly and severally indemnify each Recipient, and shall make payment in respect thereof within ten days after demand therefor, for the full amount of any Indemnified Taxes (including Indemnified Taxes imposed or asserted on or attributable to amounts payable under this Section 3.01) payable or paid by such Recipient or required to be withheld or deducted from a payment to such Recipient, and any penalties, interest and reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount

of such payment or liability delivered to the Parent Borrower by a Lender or the L/C Issuer (with a copy to the Administrative Agent), or by the Administrative Agent on its own behalf or on behalf of a Lender or the L/C Issuer, shall be conclusive absent manifest error. Each of the Loan Parties shall, and does hereby, jointly and severally indemnify the Administrative Agent, and shall make payment in respect thereof within ten days after demand therefor, for any amount which a Lender or the L/C Issuer for any reason fails to pay indefeasibly to the Administrative Agent as required pursuant to Section 3.01(c)(ii) below.

(ii) Each Lender and the L/C Issuer shall, and does hereby, severally indemnify, and shall make payment in respect thereof within 10 days after demand therefor, (x) the Administrative Agent against any Indemnified Taxes attributable to such Lender or the L/C Issuer (but only to the extent that any Loan Party has not already indemnified the Administrative Agent for such Indemnified Taxes and without limiting the obligation of the Loan Parties to do so), (y) the Administrative Agent and the Loan Parties, as applicable, against any Taxes attributable to such Lender's failure to comply with the provisions of Section 11.06(d) relating to the maintenance of a Participant Register and (z) the Administrative Agent and the Loan Parties, as applicable, against any Excluded Taxes attributable to such Lender or the L/C Issuer, in each case, that are payable or paid by the Administrative Agent or a Loan Party in connection with any Loan Document, and any reasonable expenses arising therefrom or with respect thereto, whether or not such Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to any Lender by the Administrative Agent shall be conclusive absent manifest error. Each Lender and the L/C Issuer hereby authorizes the Administrative Agent to set off and apply any and all amounts at any time owing to such Lender or the L/C Issuer, as the case may be, under this Agreement or any other Loan Document against any amount due to the Administrative Agent under this clause (ii).

(d) Evidence of Payments. Upon request by any Loan Party or any Agent, as the case may be, after any payment of Taxes by such Loan Party or by such Agent to a Governmental Authority as provided in this Section 3.01, such Loan Party shall deliver to such Agent or such Agent shall deliver to such Loan Party, as the case may be, the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment, a copy of any return required by Laws to report such payment or other evidence of such payment reasonably satisfactory to such Loan Party or such Agent, as the case may be.

(e) Status of Lenders; Tax Documentation.

(i) Any Lender that is entitled to an exemption from or reduction of withholding Tax with respect to payments made under any Loan Document shall deliver to the Parent Borrower and the Agents, at the time or times reasonably requested by the Parent Borrower or the Agents, such properly completed and executed documentation reasonably requested by the Parent Borrower or the Agents as will permit such payments to be made without withholding or at a reduced rate of withholding. In addition, any Lender, if reasonably requested by the Parent Borrower or any Agent, shall deliver such other documentation prescribed by applicable Law or reasonably requested by the Parent Borrower or any Agent as will enable the Parent Borrower or such Agent to determine whether or not such Lender is subject to backup withholding or information reporting requirements. Notwithstanding anything to the contrary in the preceding two sentences, the completion, execution and submission of such documentation (other than such

documentation set forth in Section 3.01(e)(ii)(A), 3.01(e)(ii)(B), and 3.01(e)(ii)(D), below) shall not be required if in the Lender's reasonable judgment such completion, execution or submission would subject such Lender to any material unreimbursed cost or expense or would materially prejudice the legal or commercial position of such Lender.

(ii) Without limiting the generality of the foregoing, in the event that any Borrower is a U.S. Person,

(A) any Lender that is a U.S. Person shall deliver to the Parent Borrower and the Administrative Agent on or prior to the date on which such Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Parent Borrower or the Administrative Agent), executed originals of IRS Form W-9 certifying that such Lender is exempt from U.S. federal backup withholding tax;

(B) any Foreign Lender shall, to the extent it is legally entitled to do so, deliver to the Parent Borrower and the Administrative Agent (in such number of copies as shall be requested by the recipient) on or prior to the date on which such Foreign Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Parent Borrower or the Administrative Agent), whichever of the following is applicable:

(1) in the case of a Foreign Lender claiming the benefits of an income tax treaty to which the United States is a party (x) with respect to payments of interest under any Loan Document, executed originals of IRS Form W-8BEN or W-8BEN-E, as applicable, establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the "interest" Article of such tax treaty and (y) with respect to any other applicable payments under any Loan Document, IRS Form W-8BEN or W-8BEN-E, as applicable, establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the "business profits" or "other income" Article of such tax treaty;

(2) executed originals of IRS Form W-8ECI;

(3) in the case of a Foreign Lender claiming the benefits of the exemption for portfolio interest under Section 881(c) of the Internal Revenue Code, (x) a certificate substantially in the form of Exhibit H-1 to the effect that such Foreign Lender is not a "bank" within the meaning of Section 881(c)(3)(A) of the Internal Revenue Code, a "10 percent shareholder" of any Borrower within the meaning of Section 881(c)(3)(B) of the Internal Revenue Code, or a "controlled foreign corporation" described in Section 881(c)(3)(C) of the Internal Revenue Code (a "U.S. Tax Compliance Certificate") and (y) executed originals of IRS Form W-8BEN or W-8BEN-E, as applicable;; or

(4) to the extent a Foreign Lender is not the beneficial owner, executed originals of IRS Form W-8IMY, accompanied by IRS Form W-8ECI, IRS Form W-8BEN or W-8BEN-E, as applicable, a U.S. Tax Compliance Certificate substantially in the form of Exhibit H-2 or Exhibit H-3, IRS Form W-9, and/or other certification documents from each

beneficial owner, as applicable; provided that if the Foreign Lender is a partnership and one or more direct or indirect partners of such Foreign Lender are claiming the portfolio interest exemption, such Foreign Lender may provide a U.S. Tax Compliance Certificate substantially in the form of Exhibit H-4 on behalf of each such direct and indirect partner;

(C) any Lender shall, to the extent it is legally entitled to do so, deliver to the Parent Borrower and the Administrative Agent (in such number of copies as shall be requested by the recipient) on or prior to the date on which such Foreign Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Parent Borrower or the Administrative Agent), executed originals of any other form prescribed by applicable Law as a basis for claiming exemption from or a reduction in any withholding Tax, duly completed, together with such supplementary documentation as may be prescribed by applicable Law to permit the Parent Borrower or the Administrative Agent to determine the withholding or deduction required to be made; and

(D) if a payment made to a Lender under any Loan Document would be subject to U.S. federal withholding Tax imposed by FATCA if such Lender were to fail to comply with the applicable reporting requirements of FATCA (including those contained in Section 1471(b) or 1472(b) of the Internal Revenue Code, as applicable), such Lender shall deliver to the Parent Borrower and the Administrative Agent at the time or times prescribed by law and at such time or times reasonably requested by the Parent Borrower or the Administrative Agent such documentation prescribed by applicable Law (including as prescribed by Section 1471(b)(3)(C)(i) of the Internal Revenue Code) and such additional documentation reasonably requested by the Parent Borrower or the Administrative Agent as may be necessary for the Parent Borrower and the Administrative Agent to comply with their obligations under FATCA and to determine that such Lender has complied with such Lender's obligations under FATCA or to determine the amount to deduct and withhold from such payment. Solely for purposes of this clause (D), "FATCA" shall include any amendments made to FATCA after the Closing Date.

(iii) Each Lender agrees that if any form or certification it previously delivered pursuant to this Section 3.01 expires or becomes obsolete or inaccurate in any respect, it shall update such form or certification or promptly notify the Parent Borrower and the Agents in writing of its legal inability to do so.

(f) Treatment of Certain Refunds. Unless required by applicable Laws, at no time shall any Agent have any obligation to file for or otherwise pursue on behalf of a Lender or the L/C Issuer, or have any obligation to pay to any Lender or the L/C Issuer, any refund of Taxes withheld or deducted from funds paid for the account of such Lender or the L/C Issuer, as the case may be. If any Recipient determines, in its sole discretion exercised in good faith, that it has received a refund of any Taxes as to which it has been indemnified by any Loan Party or with respect to which any Loan Party has paid additional amounts pursuant to this Section 3.01, it shall pay to the Loan Party an amount equal to such refund (but only to the extent of indemnity payments made, or additional amounts paid, by a Loan Party under this Section 3.01 with respect to the Taxes giving rise to such refund), net of all out-of-pocket expenses (including Taxes) incurred by such Recipient, and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund), provided that the Loan Party, upon the request of the Recipient, agrees to repay the amount paid over to the Loan Party (plus any penalties, interest or other charges imposed

by the relevant Governmental Authority) to the Recipient in the event the Recipient is required to repay such refund to such Governmental Authority. Notwithstanding anything to the contrary in this subsection, in no event will the applicable Recipient be required to pay any amount to the Loan Party pursuant to this subsection the payment of which would place the Recipient in a less favorable net after-Tax position than such Recipient would have been in if the Tax subject to indemnification and giving rise to such refund had not been deducted, withheld or otherwise imposed and the indemnification payments or additional amounts with respect to such Tax had never been paid. This subsection shall not be construed to require any Recipient to make available its tax returns (or any other information relating to its taxes that it deems confidential) to any Loan Party or any other Person.

(g) Survival. Each party's obligations under this Section 3.01 shall survive the resignation or replacement of any Agent or any assignment of rights by, or the replacement of, a Lender or the L/C Issuer, the termination of the Commitments and the repayment, satisfaction or discharge of all other Obligations.

3.02 Illegality.

(a) If any Lender reasonably determines that any Law has made it unlawful, or that any Governmental Authority has asserted that it is unlawful, for any Lender or its applicable Lending Office to make, maintain or fund Loans whose interest is determined by reference to SOFR, the Term SOFR Reference Rate, Term SOFR, Daily SOFR, CORRA Rate, Daily Simple CORRA or BBSY Loans or to determine or charge interest rates based upon SOFR, the Term SOFR Reference Rate, Term SOFR, Daily SOFR, CORRA Rate, Daily Simple CORRA or BBSY Loans or any Governmental Authority has imposed material restrictions on the authority of such Lender to purchase or sell, or to take deposits of, Dollars, Canadian Dollars or in an Alternative Currency in the applicable market, then, on notice thereof by such Lender to the Parent Borrower through the Administrative Agent, (i) any obligation of such Lender to make or continue SOFR Loans, Daily SOFR Loans, CORRA Loans, BBSY Loans or Daily Simple CORRA Loans, as applicable, in the affected currency or currencies or, in the case of SOFR Loans or Daily SOFR Loans in Dollars, to convert Base Rate Loans to SOFR Loans or Daily SOFR Loans shall be suspended and (ii) if such notice asserts the illegality of such Lender making or maintaining Base Rate Loans the interest rate on which is determined by reference to the Term SOFR component of the Base Rate, the interest rate on which Base Rate Loans of such Lender shall, if necessary to avoid such illegality, be determined by the Administrative Agent without reference to the Term SOFR component of the Base Rate, in each case until such Lender notifies the Administrative Agent and the Parent Borrower that the circumstances giving rise to such determination no longer exist. Upon receipt of such notice, (x) the applicable Borrower shall, upon demand from such Lender (with a copy to the Administrative Agent), prepay all SOFR Loans, Daily SOFR Loans, CORRA Loans, Daily Simple CORRA Loans or BBSY Loans, as applicable, or, if applicable and such Loans are denominated in Dollars, convert all SOFR Loans or Daily SOFR Loans of such Lender to Base Rate Loans (the interest rate on which Base Rate Loans of such Lender shall, if necessary to avoid such illegality, be determined by the Administrative Agent without reference to the Term SOFR component of the Base Rate), either on the last day of the Interest Period therefor, if applicable and if such Lender may lawfully continue to maintain such SOFR Loans, Daily SOFR Loans, CORRA Loans, Daily Simple CORRA Loans or BBSY Loans to such day, or immediately, if such Lender may not lawfully continue to maintain such SOFR Loans, Daily SOFR Loans, CORRA Loans, Daily Simple CORRA Loans or BBSY Loans and (y) if such notice asserts the illegality of such Lender determining or charging interest rates based upon the Term SOFR, the Administrative Agent shall during the period of such suspension compute the Base Rate applicable to such Lender without reference to the Term SOFR component thereof until the Administrative Agent is advised in writing by such Lender that it is no longer illegal for such Lender to determine or charge interest rates based upon the Term SOFR. Upon any such prepayment or conversion, the applicable Borrower shall also pay accrued interest on the amount so prepaid or converted.

(b) If, in any applicable jurisdiction, the Administrative Agent, the L/C Issuer or any Lender or any Designated Lender determines that any Law has made it unlawful, or that any Governmental Authority has asserted that it is unlawful, for the Administrative Agent, the L/C Issuer or any Lender or its applicable Designated Lender to (i) perform any of its obligations hereunder or under any other Loan Document, (ii) to fund or maintain its participation in any Loan or Letter of Credit or (iii) issue, make, maintain, fund or charge interest or fees with respect to any Credit Extension, such Person shall promptly notify the Administrative Agent, then, upon the Administrative Agent notifying the Parent Borrower, and until such notice by such Person is revoked, any obligation of such Person to issue, make, maintain, fund or charge interest or fees with respect to any such Credit Extension shall be suspended, and to the extent required by applicable Law, cancelled. Upon receipt of such notice, the Loan Parties shall, (A) repay that Person's participation in the Loans or other applicable Obligations on the last day of the Interest Period for each Loan or other Obligation occurring after the Administrative Agent has notified the Parent Borrower or, if earlier, the date specified by such Person in the notice delivered to the Administrative Agent (being no earlier than the last day of any applicable grace period permitted by applicable Law), (B) to the extent applicable to the L/C Issuer, Cash Collateralize that portion of applicable L/C Obligations comprised of the aggregate undrawn amount of Letters of Credit to the extent not otherwise Cash Collateralized and (C) take all reasonable actions requested by such Person to mitigate or avoid such illegality.

3.03 Inability to Determine Rates.

(a) Inability to Determine Rates. If in connection with any request for a Daily SOFR Loan, SOFR Loan or an Alternative Currency Loan or a conversion of Base Rate Loans to a Daily SOFR Loan or SOFR Loans or conversion of an Alternative Currency Loan or a continuation of any of such Loans, as applicable, (i) the Administrative Agent determines (which determination shall be conclusive absent manifest error) that (A) deposits (whether in Dollars, Canadian Dollars or another Alternative Currency) are not being offered to banks in the applicable interbank market for such currency, for the applicable amount and Interest Period of such SOFR Loan or Alternative Currency Loan, for the applicable amount and Interest Period of such SOFR Loan or Alternative Currency Loan, (B) no Successor Rate for the Relevant Rate for the applicable Agreed Currency has been determined in accordance with Section 3.03(b) or Section 3.03(c) and the circumstances under clause (i) of Section 3.03(b) or of Section 3.03(c) or the Scheduled Unavailability Date, or the SOFR Scheduled Unavailability Date, has occurred with respect to such Relevant Rate (as applicable), or (C) adequate and reasonable means do not otherwise exist for determining the Relevant Rate for the applicable Agreed Currency for any determination date(s) or requested Interest Period, as applicable, with respect to a proposed Daily SOFR Loan, SOFR Loan or an Alternative Currency Loan or in connection with an existing or proposed Base Rate Loan, or (D) a fundamental change has occurred in the foreign exchange or interbank markets with respect to an Alternative Currency (including changes in national or international financial, political or economic conditions or currency exchange rates or exchange controls) (in each case with respect to clause (i), "Impacted Loans") or (ii) the Administrative Agent or the Required Lenders determine that for any reason that the Relevant Rate with respect to a proposed Loan denominated in an Agreed Currency for any requested Interest Period or Daily Simple CORRA with respect to a proposed Alternative Currency Daily Rate Loan or determination date(s), as applicable, does not adequately and fairly reflect the cost to such Lenders of funding such Loan, the Administrative Agent will promptly so notify the Company and each Lender.

Thereafter, (x) the obligation of the Lenders to make or maintain Daily SOFR Loans, SOFR Loans or Loans in the affected currency or currencies, as applicable, or to convert Base Rate Loans to Daily SOFR Loans or SOFR Loans or Loans in the affected currencies, as applicable, shall be suspended in each case to the extent of the affected Daily SOFR Loans, SOFR Loans, Alternative Currency Loans or Interest Period or determination date(s), as applicable, and (y) in the event of a determination described in the preceding sentence with respect to the Daily SOFR component of the Base Rate, the utilization of the Term SOFR

component in determining the Base Rate shall be suspended, in each case until the Administrative Agent (or, in the case of a determination by the Required Lenders described in clause (ii) of this Section 3.03(a), until the Administrative Agent upon instruction of the Required Lenders) revokes such notice.

Upon receipt of such notice, (i) the Borrower may revoke any pending request for a Borrowing of, or conversion to Daily SOFR Loans or SOFR Loans, or Borrowing of, or continuation of Alternative Currency Loans to the extent of the affected Alternative Currency Loans or Interest Period or determination date(s), as applicable or, failing that, will be deemed to have converted such request into a request for a Borrowing of Base Rate Loans in the Dollar Equivalent of the amount specified therein and (ii) (A) any outstanding Daily SOFR Loans or SOFR Loans shall be deemed to have been converted to Base Rate Loans immediately and (B) any outstanding affected Alternative Currency Loans, at the Company's election, shall either (1) be converted into a Borrowing of Base Rate Loans denominated in Dollars in the Dollar Equivalent of the amount of such outstanding Alternative Currency Loan immediately, in the case of an Alternative Currency Daily Rate Loan or at the end of the applicable Interest Period, in the case of an Alternative Currency Term Rate Loan or (2) be prepaid in full immediately, in the case of an Alternative Currency Daily Rate Loan, or at the end of the applicable Interest Period, in the case of an Alternative Currency Term Rate Loan; provided that if no election is made by the Company (x) in the case of an Alternative Currency Daily Rate Loan, by the date that is three Business Days after receipt by the Company of such notice or (y) in the case of an Alternative Currency Term Rate Loan, by the last day of the current Interest Period for the applicable Alternative Currency Term Rate Loan, the Company shall be deemed to have elected clause (1) above.

Notwithstanding the foregoing, if the Administrative Agent has made the determination described in clause (a)(i) of this Section 3.03, the Administrative Agent, in consultation with the Borrower and the Required Lenders, may establish an alternative interest rate for the Impacted Loans, in which case, such alternative rate of interest shall apply with respect to the Impacted Loans until (i) the Administrative Agent revokes the notice delivered with respect to the Impacted Loans under clause (a)(i) of this Section 3.03, (ii) the Administrative Agent or the Required Lenders notify the Administrative Agent and the Borrower that such alternative interest rate does not adequately and fairly reflect the cost to such Lenders of funding the Impacted Loans, or (iii) any Lender determines that any Change in Law has made it unlawful, or that any Governmental Authority has asserted that it is unlawful, for such Lender or its applicable Lending Office to make, maintain or fund Loans whose interest is determined by reference to such alternative rate of interest or to determine or charge interest rates based upon such rate or any Governmental Authority has imposed material restrictions on the authority of such Lender to do any of the foregoing and provides the Administrative Agent and the Company written notice thereof.

(b) Replacement of SOFR or SOFR Successor Rate. Notwithstanding anything to the contrary in this Agreement or any other Loan Documents, if the Administrative Agent determines (which determination shall be conclusive absent manifest error), or the Borrowers or Required Lenders notify the Administrative Agent (with, in the case of the Required Lenders, a copy to the Borrowers) that the Borrowers or Required Lenders (as applicable) have determined, that:

(i) adequate and reasonable means do not exist for ascertaining SOFR because SOFR is not available or published on a current basis and such circumstances are unlikely to be temporary; or

(ii) the Applicable Authority has made a public statement identifying a specific date after which SOFR shall or will no longer be representative or made available, or permitted to be used for determining the interest rate of syndicated loans denominated in Dollars, or shall or will otherwise cease, provided that, in each case, at the time of such statement, there is no successor administrator that is satisfactory to the Administrative Agent that will continue to provide SOFR

on a representative basis (the date on which SOFR is no longer representative or available permanently or indefinitely, the “SOFR Scheduled Unavailability Date”);

(iii) or if the events or circumstances of the type described in Section 3.03(b)(i) or (ii) have occurred with respect to the SOFR Successor Rate then in effect, then, the Administrative Agent and the Borrowers may amend this Agreement solely for the purpose of replacing SOFR for Dollars or any then current SOFR Successor Rate for Dollars in accordance with this Section 3.03 with an alternative benchmark rate giving due consideration to any evolving or then existing convention for similar credit facilities syndicated and agented in the U.S. and denominated in Dollars for such alternative benchmarks, and, in each case, including any mathematical or other adjustments to such benchmark giving due consideration to any evolving or then existing convention for similar credit facilities syndicated and agented in the U.S. and denominated in Dollars for such benchmarks (and any such proposed rate, including for the avoidance of doubt, any adjustment thereto, a “SOFR Successor Rate”), and any such amendment shall become effective at 5:00 p.m. on the fifth Business Day after the Administrative Agent shall have posted such proposed amendment to all Lenders and the Borrowers unless, prior to such time, Lenders comprising the Required Lenders have delivered to the Administrative Agent written notice that such Required Lenders object to such amendment.

(c) Replacement of Relevant Rate or Successor Rate. Notwithstanding anything to the contrary in this Agreement or any other Loan Documents (including Section 11.01 hereof), if the Administrative Agent determines (which determination shall be conclusive absent manifest error), or the Borrowers or Required Lenders notify the Administrative Agent (with, in the case of the Required Lenders, a copy to the Borrowers) that the Borrowers or Required Lenders (as applicable) have determined, that:

(i) adequate and reasonable means do not exist for ascertaining the Relevant Rate (other than SOFR) for an Agreed Currency (other than Dollars) because none of the tenors of such Relevant Rate (other than SOFR) under this Agreement is available or published on a current basis and such circumstances are unlikely to be temporary; or

(ii) the Applicable Authority has made a public statement identifying a specific date after which all tenors of the Relevant Rate (other than SOFR) for an Agreed Currency (other than Dollars) under this Agreement shall or will no longer be representative or made available, or permitted to be used for determining the interest rate of syndicated loans denominated in such Agreed Currency (other than Dollars), or shall or will otherwise cease, provided that, in each case, at the time of such statement, there is no successor administrator that is satisfactory to the Administrative Agent that will continue to provide such representative tenor(s) of the Relevant Rate (other than SOFR) for such Agreed Currency (other than Dollars) (the latest date on which all tenors of the Relevant Rate for such Agreed Currency (other than Dollars) under this Agreement are no longer representative or available permanently or indefinitely, the “Scheduled Unavailability Date”); or

(iii) syndicated loans currently being executed and agented in the U.S., are being executed or amended (as applicable) to incorporate or adopt a new benchmark interest rate to replace the Relevant Rate (other than SOFR) for an Alternative Currency;

(iv) or if the events or circumstances of the type described in Section 3.03(c)(i), (ii) or (iii) have occurred with respect to the Successor Rate then in effect, then, the Administrative Agent and the Borrower may amend this Agreement solely for the purpose of replacing the Relevant Rate for an Agreed Currency or any then current Successor Rate for an Agreed Currency in accordance with this Section 3.03 with an alternative benchmark rate giving due consideration to any evolving

or then existing convention for similar credit facilities syndicated and agented in the U.S. and denominated in such Agreed Currency for such alternative benchmarks, and, in each case, including any mathematical or other adjustments to such benchmark giving due consideration to any evolving or then existing convention for similar credit facilities syndicated and agented in the U.S. and denominated in such Agreed Currency for such benchmarks (and any such proposed rate, including for the avoidance of doubt, any adjustment thereto, a “Non-SOFR Successor Rate”, and collectively with the SOFR Successor Rate, each a “Successor Rate”), and any such amendment shall become effective at 5:00 p.m. on the fifth Business Day after the Administrative Agent shall have posted such proposed amendment to all Lenders and the Borrower unless, prior to such time, Lenders comprising the Required Lenders have delivered to the Administrative Agent written notice that such Required Lenders object to such amendment.

(d) Successor Rate. The Administrative Agent will promptly (in one or more notices) notify the Borrowers and each Lender of the implementation of any Successor Rate.

Any Successor Rate shall be applied in a manner consistent with market practice; provided that to the extent such market practice is not administratively feasible for the Administrative Agent, such Successor Rate shall be applied in a manner as otherwise reasonably determined by the Administrative Agent.

Notwithstanding anything else herein to the contrary, if at any time any Successor Rate as so determined would otherwise be less than zero, the Successor Rate will be deemed to be zero for the purposes of this Agreement and the other Loan Documents.

In connection with the implementation of a Successor Rate, the Administrative Agent will have the right to make Conforming Changes from time to time in consultation with the Borrower and, notwithstanding anything to the contrary herein or in any other Loan Document, any amendments implementing such Conforming Changes will become effective without any further action or consent of any other party to this Agreement; provided that, with respect to any such amendment so effected, the Administrative Agent shall post each such amendment implementing such Conforming Changes to the Borrower and the Lenders reasonably promptly after such amendment becomes effective.

(e) For the purposes of this Section 3.03, those Lenders that either have not made, or do not have an obligation under this Agreement to make, the relevant Loans in the relevant Alternative Currency shall be excluded from any determination of Required Lenders.

3.04 Increased Costs.

(a) Increased Costs Generally. If any Change in Law shall:

(i) impose, modify or deem applicable any reserve, special deposit, compulsory loan, insurance charge or similar requirement against assets of, deposits with or for the account of, or credit extended or participated in by, any Lender or the L/C Issuer;

(ii) subject any Recipient to any Taxes (other than (A) Indemnified Taxes, (B) Taxes described in clauses (b) through (e) of the definition of Excluded Taxes and (C) Connection Income Taxes) on its loans, loan principal, letters of credit, commitments, or other obligations, or its deposits, reserves, other liabilities or capital attributable thereto; or

(iii) impose on any Lender or the L/C Issuer or the interbank market any other condition, cost or expense affecting this Agreement or SOFR Loans, Daily SOFR Loans,

CORRA Loans, Daily Simple CORRA Loans or BBSY Loans made by such Lender or any Letter of Credit or participation therein;

and the result of any of the foregoing shall be to increase the cost to such Lender of making, converting to, continuing or maintaining any Loan the interest on which is determined by reference to the Term SOFR, Daily SOFR, CORRA Rate, Daily Simple CORRA or BBSY Rate (or of maintaining its obligation to make any such Loan), or to increase the cost to such Lender or the L/C Issuer of participating in, issuing or maintaining any Letter of Credit (or of maintaining its obligation to participate in or to issue any Letter of Credit), or to reduce the amount of any sum received or receivable by such Lender or the L/C Issuer hereunder (whether of principal, interest or any other amount) then, upon request of such Lender or the L/C Issuer, the Borrowers will pay to such Lender or the L/C Issuer, as the case may be, such additional amount or amounts as will compensate such Lender or the L/C Issuer, as the case may be, for such additional costs incurred or reduction suffered.

(b) Capital Requirements. If any Lender or the L/C Issuer determines that any Change in Law affecting such Lender or the L/C Issuer or any Lending Office of such Lender or such Lender's or the L/C Issuer's holding company, if any, regarding capital or liquidity requirements has or would have the effect of reducing the rate of return on such Lender's or the L/C Issuer's capital or on the capital of such Lender's or the L/C Issuer's holding company, if any, as a consequence of this Agreement, the Commitments of such Lender or the Loans made by, or participations in Letters of Credit or Swing Line Loans held by, such Lender, or the Letters of Credit issued by the L/C Issuer, to a level below that which such Lender or the L/C Issuer or such Lender's or the L/C Issuer's holding company could have achieved but for such Change in Law (taking into consideration such Lender's or the L/C Issuer's policies and the policies of such Lender's or the L/C Issuer's holding company with respect to capital adequacy or liquidity), then from time to time the Borrowers will pay to such Lender or the L/C Issuer, as the case may be, such additional amount or amounts as will compensate such Lender or the L/C Issuer or such Lender's or the L/C Issuer's holding company for any such reduction suffered.

(c) Mandatory Costs. If any Lender or the L/C Issuer incurs any Mandatory Costs attributable to the Obligations, then from time to time the Parent Borrower will pay (or cause the Canadian Borrower to pay) to such Lender or the L/C Issuer, as the case may be, such Mandatory Costs. Such amount shall be expressed as a percentage rate per annum and shall be payable on the full amount of the applicable Obligations.

(d) Certificates for Reimbursement. A certificate of a Lender or the L/C Issuer setting forth the amount or amounts necessary to compensate such Lender or the L/C Issuer or its holding company, as the case may be, as specified in Section 3.04(a), (b) or (c) and delivered to any Borrower shall be conclusive absent manifest error. The Borrowers shall pay such Lender or the L/C Issuer, as the case may be, the amount shown as due on any such certificate within ten (10) days after receipt thereof.

(e) Delay in Requests. Failure or delay on the part of any Lender or the L/C Issuer to demand compensation pursuant to the foregoing provisions of this Section shall not constitute a waiver of such Lender's or the L/C Issuer's right to demand such compensation; provided that the Borrowers shall not be required to compensate a Lender or the L/C Issuer pursuant to the foregoing provisions of this Section 3.04 for any increased costs incurred or reductions suffered more than nine (9) months prior to the date that such Lender or the L/C Issuer, as the case may be, notifies the Parent Borrower of the Change in Law giving rise to such increased costs or reductions and of such Lender's or the L/C Issuer's intention to claim compensation therefor (except that, if the Change in Law giving rise to such increased costs or reductions is retroactive, then the nine (9) month period referred to above shall be extended to include the period of retroactive effect thereof).

3.05 Compensation for Losses. Upon demand of any Lender (with a copy to the Administrative Agent) from time to time, the applicable Borrower shall promptly compensate such Lender for and hold such Lender harmless from any loss, cost or expense incurred by it as a result of:

- (a) any continuation, conversion, payment or prepayment of any Loan other than a Base Rate Loan on a day other than the last day of the Interest Period for such Loan (whether voluntary, mandatory, automatic, by reason of acceleration, or otherwise);
- (b) any failure by any such Borrower (for a reason other than the failure of such Lender to make a Loan) to prepay, borrow, continue or convert any Loan other than a Base Rate Loan, Daily SOFR Loan or Daily Simple CORRA Loan on the date or in the amount notified by such Borrower;
- (c) any assignment of a SOFR Loan, CORRA Loan or BBSY Loan on a day other than the last day of the Interest Period therefor as a result of a request by the Parent Borrower pursuant to Section 11.13; or
- (d) any failure by any such Borrower to make payment of any Loan or drawing under any Letter of Credit (or interest due thereon) denominated in Canadian Dollars on its scheduled due date or any payment thereof in a different currency;

including any foreign exchange losses and any loss or expense arising from the liquidation or reemployment of funds obtained by it to maintain such Loan or from fees payable to terminate the deposits from which such funds were obtained or from the performance of any foreign exchange contract. The applicable Borrower shall also pay any customary administrative fees charged by such Lender in connection with the foregoing.

For purposes of calculating amounts payable by a Borrower to the Lenders under this Section 3.05, each Lender shall be deemed to have funded each SOFR Loan, CORRA Loan or BBSY Loan made by it at the Term SOFR, CORRA Rate or BBSY Rate, as applicable, for such Loan by a matching deposit or other borrowing in the interbank market for such currency for a comparable amount and for a comparable period, whether or not such SOFR Loan, CORRA Loan or BBSY Loan was in fact so funded.

3.06 Mitigation Obligations; Replacement of Lenders.

(a) Designation of a Different Lending Office. If any Lender requests compensation under Section 3.02(b) or Section 3.04, or any Borrower is required to pay any Indemnified Taxes or additional amounts to any Lender, the L/C Issuer or any Governmental Authority for the account of any Lender or the L/C Issuer pursuant to Section 3.01, or if any Lender gives a notice pursuant to Section 3.02, then at the request of such Borrower, such Lender or the L/C Issuer shall, as applicable, use reasonable efforts to designate a different Lending Office for funding or booking its Loans hereunder or to assign its rights and obligations hereunder to another of its offices, branches or affiliates, if, in the judgment of such Lender or the L/C Issuer, such designation or assignment (i) would eliminate or reduce amounts payable pursuant to Section 3.01 or 3.04, as the case may be, in the future, or eliminate the need for the notice pursuant to Section 3.02, as applicable, and (ii) in each case, would not subject such Lender or the L/C Issuer, as the case may be, to any unreimbursed cost or expense and would not otherwise be disadvantageous to such Lender or the L/C Issuer, as the case may be. Each Borrower hereby agrees to pay all reasonable costs and expenses incurred by any Lender or the L/C Issuer in connection with any such designation or assignment.

(b) Replacement of Lenders. If any Lender requests compensation under Section 3.04, or if any Borrower is required to pay any Indemnified Taxes or additional amounts to any Lender or any

Governmental Authority for the account of any Lender pursuant to Section 3.01, and, in each case, such Lender has declined or is unable to designate a different lending office in accordance with Section 3.06(a), the Parent Borrower may replace such Lender in accordance with Section 11.13.

3.07 Survival. All of each Borrower's obligations under this Article III shall survive termination of the Commitments, repayment of all other Obligations hereunder and resignation of the Administrative Agent.

ARTICLE IV. GUARANTY

4.01 The Guaranty. Each of the Guarantors hereby jointly and severally guarantees to each Lender, the L/C Issuer, each Swap Bank, each Treasury Management Bank, the Administrative Agent, and each other holder of the Obligations as hereinafter provided, as primary obligor and not as surety, the prompt payment of all Obligations in full when due (whether at stated maturity, as a mandatory prepayment, by acceleration, as a mandatory Cash Collateralization or otherwise) strictly in accordance with the terms thereof (for each Guarantor, subject to the proviso in this sentence, its "Guaranteed Obligations"); provided, however, that with respect to any Foreign Subsidiary that has been a direct or indirect Subsidiary for less than one year, such Foreign Subsidiary's guaranty shall be limited to the Non-U.S. Obligations until the date such Foreign Subsidiary has been a Subsidiary for one year. The Guarantors hereby further agree that if any of the Guaranteed Obligations are not paid in full when due (whether at stated maturity, as a mandatory prepayment, by acceleration, as a mandatory Cash Collateralization or otherwise), the Guarantors will, jointly and severally, promptly pay the same, without any demand or notice whatsoever, and that in the case of any extension of time of payment or renewal of any of the Obligations, the same will be promptly paid in full when due (whether at extended maturity, as a mandatory prepayment, by acceleration, as a mandatory Cash Collateralization or otherwise) in accordance with the terms of such extension or renewal.

Notwithstanding any provision to the contrary contained herein or in any other of the Loan Documents, Secured Swap Agreements or Secured Treasury Management Agreements, (i) the obligations of each Guarantor under this Agreement and the other Loan Documents shall be limited to an aggregate amount equal to the largest amount that would not render such obligations subject to avoidance under the Debtor Relief Laws or any comparable provisions of any applicable state law or other applicable Law and (ii) the Guaranteed Obligations of a Guarantor shall exclude any Excluded Swap Obligations with respect to such Guarantor.

4.02 Obligations Unconditional. The obligations of the Guarantors under Section 4.01 are joint and several among all Guarantors, and absolute and unconditional, irrespective of the value, genuineness, validity, regularity or enforceability of any of the Loan Documents, Secured Swap Agreements or Secured Treasury Management Agreements or any other agreement or instrument referred to therein, or any substitution, release, impairment or exchange of any other guarantee of or security for any of the Obligations, and, to the fullest extent permitted by applicable Law, irrespective of any law or regulation or other circumstance whatsoever which might otherwise constitute a legal or equitable discharge or defense of a surety or guarantor, it being the intent of this Section 4.02 that the obligations of the Guarantors hereunder shall be absolute and unconditional under any and all circumstances. Each Guarantor agrees that such Guarantor shall have no right of subrogation, indemnity, reimbursement or contribution against any Borrower or any other Guarantor for amounts paid under this Article IV until such time as the Obligations (other than contingent indemnification obligations that survive the termination of this Agreement) have been paid in full and the Commitments have expired or terminated. Without limiting the generality of the foregoing, it is agreed that, to the fullest extent permitted by law, the occurrence of any

one or more of the following shall not alter or impair the liability of any Guarantor hereunder, which shall remain absolute and unconditional as described above:

(a) at any time or from time to time, without notice to any Guarantor, the time for any performance of or compliance with any of the Obligations shall be extended, or such performance or compliance shall be waived;

(b) any of the acts mentioned in any of the provisions of any of the Loan Documents, any Secured Swap Agreement, or any Secured Treasury Management Agreement, or any other agreement or instrument referred to in the Loan Documents, such Secured Swap Agreements or such Secured Treasury Management Agreements shall be done or omitted;

(c) the maturity of any of the Obligations shall be accelerated, or any of the Obligations shall be modified, supplemented or amended in any respect, or any right under any of the Loan Documents, any Secured Swap Agreement or any Secured Treasury Management Agreement, or any other agreement or instrument referred to in the Loan Documents, such Secured Swap Agreements or such Secured Treasury Management Agreements shall be waived or any other guarantee of any of the Obligations or any security therefor shall be released, impaired or exchanged in whole or in part or otherwise dealt with;

(d) any Lien granted to, or in favor of, the Administrative Agent or any other holder of the Obligations as security for any of the Obligations shall fail to attach or be perfected; or

(e) any of the Obligations shall be determined to be void or voidable (including, without limitation, for the benefit of any creditor of any Guarantor) or shall be subordinated to the claims of any Person (including, without limitation, any creditor of any Guarantor).

With respect to its obligations hereunder, each Guarantor hereby expressly waives diligence, presentment, demand of payment, protest and all notices whatsoever, and any requirement that any Agent or any other holder of the Obligations exhaust any right, power or remedy or proceed against any Person under any of the Loan Documents, any Secured Swap Agreement or any Secured Treasury Management Agreement or any other agreement or instrument referred to in the Loan Documents, such Secured Swap Agreements or such Secured Treasury Management Agreements, or against any other Person under any other guarantee of, or security for, any of the Obligations.

4.03 Reinstatement. The obligations of the Guarantors under this Article IV shall be automatically reinstated if and to the extent that for any reason any payment by or on behalf of any Person in respect of the Obligations is rescinded or must be otherwise restored by any holder of any of the Obligations, whether as a result of any proceedings in bankruptcy, insolvency or reorganization or otherwise, and each Guarantor agrees that it will indemnify the Administrative Agent and each Lender on demand for all reasonable costs and expenses (including, without limitation, the fees, charges and disbursements of counsel) incurred by the Administrative Agent or such Lender in connection with such rescission or restoration, including any such costs and expenses incurred in defending against any claim alleging that such payment constituted a preference, fraudulent transfer or similar payment under any bankruptcy, insolvency or similar law.

4.04 Certain Additional Waivers. Each Guarantor agrees that such Guarantor shall have no right of recourse to security for the Obligations, except through the exercise of rights of subrogation pursuant to Section 4.02 and through the exercise of rights of contribution pursuant to Section 4.06.

4.05 Remedies. The Guarantors agree that, to the fullest extent permitted by law, as between the Guarantors, on the one hand, and the holders of the Obligations, on the other hand, the Obligations may be declared to be forthwith due and payable as provided in Section 9.02 (and shall be deemed to have become automatically due and payable in the circumstances provided in said Section 9.02) for purposes of Section 4.01 notwithstanding any stay, injunction or other prohibition preventing such declaration (or preventing the Obligations from becoming automatically due and payable) as against any other Person and that, in the event of such declaration (or the Obligations being deemed to have become automatically due and payable), the Guaranteed Obligations (whether or not due and payable by any other Person) shall forthwith become due and payable by the Guarantors for purposes of Section 4.01. The Guarantors acknowledge and agree that their obligations hereunder are secured in accordance with the terms of the Collateral Documents and that the holders of the Obligations may exercise their remedies thereunder in accordance with the terms thereof.

4.06 Rights of Contribution. The Guarantors agree among themselves that, in connection with payments made hereunder, each Guarantor shall have contribution rights against the other Guarantors as permitted under applicable Law. Such contribution rights shall be subordinate and subject in right of payment to the obligations of such Guarantors under the Loan Documents and no Guarantor shall exercise such rights of contribution until all Obligations (other than contingent indemnification obligations that survive the termination of this Agreement) have been paid in full and the Commitments have terminated.

4.07 Guarantee of Payment; Continuing Guarantee. The guarantee in this Article IV is a guaranty of payment and not of collection, is a continuing guarantee, and shall apply to all Obligations whenever arising.

4.08 Keepwell. Each Loan Party that is a Qualified ECP Guarantor at the time the Guaranty in this Article IV by any Loan Party that is not then an “eligible contract participant” under the Commodity Exchange Act (a “Specified Loan Party”) or the grant of a security interest under the Loan Documents by any such Specified Loan Party, in either case, becomes effective with respect to any Swap Obligation, hereby, subject to the last sentence hereof, jointly and severally, absolutely, unconditionally and irrevocably undertakes to provide such funds or other support to each Specified Loan Party with respect to such Swap Obligation as may be needed by such Specified Loan Party from time to time to honor all of its obligations under the Loan Documents in respect of such Swap Obligation (but, in each case, only up to the maximum amount of such liability that can be hereby incurred without rendering such Qualified ECP Guarantor’s obligations and undertakings under this Article IV voidable under applicable Debtor Relief Laws, and not for any greater amount). The obligations and undertakings of each applicable Loan Party under this Section shall remain in full force and effect until such time as the Obligations (other than contingent indemnification obligations that survive the termination of this Agreement) have been paid in full and the Commitments have expired or terminated. Each Loan Party intends this Section to constitute, and this Section shall be deemed to constitute, a guarantee of the obligations of, and a “keepwell, support, or other agreement” for the benefit of each Specified Loan Party for all purposes of the Commodity Exchange Act.

ARTICLE V. CONDITIONS PRECEDENT TO CREDIT EXTENSIONS

5.01 Closing Conditions. This Agreement shall become effective upon the satisfaction of (or waiver by each of the initial Lenders) all of the following conditions precedent, subject to the Funds Certain Provision:

(a) **Loan Documents.** Receipt by the Administrative Agent of executed counterparts of this Agreement, the Security Agreement, and the Canadian Security Agreement, in each case, properly executed by a Responsible Officer of each signing Loan Party, the Administrative Agent and each Lender.

(b) No Material Adverse Change. Since December 31, 2023, there shall not have occurred a Material Adverse Effect.

(c) Opinions of Counsel. Receipt by the Administrative Agent of favorable customary opinions of legal counsel to the Loan Parties (including local counsel as requested by the Administrative Agent), addressed to the Administrative Agent and each Lender, dated as of the Closing Date, and in form and substance reasonably satisfactory to the Administrative Agent; provided that no opinions from local counsel, other than local counsel in any jurisdiction of organization of a Loan Party in which Paul Hastings LLP has an office, Arkansas and British Columbia, Canada, shall be required at closing.

(d) Organization Documents, Resolutions, Etc. Receipt by the Administrative Agent of the following, each of which shall be facsimiles (followed promptly by originals to the extent requested by the Administrative Agent), in form and substance reasonably satisfactory to the Administrative Agent:

(i) copies of the Organization Documents of each Loan Party certified to be true and complete as of a recent date by the appropriate Governmental Authority of the state, province, territory or other jurisdiction of its incorporation or organization, where applicable, and certified by a Responsible Officer of such Loan Party to be true and correct as of the Closing Date;

(ii) such certificates of resolutions or other action, incumbency certificates and/or other certificates of Responsible Officers of each Loan Party as the Administrative Agent may require evidencing the identity, authority and capacity of each Responsible Officer thereof authorized to act as a Responsible Officer in connection with this Agreement and the other Loan Documents to which such Loan Party is a party; and

(iii) a good standing certificate (to the extent such concept exists in the jurisdiction of incorporation, organization or formation of such Loan Party) from the applicable Governmental Authority of each Loan Party's jurisdiction of incorporation, organization or formation.

(e) Perfection and Priority of Liens. Subject to the Funds Certain Provision, receipt by the Administrative Agent of the following:

(i) Uniform Commercial Code and PPSA financing statements for each appropriate jurisdiction as is necessary, in the Administrative Agent's sole discretion, to perfect the Administrative Agent's security interest in the Collateral;

(ii) all certificates evidencing any certificated Equity Interests of material Domestic Subsidiaries pledged to the Administrative Agent pursuant to the Security Agreement, and the Canadian Security Agreement together with duly executed in blank and undated stock powers attached thereto;

(iii) duly executed notices of grant of security interest in the form required by the Security Agreement and the Canadian Security Agreement as are necessary, in the Administrative Agent's sole discretion, to perfect the Administrative Agent's security interest in the intellectual property of the Loan Parties registered for or which applications are pending in the name of such Loan Party with the United States Patent and Trademark Office or the United States Copyright Office or the equivalent thereof in Canada.

(f) Lien Searches. The Administrative Agent shall have received the results of a recent lien search in the jurisdiction of organization of each Loan Party and each jurisdiction where the registered head office or chief executive offices of the Loan Parties are located, and such search shall reveal no Liens on any of the assets of the Loan Parties except for Liens permitted by this Agreement or discharged on or prior to the Closing Date pursuant to a pay-off letter or other documentation satisfactory to the Administrative Agent.

(g) Closing Certificate; Solvency Certificate. Receipt by the Administrative Agent of certificates signed by a (i) Responsible Officer of the Parent Borrower certifying that the conditions specified in Sections 5.01(b) and Sections 5.01(m) have been satisfied and (ii) the chief financial officer (or other officer with reasonably equivalent duties) of the Parent Borrower in the form attached hereto as Exhibit N.

(h) Accrued Interest and Fees under the Existing Credit Agreement. The Loan Parties and their Subsidiaries shall have paid all accrued interest and fees under the Existing Credit Agreement as of the Closing Date.

(i) Financial Statements. Receipt by the Administrative Agent of (a) consolidated audited financial statements consisting of the balance sheet of the Parent Borrower as of December 31, 2023, and the related statements of income and retained earnings, members' equity and cash flow for the year then ended, (b) interim, company-prepared financial statements of the Parent Borrower for December 31, 2024, and (c) five (5) year financial statement projections through and including the Parent Borrower's 2030 fiscal year, and on a quarterly basis for first four (4) fiscal quarters following the Closing Date and annual thereafter, together with such information as the Administrative Agent and Lenders may reasonably request (including, without limitation, a detailed description of the assumptions used in preparing such projections), all in form and content reasonably satisfactory to the Administrative Agent and the Lenders.

(j) PATRIOT Act; Beneficial Ownership.

(i) At least five days prior to the Closing Date (to the extent requested at least ten days prior to the Closing Date by the Administrative Agent), receipt by the Administrative Agent and the Lenders of any documentation and other information so requested in connection with applicable "know your customer" and anti-money-laundering rules and regulations, including the PATRIOT Act and the Canadian AML Acts, which the Administrative Agent and the Lenders shall be reasonably satisfied with.

(ii) If any Borrower qualifies as a "legal entity customer" under the Beneficial Ownership Regulation, receipt by the Administrative Agent and each Lender, to the extent requested by the Administrative Agent or such Lender, of a Beneficial Ownership Certification in relation to such Borrower.

(k) Fees and Expenses. Receipt by the Administrative Agent, the Arrangers and the Lenders of any fees and expenses earned, due and required to be paid on the Closing Date from the proceeds of the initial Credit Extensions under this Agreement for which invoices have been received at least one (1) Business Day in advance (which amounts may be offset against the proceeds of the applicable Credit Extension).

(l) Legal Due Diligence. The Administrative Agent and its counsel shall have completed all legal due diligence, the results of which shall be satisfactory to Administrative Agent in its sole discretion.

(m) Representations and Warranties. The representations and warranties of the Borrowers and the other Loan Parties contained in Sections 6.01(a) and (b)(ii), 6.02 (as it relates to the execution and delivery of the Loan Documents), 6.03 (solely as it relates to the Loan Documents), 6.04, 6.14, 6.18 (as of the Closing Date), 6.19 (subject in all respects to the Funds Certain Provision and solely with respect to U.S. Loan Parties), 6.22, 6.23 and 6.24 of this Agreement shall be true and correct in all material respects (without duplication of any materiality qualifier contained therein), except to the extent such representations and warranties specifically relate to an earlier date, in which case, such representations and warranties shall have been true and correct in all materials respects on and as of such earlier date

(n) Insurance. The Administrative Agent shall have received evidence of insurance coverage in form, scope, and substance reasonably satisfactory to the Administrative Agent and otherwise in compliance with the terms of this Agreement and the Security Agreement.

(o) Capital Structure. The organizational and capital structure and the management of the Loan Parties after giving effect to the transactions contemplated by this Agreement and all legal, tax, accounting, environmental, and other matters relating to the transactions, or to the Loan Parties after giving effect thereto, shall be reasonably satisfactory to the Administrative Agent.

(p) No Litigation. The Administrative Agent shall have received a certificate, signed by the chief financial officer of the Parent Borrower, dated as of the Closing Date, certifying that there are no actions, suits, proceedings, claims or disputes pending or, to the knowledge of the Loan Parties, threatened or contemplated, at law, in equity, in arbitration or before any Governmental Authority, by or against any Loan Party or any of its Subsidiaries or against any of their properties or revenues that purport to affect or pertain to this Agreement or any other Loan Document, or any of the transactions contemplated hereby.

(q) Other Documents. The Administrative Agent shall have received such other documents as the Administrative Agent, the L/C Issuer, any Lender or their respective counsel may have reasonably requested.

Without limiting the generality of the provisions of the last paragraph of Section 10.03, for purposes of determining compliance with the conditions specified in this Section 5.01, each Lender that has signed this Agreement shall be deemed to have consented to, approved or accepted or to be satisfied with, each document or other matter required thereunder to be consented to or approved by or acceptable or satisfactory to a Lender unless the Administrative Agent shall have received notice from such Lender prior to the proposed Closing Date specifying its objection thereto.

For the purposes of this Section 5.01, the term “Funds Certain Provision” means to the extent a perfected security interest in any Collateral the security interest in respect of which cannot be perfected by means of the filing of a Uniform Commercial Code or a PPSA financing statement, the making of a federal intellectual property filing or delivery of possession of capital stock or other certificated security in respect of equity interests of material Domestic Subsidiaries that constitute Collateral is not able to be provided on the Closing Date after the Borrowers’ use of commercially reasonable efforts to do so without undue burden or expense the perfection of such security interest in such Collateral will not constitute a condition precedent to the availability and initial funding hereunder on the Closing Date, but a security interest in such Collateral will be required to be perfected within 90 days after the Closing Date (or such later date as Administrative Agent may agree in writing) pursuant to arrangements to be mutually agreed between the Parent Borrower and the Lenders.

5.02 Conditions to all Credit Extensions made after the Closing Date. The obligation of each Lender to honor any Request for Credit Extension after the Closing Date is subject to the following

conditions precedent and, in the case of an Incremental Term Loan being used to finance a Limited Condition Acquisition, to Section 1.07:

(a) The representations and warranties of each Borrower and each other Loan Party contained in Article VI or any other Loan Document, or which are contained in any document furnished at any time under or in connection herewith or therewith, shall be true and correct in all material respects (without duplication of any materiality qualifiers) on and as of the date of such Credit Extension, except to the extent that such representations and warranties specifically refer to an earlier date, in which case they shall be true and correct in all material respects (without duplication of any materiality qualifiers) as of such earlier date, and except that for purposes of this Section 5.02, the representations and warranties contained in subsections (a) and (b) of Section 6.05 shall be deemed to refer to the most recent statements furnished pursuant to clauses (a) and (b), respectively, of Section 7.01.

(b) No Default shall exist, or would result from such proposed Credit Extension or from the application of the proceeds thereof.

(c) Reserved.

(d) The Administrative Agent and, if applicable, the L/C Issuer and/or the Swing Line Lender shall have received a Request for Credit Extension in accordance with the requirements hereof.

(e) With respect to any Credit Extension to be denominated in an Alternative Currency, there shall be no impediment, restriction, limitation or prohibition imposed under Law or by any Governmental Authority, as to the proposed financing under this Agreement or the repayment thereof or as to rights created under any Loan Document or as to application of the proceeds of the realization of any such rights.

Each Request for Credit Extension submitted by any Borrower shall be deemed to be a representation and warranty that the conditions specified in Sections 5.02(a), (b) and (c) have been satisfied on and as of the date of the applicable Credit Extension.

ARTICLE VI. REPRESENTATIONS AND WARRANTIES

The Loan Parties represent and warrant to each Agent and the Lenders on the Closing Date and each other date required hereunder that:

6.01 Existence, Qualification and Power. Each Loan Party (a) is duly organized or formed, validly existing and in good standing under the Laws of the jurisdiction of its incorporation or organization, (b) has all requisite power and authority and all requisite governmental licenses, authorizations, consents and approvals to (i) own or lease its assets and carry on its business and (ii) execute, deliver and perform its obligations under the Loan Documents to which it is a party, and (c) is duly qualified and is licensed and in good standing under the Laws of each jurisdiction where its ownership, lease or operation of properties or the conduct of its business requires such qualification or license; except in each case referred to in clause (b)(i) or (c), to the extent that failure to do so could not reasonably be expected to have a Material Adverse Effect.

6.02 Authorization; No Contravention. The execution, delivery and performance by each Loan Party of each Loan Document to which such Person is party have been duly authorized by all necessary corporate or other organizational action, and do not (a) contravene the terms of any of such Person's Organization Documents; (b) conflict with or result in any breach or contravention of, or the

creation of any Lien under, or require any payment to be made under (i) any material Contractual Obligation to which such Person is a party or affecting such Person or the properties of such Person or any of its Subsidiaries or (ii) any order, injunction, writ or decree of any Governmental Authority or any arbitral award to which such Person or its property is subject; or (c) violate any Law (including, without limitation, Regulation U or Regulation X issued by the Board) except in each case referred to in clause (c), to the extent that such violation could not reasonably be expected to have a Material Adverse Effect.

6.03 Governmental Authorization; Other Consents. No approval, consent, exemption, authorization, or other action by, or notice to, or filing with, any Governmental Authority or any other Person is necessary or required in connection with the execution, delivery or performance by, or enforcement against, any Loan Party of this Agreement or any other Loan Document other than (a) those that have already been obtained and are in full force and effect and (b) filings to perfect the Liens created by the Collateral Documents.

6.04 Binding Effect. Each Loan Document has been duly executed and delivered by each Loan Party that is party thereto. Each Loan Document constitutes a legal, valid and binding obligation of each Loan Party that is party thereto, enforceable against each such Loan Party in accordance with its terms, subject to the effect of any applicable bankruptcy, insolvency or other similar laws affecting creditors' rights generally or by principles of equity pertaining to the availability of equitable remedies.

6.05 Financial Statements; No Material Adverse Effect.

(a) The audited consolidated statements of financial condition of the Parent Borrower and its Subsidiaries for the fiscal year ended December 31, 2023 and, thereafter, the most recent Audited Financial Statements (i) were prepared in accordance with GAAP consistently applied throughout the period covered thereby, except as otherwise expressly noted therein and (ii) fairly present in all material respects the financial condition of the Parent Borrower and its Subsidiaries as of the date thereof and their results of operations for the period covered thereby in accordance with GAAP consistently applied throughout the period covered thereby, except as otherwise expressly noted therein.

(b) From December 31, 2023 to and including the Closing Date, there has been no Disposition by any Loan Party or any Subsidiary, or any Involuntary Disposition, of any material part of the business or property of any Loan Party or any Subsidiary, and no purchase or other acquisition by any of them of any business or property (including any Equity Interests of any other Person) material to any Loan Party or any Subsidiary, in each case, which is not reflected in the foregoing financial statements or in the notes thereto and has not otherwise been disclosed in writing to the Lenders on or prior to the Closing Date.

(c) The financial statements delivered pursuant to Section 7.01(a) and (b) have been prepared in accordance with GAAP (except as may otherwise be permitted under Section 7.01(a) and (b)) and present fairly in all material respects (on the basis disclosed in the footnotes to such financial statements) the consolidated financial condition, results of operations and cash flows of the Parent Borrower and its Subsidiaries as of the dates thereof and for the periods covered thereby.

(d) Since December 31, 2023, there has been no event or circumstance, either individually or in the aggregate, that has had or could reasonably be expected to have a Material Adverse Effect.

6.06 Litigation. There are no actions, suits, proceedings, claims or disputes pending or, to the knowledge of the Loan Parties, threatened or contemplated, at law, in equity, in arbitration or before any Governmental Authority, by or against any Loan Party or any of its Subsidiaries or against any of their

properties or revenues that (a) purport to affect or pertain to this Agreement or any other Loan Document, or any of the transactions contemplated hereby or (b) could reasonably be expected to have a Material Adverse Effect.

6.07 No Default.

(a) Neither any Loan Party nor any Subsidiary is in default under or with respect to any Contractual Obligation that could reasonably be expected to have a Material Adverse Effect.

(b) No Default has occurred and is continuing.

6.08 Ownership of Property; Liens. Each of Loan Party and its Subsidiaries has good record and marketable title in fee simple to, or valid leasehold interests in, all real property necessary or used in the ordinary conduct of its business, except for such defects in title as could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect. The property of each Loan Party and its Subsidiaries is subject to no Liens, other than Permitted Liens.

6.09 Environmental Compliance. Except as could not reasonably be expected to have a Material Adverse Effect:

(a) Each of the Facilities and all operations at the Facilities are in compliance with all applicable Environmental Laws, and there are no conditions relating to the Facilities or the Businesses that are in violation of any Environmental Law.

(b) None of the Facilities contains any Hazardous Materials at, on or under the Facilities in amounts or concentrations that, either, constitute a violation of Environmental Law, or as would reasonably be likely to give rise to Environmental Liability.

(c) Neither any Loan Party nor any Subsidiary has received any written or verbal notice of, or inquiry from any Governmental Authority regarding, any violation, alleged violation, non-compliance, liability or potential liability regarding, either, compliance with Environmental Laws or any release or threatened release of Hazardous Materials, with regard to any of the Facilities or the Businesses, nor does any Responsible Officer of any Loan Party have knowledge that any such notice is being threatened.

(d) Hazardous Materials have not been transported from or disposed of from, the Facilities, or generated, treated, stored or disposed of at, on or under any of the Facilities or any other location, in each case by or on behalf of any Loan Party or any Subsidiary, which in either event case would result in a violation of Environmental Laws, or would be conducted in a manner that would be reasonably likely to give rise to Environmental Liability.

(e) No judicial proceeding or governmental or administrative action is pending or, to the knowledge of the Loan Parties, threatened, under any Environmental Law to which any Loan Party or any Subsidiary is or will be named as a party, nor are there any consent decrees or other decrees, consent orders, administrative orders or other orders, or other administrative or judicial requirements outstanding under any Environmental Law with respect to any Loan Party, any Subsidiary, the Facilities or the Businesses.

(f) There has been no release or threat of release of Hazardous Materials at or arising from the Facilities, in violation of or in amounts or in a manner that could give rise to liability under Environmental Laws.

6.10 Insurance.

(a) The properties of the Loan Parties and their Subsidiaries are insured with financially sound and reputable insurance companies not Affiliates of such Persons, in such amounts, with such deductibles and covering such risks as are customarily carried by companies engaged in similar businesses and owning similar properties in localities where the applicable Loan Party or the applicable Subsidiary operates. The insurance coverage of the Loan Parties and their Subsidiaries as in effect on the Closing Date is outlined as to carrier, policy number, expiration date, type, amount and deductibles on Schedule 6.10.

(b) The Parent Borrower and its Subsidiaries maintain, if available, fully paid flood hazard insurance on all real property that is located in a special flood hazard area and that constitutes Collateral, on such terms and in such amounts as required by Flood Insurance Laws or as otherwise required by the Administrative Agent.

6.11 Taxes. Other than those specifically disclosed in Schedule 6.11, the Loan Parties and their Subsidiaries have filed all federal, state, provincial, territorial and other material tax returns and reports required to be filed, and have paid all federal, state, provincial, territorial and other material taxes, assessments, fees and other governmental charges levied or imposed upon them or their properties, income or assets otherwise due and payable, except those which are being contested in good faith by appropriate proceedings diligently conducted and for which adequate reserves have been provided in accordance with GAAP. There is no proposed tax assessment against any Loan Party or any Subsidiary that would, if made, have a Material Adverse Effect. Neither any Loan Party nor any Subsidiary thereof is party to any tax sharing agreement.

6.12 ERISA and Canadian Pension Plan Compliance.

(a) Except as could not reasonably be expected to result in a Material Adverse Effect, each Plan is in compliance in all material respects with the applicable provisions of ERISA, the Internal Revenue Code and other applicable federal or state laws. Each Pension Plan that is intended to be a qualified plan under Section 401(a) of the Internal Revenue Code has received a favorable determination or opinion letter from the Internal Revenue Service to the effect that the form of such Plan is qualified under Section 401(a) of the Internal Revenue Code or an application for such a letter has been filed with the Internal Revenue Service. To the best knowledge of the Loan Parties, nothing has occurred that would reasonably be expected to cause the revocation of, such letter.

(b) There are no pending or, to the best knowledge of the Loan Parties, threatened claims, actions or lawsuits, or action by any Governmental Authority, with respect to any Plan that could be reasonably be expected to have a Material Adverse Effect. There has been no prohibited transaction or violation of the fiduciary responsibility rules with respect to any Plan that has resulted or could reasonably be expected to result in a Material Adverse Effect.

(c) No ERISA Event has occurred and neither any Borrower nor any ERISA Affiliate is aware of any fact, event or circumstance that could reasonably be expected to constitute or result in an ERISA Event with respect to any Pension Plan; (ii) each Borrower and each ERISA Affiliate has met all applicable requirements under the Pension Funding Rules in respect of each Pension Plan, and no waiver of the minimum funding standards under the Pension Funding Rules has been applied for or obtained for any Pension Plan; (iii) neither any Borrower nor any ERISA Affiliate has incurred any liability to the PBGC other than for the payment of premiums, and there are no premium payments which have become due that are unpaid; (iv) neither any Borrower nor any ERISA Affiliate has engaged in a transaction that could be subject to Section 4069 of ERISA; and (v) no Pension Plan has been terminated by the plan administrator

thereof nor by the PBGC, and no event or circumstance has occurred or exists that could reasonably be expected to cause the PBGC to institute proceedings under Title IV of ERISA to terminate any Pension Plan.

(d) Provided that no Loan or Commitment is funded by any Lender with “plan assets” (within the meaning of 29 CFR § 2510.3-101, as modified by Section 3(42) of ERISA) of one or more Benefit Plans, each Borrower represents and warrants as of the Closing Date that such Borrower is not and will not be using such “plan assets” in connection with the Loans, the Letters of Credit or the Commitments.

(e) To the extent there are any Canadian Pension Plans: (i) except as could not reasonably be expected to result in a Material Adverse Effect, each such Canadian Pension Plan is, and has at all times, been administered in compliance in all material respects with applicable Canadian pension standards legislation and the ITA; (ii) each such Canadian Pension Plan has received a confirmation of registration from the appropriate Governmental Authorities, including the Canada Revenue Agency and the applicable pension regulator; (iii) to the best knowledge of the Loan Parties, nothing has occurred that would reasonably be expected to prevent or cause the revocation of such registration referred to in clause (ii) above; and (iv) each applicable Loan Party and each Subsidiary has withheld and remitted all required contributions to each Canadian Pension Plan in a timely fashion in accordance with applicable legislative requirements.

(f) To the extent there are any Canadian Pension Plans: (i) there are no pending or, to the best knowledge of the Loan Parties, threatened claims, actions or lawsuits, or action by any Governmental Authority, with respect to any such Canadian Pension Plan that could reasonably be expected to have a Material Adverse Effect; and (ii) there has been no prohibited transaction or violation of the fiduciary duty with respect to any such Canadian Pension Plan that has resulted or could reasonably be expected to result in a Material Adverse Effect.

(g) No Loan Party or Subsidiary maintains, contributes to, or has any liability or contingent liability with respect to, a Canadian Defined Benefit Pension Plan.

6.13 Subsidiaries. Set forth on Schedule 6.13 is a complete and accurate list as of the Closing Date of each Subsidiary of any Loan Party, together with (a) jurisdiction of formation, (b) number of shares of each class of Equity Interests outstanding, (c) number and percentage of outstanding shares of each class owned (directly or indirectly) by any Loan Party or any Subsidiary and (d) number and effect, if exercised, of all outstanding options, warrants, rights of conversion or purchase and all other similar rights with respect thereto. The outstanding Equity Interests of each Subsidiary of any Loan Party are validly issued, fully paid and non-assessable.

6.14 Margin Regulations; Investment Company Act.

(a) No Loan Party is engaged nor will engage, principally or as one of its important activities, in the business of purchasing or carrying margin stock (within the meaning of Regulation U issued by the Board), or extending credit for the purpose of purchasing or carrying margin stock. Following the application of the proceeds of each Borrowing or drawing under each Letter of Credit, not more than twenty-five percent (25%) of the value of the assets (either of any Borrower only or of the Parent Borrower and its Subsidiaries on a consolidated basis) subject to the provisions of Section 8.01 or Section 8.05 or subject to any restriction contained in any agreement or instrument between any Borrower and any Lender or any Affiliate of any Lender relating to Indebtedness and within the scope of Section 9.01(e) will be margin stock.

(b) None of any Loan Party, any Person Controlling any Loan Party, or any Subsidiary is or is required to be registered as an “investment company” under the Investment Company Act of 1940.

6.15 Disclosure. Each Loan Party has disclosed to the Administrative Agent and the Lenders all agreements, instruments and corporate or other restrictions to which it or any of its Subsidiaries is subject, and all other matters known to it, that, individually or in the aggregate, could reasonably be expected to result in a Material Adverse Effect. No report, financial statement, certificate or other information (other than projections, pro formas, budgets and general industry and economic information) furnished (whether in writing or orally) by or on behalf of any Loan Party to the Administrative Agent or any Lender in connection with the transactions contemplated hereby and the negotiation of this Agreement or delivered hereunder or under any other Loan Document (in each case, as modified or supplemented by other information so furnished), when taken as a whole, contains any material misstatement of fact or omits to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not materially misleading; provided that, with respect to projected financial information, the Loan Parties represent only that such information was prepared in good faith based upon assumptions believed to be reasonable at the time.

6.16 Compliance with Laws. Each Loan Party and each Subsidiary is in compliance with the requirements of all Laws and all orders, writs, injunctions and decrees applicable to it or to its properties, except in such instances in which (a) such requirement of Law or order, writ, injunction or decree is being contested in good faith by appropriate proceedings diligently conducted or (b) the failure to comply therewith could not reasonably be expected to have a Material Adverse Effect.

6.17 Intellectual Property; Licenses, Etc. Each Loan Party and each Subsidiary owns, or possess the legal right to use, all of the trademarks, service marks, trade names, copyrights, patents, patent rights, franchises, licenses, designs and other intellectual property rights (collectively, “IP Rights”) that are reasonably necessary for the operation of their respective businesses. Set forth on Schedule 6.17 is a list of all IP Rights registered or pending registration with the United States Copyright Office, the United States Patent and Trademark Office and the Canadian Intellectual Property Office and owned by each Loan Party as of the Closing Date. Except for such claims and infringements that could not reasonably be expected to have a Material Adverse Effect, no claim has been asserted and is pending by any Person challenging or questioning the use of any IP Rights or the validity or effectiveness of any IP Rights, nor does any Loan Party know of any such claim, and, to the knowledge of the Loan Parties, the use of any IP Rights by any Loan Party or any of its Subsidiaries or the granting of a right or a license in respect of any IP Rights from any Loan Party or any of its Subsidiaries does not infringe on the rights of any Person. As of the Closing Date, none of the IP Rights owned by any of the U.S. Loan Parties is subject to any licensing agreement or similar arrangement except as set forth on Schedule 6.17.

6.18 Solvency. Each Borrower is now, and after giving effect to the Loans to be made hereunder, at all times will be, Solvent. The Loan Parties are, and after giving effect to the Loans to be made hereunder, at all times will be, Solvent on a consolidated basis.

6.19 Perfection of Security Interests in the Collateral. The Collateral Documents create valid security interests in, and Liens on, the Collateral purported to be covered thereby, which security interests and Liens are currently perfected security interests and Liens, prior to all other Liens other than Permitted Liens.

6.20 Business Locations. Set forth on Schedule 6.20(a) is a list that includes all material real property located in the United States or Canada that is owned or leased by the Loan Parties as of the Closing Date. Set forth on Schedule 6.20(b) is the tax-payer identification number and organizational identification number of each Loan Party as of the Closing Date. The exact legal name and state, province, territory or

other jurisdiction of formation or organization of each Loan Party is as set forth on the signature pages hereto. Except as set forth on Schedule 6.20(c), no Loan Party has during the five (5) years preceding the Closing Date (to the best knowledge of the Loan Parties with respect to periods prior to the Parent Borrower's or any Subsidiary's ownership of any property or Person) (i) changed its legal name, (ii) changed its state, province, territory or other jurisdiction of formation, (iii) been party to a merger, amalgamation, consolidation or other change in structure, or (iv) with respect to the Canadian Loan Parties, changed its chief executive office or registered office.

6.21 Labor Matters. There are no collective bargaining agreements or Multiple Employer Plans covering the employees of any Loan Party or any Subsidiary as of the Closing Date and neither any Loan Party nor any Subsidiary is subject to any strikes, walkouts, work stoppages or other material labor difficulty as of the Closing Date.

6.22 Government Sanctions. The Parent Borrower represents that neither the Parent Borrower nor any of its Subsidiaries (collectively, the "Company") or, to the knowledge of the Parent Borrower, any director, officer, employee, agent, affiliate or representative of the Parent Borrower nor any of its Subsidiaries is an individual or entity currently subject to any sanctions administered or enforced by any Governmental Authority of the United States, including without limitation, the U.S. Department of Treasury's Office of Foreign Assets Control, any Governmental Authority of Canada, the United Nations Security Council, the European Union, His Majesty's Treasury, or other relevant sanctions authority ("Sanctions"), nor is the Parent Borrower located, organized or resident in a country or territory that is the subject of Sanctions.

6.23 PATRIOT Act and Canadian AML Acts. To the extent applicable, the Parent Borrower and each Subsidiary is in compliance, in all material respects, with (a) the Trading with the Enemy Act, as amended, and each of the foreign assets control regulations of the United States Treasury Department (31 CFR, Subtitle B, Chapter V, as amended) and any other enabling legislation or executive order relating thereto, (b) the PATRIOT Act, and (c) the Canadian AML Acts.

6.24 Anti-Corruption Laws. To the extent applicable, no part of the proceeds of any Loan or Letter of Credit will be used by any Loan Party, directly or indirectly, for any payments to any governmental official or employee, political party, official of a political party, candidate for political office, or anyone else acting in an official capacity, in order to obtain, retain or direct business or obtain any improper advantage, in violation of the United States Foreign Corrupt Practices Act of 1977, as amended, and the rules and regulations thereunder, the Corruption of Foreign Public Officials Act (Canada), or any similar laws, rules or regulations issued, administered or enforced by any Governmental Authority having jurisdiction over any of any Borrower or any other Loan Party (collectively, the "Anti-Corruption Laws"). Parent Borrower and each Subsidiary has instituted and maintains policies and procedures designed to ensure continued compliance with applicable Sanctions and the Anti-Corruption Laws.

6.25 No Affected Financial Institution. No Loan Party is an Affected Financial Institution.

6.26 Covered Entities. No Loan Party is a Covered Entity.

6.27 Outbound Investment Rules. No Loan Party nor any Subsidiary is a "covered foreign person" as that term is used in the Outbound Investment Rules. Neither any Loan Party nor any Subsidiary currently engages, or has any present intention to engage in the future, directly or indirectly, in (a) a "covered activity" or a "covered transaction", as each such term is defined in the Outbound Investment Rules, (b) any activity or transaction that would constitute a "covered activity" or a "covered transaction", as each such term is defined in the Outbound Investment Rules, if such Loan Party or Subsidiary were a United States citizen, lawful permanent resident, entity organized under the laws of the United States or

any jurisdiction within the United States, including any foreign branch of any such entity, or any person in the United States, or (c) any other activity that would cause the Secured Parties to be in violation of the Outbound Investment Rules or cause any Secured Party to be legally prohibited by the Outbound Investment Rules from performing under this Agreement or any other Loan Document.

ARTICLE VII. AFFIRMATIVE COVENANTS

So long as any Lender shall have any Commitment hereunder, any Loan or other Obligation hereunder shall remain unpaid or unsatisfied, or any Letter of Credit shall remain outstanding (other than contingent indemnity obligations and Letters of Credit which have been Cash Collateralized), the Loan Parties shall and shall cause each Subsidiary to:

7.01 Financial Statements. Deliver to the Administrative Agent (for further distribution to each Lender), in form and detail satisfactory to the Administrative Agent:

(a) within ninety (90) days after the end of each fiscal year of the Parent Borrower, beginning with the fiscal year ending December 31, 2024, a consolidated balance sheet of the Parent Borrower and its Subsidiaries as at the end of such fiscal year, and the related consolidated statements of income or operations, changes in shareholders' equity and cash flows for such fiscal year, setting forth in each case in comparative form the figures for the previous fiscal year, all in reasonable detail and prepared in accordance with GAAP, and in the case of such consolidated statements, audited and accompanied by a report and opinion of an independent certified public accountant of nationally recognized standing acceptable to Administrative Agent, which report and opinion shall be prepared in accordance with generally accepted auditing standards and shall not be subject to any "going concern" or like qualification or exception or any qualification or exception as to the scope of such audit (other than a qualification or exception for the fiscal year ending within twelve (12) months immediately preceding the scheduled maturity of the Loans solely as a result of such scheduled maturity) (the "Audited Financial Statements"); and

(b) within forty-five (45) days after the end of each of the first three fiscal quarters of each fiscal year of the Parent Borrower, beginning with the fiscal quarter ending March 31, 2025, a consolidated balance sheet of the Parent Borrower and its Subsidiaries as at the end of such fiscal quarter, and the related consolidated statements of income or operations, changes in shareholders' equity and cash flows for such fiscal quarter and for the portion of the Parent Borrower's fiscal year then ended, setting forth in each case in comparative form the figures for the corresponding fiscal quarter of the previous fiscal year and the corresponding portion of the previous fiscal year, all in reasonable detail and in the case of such consolidated statements, certified by a Responsible Officer of the Parent Borrower as fairly presenting in all material respects the financial condition, results of operations, shareholders' equity and cash flows of the Parent Borrower and its Subsidiaries in accordance with GAAP, subject only to normal year-end audit adjustments and the absence of footnotes.

7.02 Certificates; Other Information. Deliver to the Administrative Agent (for further distribution to each Lender), in form and detail satisfactory to the Administrative Agent:

(a) concurrently with the delivery of the financial statements referred to in Sections 7.01(a) and (b), (i) a duly completed Compliance Certificate signed by a Responsible Officer of the Parent Borrower (which Compliance Certificate shall describe the occurrence of any Foreign Collateral Document Trigger Event) and (ii) a written business discussion by management of the results of the business of the Parent Borrower and its Subsidiaries for such period and highlighting performance drivers;

(b) within forty-five (45) days after the end of each fiscal year of the Parent Borrower, beginning with the end of the fiscal year ending December 31, 2025, an annual business plan and budget of the Parent Borrower and its Subsidiaries containing, among other things, pro forma financial statements for each month of the next fiscal year;

(c) promptly after the same are available, copies of each annual report, proxy or financial statement or other report or communication sent to all of the equityholders of any Loan Party generally in their capacity as such and not otherwise required to be delivered to the Administrative Agent pursuant hereto;

(d) promptly after any request by the Administrative Agent or any Lender, copies of any material detailed audit reports, management letters or written recommendations submitted to the board of directors (or the audit committee of the board of directors) of the Parent Borrower by independent accountants in connection with the accounts or books of the Parent Borrower or any Subsidiary, or any audit of any of them;

(e) promptly after the furnishing thereof, copies of any material statement or report furnished to any holder of debt securities of any Loan Party or any Subsidiary thereof pursuant to the terms of any indenture, loan or credit or similar agreement and not otherwise required to be furnished to the Lenders pursuant to Section 7.01 or any other clause of this Section 7.02;

(f) promptly, such additional information regarding the business, financial or corporate affairs of any Loan Party or any Subsidiary, or compliance with the terms of the Loan Documents, as any Agent or any Lender may from time to time request;

(g) promptly after the furnishing thereof, copies of any notices received by any Loan Party (other than in the ordinary course of business) with respect to, and copies of any amendment, modification or waiver with respect to the Series A-2 Preferred Equity Documents, or any documentation evidencing any Subordinated Indebtedness or, as applicable, the documentation related to any Permitted Refinancing thereof, and not otherwise required to be furnished to the Lenders pursuant to any other clause of this Section 7.02;

(h) in the first Compliance Certificate required to be delivered following the date that any Loan Party acquires or otherwise obtains ownership of any new IP Rights registered with the USPTO or US Copyright Office, as applicable, a certificate of a Responsible Officer of the Parent Borrower listing all such new IP Rights;

(i) promptly, and in any event within five (5) Business Days after receipt thereof by any Loan Party or any Subsidiary thereof, copies of each notice or other correspondence received from the SEC (or comparable agency in any applicable non-U.S. jurisdiction) concerning any investigation or possible investigation or other inquiry by such agency regarding financial or other operational results of any Loan Party or any Subsidiary thereof which could reasonably be expected to have a Material Adverse Effect; and

(j) promptly after the preparation of the same, copies of all material reports or financial information filed with any governmental agency, department, bureau, division or other governmental authority or regulatory body, or evidencing facts or containing information which could have a Material Adverse Effect.

Documents required to be delivered pursuant to Section 7.01(a) or (b) or Section 7.02 (to the extent any such documents are included in materials otherwise filed with the SEC) may be delivered electronically

and if so delivered, shall be deemed to have been delivered on the date (i) on which the Parent Borrower posts such documents, or provides a link thereto on the Parent Borrower's website on the Internet at the website address listed on Schedule 11.02; or (ii) on which such documents are posted on the Parent Borrower's behalf on an Internet or intranet website, if any, to which each Lender and the Administrative Agent have access (whether a commercial, third-party website or whether sponsored by the Administrative Agent); provided, that: the Parent Borrower shall notify the Administrative Agent (by facsimile or electronic mail) of the posting of any such documents and provide to the Administrative Agent by electronic mail electronic versions (i.e., soft copies) of such documents. The Administrative Agent shall have no obligation to request the delivery of or to maintain paper copies of the documents referred to above, and in any event shall have no responsibility to monitor compliance by the Parent Borrower with any such request for delivery by a Lender, and each Lender shall be solely responsible for requesting delivery to it or maintaining its copies of such documents.

The Parent Borrower hereby acknowledges that (a) the Administrative Agent and/or the Arrangers may, but shall not be obligated to, make available to the Lenders and the L/C Issuer materials and/or information provided by or on behalf of the Parent Borrower hereunder (collectively, the "Borrower Materials") by posting the Borrower Materials on Debt Domain, IntraLinks, Syndtrak or another similar electronic system (the "Platform") and (b) certain of the Lenders (each, a "Public Lender") may have personnel who do not wish to receive material non-public information with respect to the Parent Borrower or its Affiliates, or the respective securities of any of the foregoing, and who may be engaged in investment and other market-related activities with respect to such Person's securities. The Parent Borrower hereby agrees that (w) all Borrower Materials that are to be made available to Public Lenders shall be clearly and conspicuously marked "PUBLIC" which, at a minimum, shall mean that the word "PUBLIC" shall appear prominently on the first page thereof; (x) by marking Borrower Materials "PUBLIC," the Parent Borrower shall be deemed to have authorized the Administrative Agent, the Arrangers and the Lenders to treat such Borrower Materials as not containing any material non-public information with respect to the Parent Borrower or its securities for purposes of United States federal and state securities laws (provided, however, that to the extent such Borrower Materials constitute Information, they shall be treated as set forth in Section 11.07); (y) all Borrower Materials marked "PUBLIC" are permitted to be made available through a portion of the Platform designated as "Public Side Information;" and (z) the Administrative Agent and the Arrangers shall be entitled to treat any Borrower Materials that are not marked "PUBLIC" as being suitable only for posting on a portion of the Platform that is not designated as "Public Side Information."

7.03 Notices.

(a) Promptly (and in any event, within two (2) Business Days) notify the Administrative Agent (for further notification to each Lender) of knowledge of the occurrence of any Default.

(b) Promptly (and in any event, within five (5) Business Days) notify the Administrative Agent (for further notification to each Lender) of knowledge of any matter that has resulted or could reasonably be expected to result in a Material Adverse Effect, including (i) breach or non-performance of, or any default under, a Contractual Obligation of any Loan Party or any Subsidiary; (ii) any dispute, litigation, investigation, proceeding or suspension between any Loan Party or any Subsidiary and any Governmental Authority; or (iii) the commencement of, or any material development in, any litigation or proceeding affecting any Loan Party or any Subsidiary, including pursuant to any applicable Environmental Laws.

(c) Promptly (and in any event, within five (5) Business Days) notify the Administrative Agent (for further notification to each Lender) of knowledge of (i) the occurrence of any ERISA Event which could reasonably be expected to have a Material Adverse Effect or (ii) any failure by

any Loan Party or any Subsidiary to perform its obligations under a Canadian Pension Plan which could reasonably be expected to result in a Material Adverse Effect.

(d) Promptly (and in any event, within five (5) Business Days) notify the Administrative Agent (for further notification to each Lender) of knowledge of any material change in accounting policies or financial reporting practices by the Parent Borrower or any Subsidiary, including any determination by the Parent Borrower referred to in Section 2.10(b).

Each notice pursuant to this Section 7.03(a) through (d) shall be accompanied by a statement of a Responsible Officer of the Parent Borrower setting forth details of the occurrence referred to therein and stating what action the applicable Loan Party has taken and proposes to take with respect thereto. Each notice pursuant to Section 7.03(a) shall describe with particularity any and all provisions of this Agreement and any other Loan Document that have been breached.

7.04 Payment of Obligations. Pay and discharge, as the same shall become due and payable all federal and material tax liabilities, assessments and governmental charges or levies upon it or its properties or assets, unless the same are being contested in good faith by appropriate proceedings diligently conducted and adequate reserves in accordance with GAAP are being maintained by the Loan Party or such Subsidiary.

7.05 Preservation of Existence, Etc.

(a) Preserve, renew and maintain in full force and effect its legal existence under the Laws of the jurisdiction of its organization except in a transaction permitted by Section 8.04 or 8.05.

(b) Preserve, renew and maintain in full force and effect its good standing under the Laws of the jurisdiction of its organization, except to the extent the failure to do so could not reasonably be expected to have a Material Adverse Effect.

(c) Take all reasonable action to maintain all rights, privileges, permits, licenses and franchises necessary or desirable in the normal conduct of its business, except to the extent that the failure to do so could not reasonably be expected to have a Material Adverse Effect.

(d) Preserve or renew all of its material registered patents, copyrights, trademarks, trade names and service marks, the non-preservation or non-renewal of which could reasonably be expected to have a Material Adverse Effect.

7.06 Maintenance of Properties.

(a) Maintain, preserve and protect all of its material properties and equipment necessary in the operation of its business in good working order and condition, ordinary wear and tear, casualty and condemnation or other failures which could not reasonably be expected to have a Material Adverse Effect excepted.

(b) Make all necessary repairs thereto and renewals and replacements thereof, except where the failure to do so could not reasonably be expected to have a Material Adverse Effect.

(c) Use the standard of care typical in the industry in the operation and maintenance of its facilities.

7.07 Maintenance of Insurance.

(a) Maintain in full force and effect insurance (including worker's compensation insurance, liability insurance, casualty insurance and business interruption insurance) with reputable insurance companies not Affiliates of any Loan Party, in such amounts, with such deductibles and covering such risks as are customarily carried by companies engaged in similar businesses and owning similar properties in localities where the applicable Loan Party or the applicable Subsidiary operates.

(b) Without limiting the foregoing, (i) maintain, if available, fully paid flood hazard insurance on all real property that is located in a special flood hazard area and that constitutes Collateral, on such terms and in such amounts as required by Flood Insurance Laws or as otherwise required by the Administrative Agent (but in no event less than the minimum amount and other conditions required by Flood Insurance Laws), (ii) furnish to the Administrative Agent evidence of the renewal (and payment of renewal premiums therefor) of all such policies prior to the expiration or lapse thereof, and (iii) furnish to the Administrative Agent prompt written notice of any redesignation of any such improved real property into or out of a special flood hazard area.

(c) Cause the Administrative Agent and its successors and/or assigns to be named as loss payee or mortgagee, as its interest may appear, and/or additional insured with respect to any such insurance providing coverage in respect of any Collateral, and each provider of any such insurance shall agree, by endorsement upon the policy or policies issued by it or by independent instruments furnished to the Administrative Agent, that it will endeavor to give the Administrative Agent thirty (30) days (or ten (10) days in the case of nonpayment of premiums) prior written notice before any such policy or policies shall be altered or canceled.

7.08 Compliance with Laws. Comply with the requirements of all Laws and all orders, writs, injunctions and decrees applicable to it or to its business or property, except in such instances in which (a) such requirement of Law or order, writ, injunction or decree is being contested in good faith by appropriate proceedings diligently conducted; or (b) the failure to comply therewith could not reasonably be expected to have a Material Adverse Effect.

7.09 Books and Records.

(a) Maintain proper books of record and account, in which full, true and correct entries in conformity with GAAP in all material respects consistently applied (except as disclosed therein and approved by the Administrative Agent in writing) shall be made of all financial transactions and matters involving the assets and business of such Loan Party or such Subsidiary, as the case may be.

(b) Maintain such books of record and account in material conformity with all applicable requirements of any Governmental Authority having regulatory jurisdiction over such Loan Party or such Subsidiary, as the case may be.

7.10 Inspection Rights. Permit representatives and independent contractors of the Administrative Agent (and, to the extent accompanying the Administrative Agent, the Lenders, at their sole cost and expense) to visit and inspect any of its properties, to examine its corporate, financial and operating records, and make copies thereof or abstracts therefrom, and to discuss its affairs, finances and accounts with its directors, officers, and, provided that the Parent Borrower is given the opportunity to be present, independent public accountants, all at the expense of the Parent Borrower and at such reasonable times during normal business hours upon reasonable advance notice to the Parent Borrower; provided, however, that (i) when an Event of Default exists the Administrative Agent (or any of their respective representatives or independent contractors) may do any of the foregoing at the expense of the Parent Borrower at any time

during normal business hours and without advance notice, and (ii) absent an Event of Default, the Parent Borrower shall only be required to pay for one such visit and/or inspection by the Administrative Agent per fiscal year.

7.11 Use of Proceeds. Use the proceeds of the Credit Extensions (a) in the case of the Term Loan, to refinance existing Indebtedness under the Existing Credit Agreement and to finance the fees, costs and expenses associated with the closing of this Agreement, and (b) in the case of the Revolving Loans, fees, costs and expenses associated with the closing of this Agreement, to finance working capital and capital expenditures and for other general corporate purposes, including capital expenditures, Permitted Acquisitions, and Restricted Payments permitted hereunder; provided that in no event shall the proceeds of the Credit Extensions be used in contravention of any Law or of any Loan Document.

7.12 Additional Subsidiaries.

(a) (x) Concurrently with the delivery of the financial statements referred to in Section 7.01(a) and 7.01(b) (or such later date as the Administrative Agent may agree in its reasonable discretion), with respect to any Subsidiary acquired or formed in the applicable fiscal quarter (other than a Specified Subsidiary), and (y) with respect to a Specified Subsidiary, within (30) days of the consummation of the Acquisition related thereto (in each case, or such later date as the Administrative Agent may agree in its reasonable discretion), the Parent Borrower shall notify the Administrative Agent thereof in writing, together with the (i) jurisdiction of formation, (ii) number of shares of each class of Equity Interests outstanding, (iii) number and percentage of outstanding shares of each class owned (directly or indirectly) by the Parent Borrower or any Subsidiary and (iv) number and effect, if exercised, of all outstanding options, warrants, rights of conversion or purchase and all other similar rights with respect thereto; and

(b) (x) Prior to the end of the fiscal quarter immediately after the fiscal quarter in which the notice described in clause (a)(x) above is delivered (or such later date as the Administrative Agent may agree in its reasonable discretion) with respect to any Subsidiary that is not an Excluded Subsidiary or a Specified Subsidiary, and (y) within thirty (30) days of the consummation of an Acquisition related thereto with respect to any Specified Subsidiary that is not an Excluded Subsidiary (in each case, or such later date as the Administrative Agent may agree in its reasonable discretion) (or, if later, the date upon which a Subsidiary is no longer an Excluded Subsidiary), (i) (A) if such Subsidiary is a Domestic Subsidiary (unless such Domestic Subsidiary is (x) a direct non-Wholly Owned Subsidiary of PARS ENVIRONMENTAL, Inc., a New Jersey corporation ("PARS"), or (y) with the consent of the Administrative Agent in consultation with the Parent Borrower, any other non-Wholly Owned Subsidiary of Parent Borrower or a Guarantor which was acquired in a Permitted Acquisition; provided that, (I) the remaining Equity Interests of such Domestic Subsidiary are not held by the Parent Borrower or any Subsidiary of the Parent Borrower, and (II) such Domestic Subsidiary has no material assets or operations other than being party to one or more government contracts), cause such Person to become a Guarantor of the Obligations by executing and delivering to the Administrative Agent a Joinder Agreement or such other documents as the Administrative Agent shall deem appropriate for such purpose or (B) if such Subsidiary is a Foreign Subsidiary (unless such Foreign Subsidiary is (x) with the consent of the Administrative Agent in consultation with the Parent Borrower, any other non-Wholly Owned Subsidiary of Parent Borrower or a Guarantor which was acquired in a Permitted Acquisition; provided that, (I) the remaining Equity Interests of such Foreign Subsidiary are not held by the Parent Borrower or any Subsidiary of the Parent Borrower, and (II) such Foreign Subsidiary has no material assets or operations other than being party to one or more government contracts), cause such Person to become a Guarantor of the Obligations by executing and delivering to the Administrative Agent a Joinder Agreement or such other documents governed by the laws of the State of New York or another jurisdiction as the Administrative Agent shall deem appropriate for such purpose; provided that no such Subsidiary that is a "controlled foreign corporation" within the meaning of Section 957 of the Internal Revenue Code shall be required to become a Guarantor with respect to any Obligations of a Borrower that

is a U.S. Person until such time as such Subsidiary has been owned, directly or indirectly, by a U.S. Loan Party for at least one year and (ii) cause such Person required to become a Guarantor to deliver to the Administrative Agent documents of the types referred to in Section 5.01(e) and Section 5.01(f) and, if reasonably requested by the Administrative Agent (it being agreed no opinions shall be required with respect to Immaterial Subsidiaries), favorable opinions of New York counsel to such Person (which shall cover, among other things, the legality, validity, binding effect and enforceability of the documentation referred to in clause (i)(A) or (i)(B), as applicable), all in form, content and scope satisfactory to the Administrative Agent.

(c) Within ninety (90) days (or such later date as the Administrative Agent may agree in its reasonable discretion) after the date that the Administrative Agent has requested such action following delivery of a Compliance Certificate notifying the Administrative Agent that a Foreign Collateral Document Trigger Event has occurred and is continuing, if such Subsidiary is a Foreign Subsidiary, deliver all Additional Collateral Documents reasonably requested by the Administrative Agent for the applicable foreign jurisdiction, which Additional Collateral Documents shall be customary for such applicable foreign jurisdiction (including, without limitation, customary legal opinions).

In no event shall any Subsidiary be required to complete any filings or other action with respect to the perfection of security interests in any jurisdiction other than any Specified Guarantee Jurisdiction, and no actions in any jurisdiction or required by laws of any jurisdiction (in each case, other than any Specified Guarantee Jurisdiction) shall be required to be taken to create or perfect any security interests in any other jurisdiction (including any Equity Interests of Foreign Subsidiaries and any intellectual property governed by or arising or existing under the laws of any jurisdiction other than in the United States or any Specified Guarantee Jurisdiction (it being understood that there shall be no requirement to enter into security agreements or pledge agreements governed under the laws of any jurisdiction other than in the United States or any Specified Guarantee Jurisdiction). Except as otherwise required by the laws of any Specified Guarantee Jurisdiction, no Loan Party shall be required to complete any filings with respect to intellectual property beyond the filing of intellectual property security agreements with the United States Patent and Trademark Office, the United States Copyright Office or the Canadian Intellectual Property Office, as applicable (and the filing of Uniform Commercial Code and PPSA financing statements) or to enter into any deposit account control agreement with respect to any Excluded Account (as defined in the Security Agreement and the Canadian Security Agreement, as applicable). For the avoidance of doubt, in no event shall the Collateral include any Excluded Property.

7.13 ERISA Compliance and Canadian Pension Plan Compliance.

(a) Do, and cause each of its ERISA Affiliates to do, each of the following: (i) maintain each Plan in compliance with the applicable provisions of ERISA, the Internal Revenue Code and other federal or state law, except to the extent that the failure to do so could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect; (ii) cause each Plan that is qualified under Section 401(a) of the Internal Revenue Code to maintain such qualification; and (iii) make all required contributions to any Pension Plan subject to Section 412 or Section 430 of the Internal Revenue Code.

(b) Do, and cause each of its Subsidiaries to do, each of the following, upon the establishment of, or otherwise having in effect, or any liability or contingent liability with respect to, any Canadian Pension Plans: (i) maintain each such Canadian Pension Plan in compliance with applicable Canadian pension standards legislation and the ITA, except to the extent that the failure to do so could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect; (ii) cause each such Canadian Pension Plan that has received a confirmation of registration from the Canada Revenue Agency to maintain such registration so long as such registration is required or for so long as it or its

Subsidiaries have any Canadian Pension Plans; and (iii) make all required contributions to each such Canadian Pension Plan in a timely fashion in accordance with applicable legislative requirements.

7.14 Pledged Assets.

(a) **Equity Interests.** Subject to Section 7.14(c) and the last paragraph of Section 7.12, except to the extent constituting Excluded Property, cause one hundred percent (100%) of the issued and outstanding Equity Interests of each Subsidiary directly owned by a Loan Party (subject, in the case of a newly acquired or formed Subsidiary, to the time periods described in Section 7.12(a) and (b), as applicable) to a first priority, perfected Lien in favor of the Administrative Agent (subject to, in the case of Foreign Subsidiaries, local requirements in the applicable jurisdiction), for the benefit of the holders of the Obligations, pursuant to the terms and conditions of the Collateral Documents (including, with respect to any Equity Interests in any Foreign Subsidiary directly owned by any Loan Party, the Additional Collateral Documents for such jurisdiction governed by the laws of such jurisdiction to the extent required by Section 7.14(c) and requested by the Administrative Agent pursuant to Section 7.12(c) in form and substance reasonably satisfactory to the Administrative Agent), together with opinions of counsel and any filings and deliveries reasonably requested by the Administrative Agent necessary in connection therewith to perfect the security interests therein, all in form and substance reasonably satisfactory to the Administrative Agent.

(b) Reserved.

(c) Notwithstanding the foregoing, Foreign Subsidiaries shall not be required to enter into any Additional Collateral Documents unless and until (x) the aggregate amount of Consolidated EBITDA or Consolidated Total Assets attributable to all Foreign Subsidiaries exceeds ten percent (10%) of Consolidated EBITDA or ten percent (10%) of Consolidated Total Assets, as applicable, as of the last day of the most recently ended fiscal quarter for which the Compliance Certificate has been delivered to Administrative Agent pursuant to Section 7.02(a) and (y) the aggregate amount of Consolidated EBITDA or Consolidated Total Assets attributable to all Foreign Subsidiaries from the jurisdiction of organization of such Foreign Subsidiary exceeds seven and a half percent (7.5%) of Consolidated EBITDA or seven and a half percent (7.5%) of Consolidated Total Assets as of the last day of the most recently ended fiscal quarter for which the Compliance Certificate has been delivered to Administrative Agent pursuant to Section 7.02(a) (the “Foreign Collateral Document Trigger Event”) occurs. Subject to the first sentence of this Section 7.14(c) and the last paragraph of Section 7.12, the Parent Borrower shall cause such Foreign Subsidiaries to deliver all Additional Collateral Documents reasonably requested by the Administrative Agent for the applicable foreign jurisdiction in accordance with timing requirements set forth Section 7.12(c).

7.15 Further Assurances. Promptly upon request by the Administrative Agent, or any Lender through the Administrative Agent, (a) correct any material defect or error that may be discovered in any Loan Document or in the execution, acknowledgment, filing or recordation thereof, and (b) do, execute, acknowledge, deliver, record, re-record, file, re-file, register and re-register any and all such further acts, deeds, certificates, assurances and other instruments (including promptly completing any registration or stamping of documents as may be applicable) as the Administrative Agent, or any Lender through the Administrative Agent, may reasonably require from time to time in order to (i) carry out more effectively the purposes of the Loan Documents, (ii) to the fullest extent permitted by applicable Law, subject any Loan Party’s or any of its Subsidiaries’ properties, assets, rights or interests to the Liens now or hereafter intended to be covered by any of the Collateral Documents, (iii) perfect and maintain the validity, effectiveness and priority of any of the Collateral Documents and any of the Liens intended to be created thereunder and (iv) assure, convey, grant, assign, transfer, preserve, protect and confirm more effectively unto the holders of the Obligations the rights granted or now or hereafter intended to be granted to the holders of the Obligations under any Loan Document or under any other instrument executed in connection

with any Loan Document to which any Loan Party or any of its Subsidiaries is or is to be a party, and cause each of its Subsidiaries to do so.

7.16 Compliance with Environmental Laws. Comply, and cause all lessees and other Persons operating or occupying its properties to comply, in all material respects, with all applicable Environmental Laws; obtain and renew all environmental permits necessary for its operations and properties, except to the extent the failure to obtain or renew the applicable permit could not reasonably be expected to result in a Material Adverse Effect; and conduct any investigation, study, sampling and testing, and undertake any cleanup, removal, remedial or other action necessary to remove and clean up all Hazardous Materials from any of its properties, in accordance in all material respects with the requirements of all Environmental Laws; provided, however, that neither the Parent Borrower nor any of its Subsidiaries shall be required to undertake any such cleanup, removal, remedial or other action to the extent that its obligation to do so is being contested in good faith and by proper proceedings and appropriate reserves are being maintained with respect to such circumstances in accordance with GAAP.

7.17 Deposit Accounts.

(a) Maintain each U.S. Loan Party's primary cash management and other United States treasury services, including deposit accounts and disbursement accounts located in the United States with the Administrative Agent or a Lender; provided, that, (i) with respect to U.S. Loan Parties acquired in connection with an Investment permitted under Section 8.02, such U.S. Loan Parties shall be afforded no less than one hundred and eighty (180) (or such later date as the Administrative Agent may agree in its sole discretion) following the date such Person becomes a U.S. Loan Party to maintain such U.S. Loan Party's primary cash management and other United States treasury services with the Administrative Agent or a Lender; (ii) with respect to deposit accounts of CTEH and its Subsidiaries, such accounts may be maintained with the account banks in effect as of the Closing Date, as long as (x) the balances do not exceed \$10,000,000 in the aggregate for all such accounts at any one time and (y) the same are subject to Control Agreements in favor of the Administrative Agent within 180 days from the Closing Date; and (iii) (A) Excluded Accounts, (B) deposit accounts and securities accounts subject to fully executed Control Agreements in favor of the Administrative Agent, and (C) other deposit accounts of the U.S. Loan Parties with balances which shall not exceed, solely with respect to this clause (C), \$2,500,000 in the aggregate for all such accounts for three consecutive Business Days may be maintained with any account bank.

(b) From and after the 90th day after the Closing Date (or such later date as the Administrative Agent may agree in its sole discretion), maintain fully executed Control Agreements on all deposit accounts and securities accounts of the Loan Parties, other than (i) any such accounts not located in the United States, (ii) deposit accounts of the Loan Parties with balances which shall not exceed \$2,500,000 in the aggregate for all such accounts for three consecutive Business Days, (iii) Excluded Accounts and (iv) deposit accounts of CTEH and its Subsidiaries, subject to clause (ii) of the proviso to Section 7.17(a) above; provided, however, that following the acquisition of any Loan Party, such Loan Party shall not be required to comply with this Section 7.17 until the date 180 days after such Subsidiary is added as a Guarantor in accordance with Section 7.12(b) (or such later date as the Administrative Agent may agree in its sole discretion).

(c) From and after the 90th day after the Closing Date (or such later date as the Administrative Agent may agree in its sole discretion), use best efforts to maintain fully executed Control Agreements on all Canadian deposit accounts and Canadian securities accounts (other than Excluded Accounts) of the Canadian Loan Parties.

7.18 Activities of the Parent Borrower. Use commercially reasonable efforts to cause the Parent Borrower to not have any material operations or activities, or own any assets, related to the business

of the Parent Borrower and its Subsidiaries, other than (a) operations and activities conducted by, and assets owned by, the Parent Borrower as of the Closing Date, (b) other operations and activities, and other assets, similar to those conducted or owned, as the case may be, by the Parent Borrower on the Closing Date or consistent with past practices of the Parent Borrower, and (c) other operations, activities or assets approved by the Administrative Agent.

7.19 Quarterly Lenders Calls. At the request of the Administrative Agent or Required Lenders, at a time mutually agreed with the Administrative Agent that is promptly after the delivery of the information required pursuant to Section 7.01(a) and (b) above, Parent Borrower (and its relevant executive officers) shall participate in a telephone conference call or other teleconference for Lenders during normal business hours to discuss the financial condition and results of operations of the Parent Borrower and its Subsidiaries for the most recently-ended fiscal quarter (and portion of the fiscal year) for which financial statements have been delivered.

7.20 Post-Closing Covenants. The Loan Parties will take each of the actions set forth on Schedule 7.20 within the time period prescribed therefor on such schedule (or such later date as the Administrative Agent may agree in its sole discretion (which may be delivered by Electronic Transmission)).

ARTICLE VIII. NEGATIVE COVENANTS

So long as any Lender shall have any Commitment hereunder, any Loan or other Obligation hereunder shall remain unpaid or unsatisfied, or any Letter of Credit shall remain outstanding (other than contingent indemnity obligations and Letters of Credit which have been Cash Collateralized), no Loan Party shall, nor shall it permit any Subsidiary to, directly or indirectly:

8.01 Liens. Create, incur, assume or suffer to exist any Lien upon any of its property, assets or revenues, whether now owned or hereafter acquired, other than the following:

(a) Liens pursuant to any Loan Document;

(b) Liens existing on the Closing Date and listed on Schedule 8.01 and any renewals or extensions thereof, provided that (i) the property covered thereby is not changed, (ii) the amount secured or benefited thereby is not increased (except by accrued interest and any applicable fees), (iii) the direct or any contingent obligor with respect thereto is not changed, and (iv) any renewal or extension of the obligations secured or benefited thereby is permitted by Section 8.03(b);

(c) Liens (other than Liens imposed under ERISA or in respect of a Canadian Pension Plan) for taxes, assessments or governmental charges or levies (i) not yet due or which are being contested in good faith and by appropriate proceedings diligently conducted, if adequate reserves with respect thereto are maintained on the books of the applicable Person in accordance with GAAP or (ii) the non-payment of which is permitted by Section 7.04;

(d) statutory (and contractual restatements thereof) Liens of landlords and Liens of carriers, warehousemen, mechanics, materialmen and suppliers and other Liens imposed by law (and contractual restatements thereof) or pursuant to customary reservations or retentions of title arising in the ordinary course of business, provided that such Liens secure only amounts (i) not then due, (ii) if due, not yet overdue by more than thirty (30) days, (iii) that if overdue by more than thirty (30) days, no action has been taken to enforce the same or are being contested in good faith by appropriate proceedings for which adequate reserves determined in accordance with GAAP have been established;

(e) pledges or deposits in the ordinary course of business in connection with workers' compensation, unemployment insurance and other social security legislation, other than any Lien imposed by ERISA or in respect of a Canadian Pension Plan;

(f) deposits to secure the performance of bids, trade contracts and leases (other than Indebtedness), statutory obligations, surety, performance bonds and other obligations of a like nature incurred in the ordinary course of business;

(g) easements, rights-of-way, restrictions and other similar encumbrances affecting real property which, in the aggregate, do not in any case materially detract from the value of the property subject thereto or materially interfere with the ordinary conduct of the business of the applicable Person;

(h) Liens securing judgments for the payment of money (or appeal or other surety bonds relating to such judgments) not constituting an Event of Default under Section 9.01(h);

(i) Liens securing Indebtedness permitted under Section 8.03(e) or (u); provided that (i) such Liens do not at any time encumber any property other than the property financed by such Indebtedness and the proceeds thereof, (ii) the Indebtedness secured thereby does not exceed the cost (negotiated on an arm's length basis) of the property being acquired on the date of acquisition and (iii) such Liens attach to such property concurrently with or within ninety (90) days after the acquisition thereof;

(j) leases or subleases granted to others not interfering in any material respect with the business of any Loan Party or any of its Subsidiaries;

(k) any interest of title of a lessor under, and Liens arising from Uniform Commercial Code financing statements (or equivalent filings, registrations or agreements in foreign jurisdictions) relating to, leases permitted by this Agreement;

(l) Liens deemed to exist in connection with Investments in repurchase agreements permitted under Section 8.02;

(m) normal and customary rights of setoff upon deposits of cash in favor of banks or other depository institutions;

(n) Liens of a collection bank arising under Section 4-210 of the Uniform Commercial Code on items in the course of collection;

(o) Liens of sellers of goods to the Parent Borrower and any of its Subsidiaries arising under Article 2 of the Uniform Commercial Code, the PPSA or similar provisions of applicable Law in the ordinary course of business, covering only the goods sold and securing only the unpaid purchase price for such goods and related expenses;

(p) Liens, if any, in favor of the Administrative Agent on Cash Collateral delivered pursuant to Section 2.14(a);

(q) Liens in favor of customs and revenues authorities which secure payment of customs duties in connection with the importation of goods;

(r) Liens on premium refunds and insurance proceeds granted in favor of insurance companies (or their financing affiliates) in connection with the financing of insurance premiums;

(s) [reserved];

(t) Liens solely on cash earnest money deposits made by the Parent Borrower or a Subsidiary in connection with any letter of intent or purchase agreement permitted hereunder entered into by a Loan Party;

(u) non-exclusive outbound licenses or sublicenses of IP Rights granted by any Loan Party in the ordinary course of business and not interfering in any material respect with the ordinary conduct of business of the Parent Borrower and its Subsidiaries, taken as a whole;

(v) Liens on Equity Interests or assets to be sold pursuant to an agreement entered into for the Disposition of all or substantially all the Equity Interests or assets of a Subsidiary or for any disposition of assets not constituting a Disposition, in each case to the extent permitted by the terms hereof, pending the closing of such Disposition or disposition; provided, that, in no event shall any such Liens secure (either directly or indirectly) the repayment of any Indebtedness;

(w) customary rights of first refusal and tag, drag and similar rights in joint venture agreements with respect to joint ventures;

(x) Liens on assets of Foreign Subsidiaries (other than Canadian Loan Parties) securing Indebtedness permitted under Section 8.03(q);

(y) [reserved];

(z) purported Liens on assets subject to operating leases of the Parent Borrower and its Subsidiaries evidenced by the filing of precautionary Uniform Commercial Code statements (or equivalent filings, registrations or agreements in foreign jurisdictions); provided that if a Uniform Commercial Code financing statement (or equivalent filings, registrations or agreements in foreign jurisdictions) filed solely as a precautionary measure in connection with an operating lease of the Parent Borrower or any of its Subsidiaries includes a collateral description which is not acceptable to the Administrative Agent in its sole discretion, the Parent Borrower shall cause such Uniform Commercial Code financing statement (or equivalent filings, registrations or agreements in foreign jurisdictions) to be amended within thirty (30) days after the Administrative Agent's request (or such later date acceptable to the Administrative Agent in its sole discretion) to include a collateral description which is acceptable to the Administrative Agent in its sole discretion;

(aa) Liens securing Indebtedness incurred under Section 8.03(r) and 8.03(n);

(bb) other Liens on assets, provided, that if such Liens secure Indebtedness, such Indebtedness shall be in an aggregate amount not to exceed \$2,000,000 at any time outstanding, and if such Liens do not secure Indebtedness, such Liens shall not attach to property with a fair market value in excess of \$2,000,000 in the aggregate, as reduced by the amount of Indebtedness secured by Liens permitted under this clause (bb); and

(cc) Liens on cash collateral or other credit support securing indebtedness permitted by Section 8.03(t);

Notwithstanding anything to the contrary contained herein, there shall be no Liens on the Aircraft existing on the Closing Date other than the Liens on such Aircraft existing on the Closing Date and Liens described in Section 8.01(c) and Section 8.01(h) hereof.

8.02 Investments. Make any Investments, except:

- (a) Investments held by the Parent Borrower or such Subsidiary in the form of cash or Cash Equivalents;
- (b) Investments existing as of the Closing Date and set forth in Schedule 8.02;
- (c) (i) Investments in any Person that is an Unlimited Loan Party prior to giving effect to such Investment, (ii) Investments by any Subsidiary of the Parent Borrower that is not a Loan Party in any other Subsidiary of the Parent Borrower that is not a Loan Party, (iii) Investments by any Loan Party in any Foreign Subsidiary, not to exceed \$10,000,000 in the aggregate outstanding at any time, (iv) Investments made by any an Unlimited Loan Party in any a Loan Party in an aggregate amount not to exceed \$5,000,000 in the aggregate outstanding at any time, (v) Investments made by any Loan Party in any Subsidiary in an aggregate amount of all such Investments by the Loan Parties, in the aggregate, solely with respect to this clause (v), with all Investments made by the Loan Parties and their Subsidiaries pursuant to Sections 8.02(c)(iii) and 8.02(l), not to exceed \$20,000,000 in the aggregate outstanding at any time, and (vi) Investments by any Foreign Subsidiary that is not an Loan Party in any other Foreign Subsidiary;
- (d) Investments 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, and Investments received in satisfaction or partial satisfaction thereof from financially troubled account debtors to the extent reasonably necessary in order to prevent or limit loss;
- (e) Guarantees permitted by Section 8.03;
- (f) (i) Permitted Acquisitions (including deposits of earnest money in connection therewith) and (ii) Investments in any Subsidiary in an amount required to permit such Subsidiary to consummate a Permitted Acquisition;
- (g) non-cash consideration received in connection with Dispositions permitted by Section 8.05;
- (h) repurchases of Equity Interests of the Parent Borrower permitted by Section 8.06;
- (i) loans or advances to employees in the ordinary course of business in an aggregate principal amount not to exceed \$2,000,000 at any one time outstanding;
- (j) deposits, prepayments and advances to suppliers of amounts provided by customers for the purchase of materials and the preparation of goods and inventory in respect of customer contracts entered into in the ordinary course of business and consistent with past practices of the Parent Borrower and its Subsidiaries;
- (k) Investments arising in connection with endorsement of negotiable instruments for deposit and customary trade arrangements with customers in the ordinary course of business and consistent with past practices of the Parent Borrower and its Subsidiaries;
- (l) Investments made by any Loan Party or any Subsidiary of a Loan Party in joint ventures not constituting Subsidiaries in an aggregate amount of all such Investments in joint ventures, in the aggregate with all Investments made by the Loan Parties pursuant to Section 8.02(c)(v), not to exceed \$20,000,000 in the aggregate outstanding at any time;

(m) Investments constituting Swap Obligations to the extent permitted hereunder;

(n) to the extent constituting an Investment, purchases and other acquisitions of inventory, materials, equipment, intangible property and other assets in the ordinary course of business;

(o) Investments consisting of loans and advances by Loan Parties to officers, directors and employees of the Parent Borrower and its Subsidiaries which are used solely by such Persons to facilitate purchase Equity Interests of the Parent Borrower so long as (i) the proceeds of such loans and advances are used in their entirety to purchase such Equity Interests of any direct or indirect parent of a Loan Party and (ii) such Investments do not exceed \$6,000,000 in the aggregate at any time outstanding;

(p) Investments in an amount not exceeding the Available Amount so long as (i) no Default or Event of Default exists immediately prior to and after giving effect to any such Investment, (ii) upon giving effect to such Investment on a Pro Forma Basis, as of the most recently ended fiscal quarter for which financial statements have been (or were required to have been) delivered pursuant to Loan Documents, the Loan Parties would be in compliance with the financial covenants set forth in this Agreement and (iii) solely with respect to any Acquisition, the conditions set forth in the definition of “Permitted Acquisition” (other than the conditions set forth in clause (e) and clause (h) thereof) shall be satisfied; and

(q) other Investments in an amount not to exceed \$2,000,000 in the aggregate at any time outstanding.

8.03 Indebtedness. Create, incur, assume or suffer to exist any Indebtedness, except:

(a) Indebtedness under the Loan Documents;

(b) Indebtedness of the Parent Borrower and its Subsidiaries existing on the Closing Date and set forth in Schedule 8.03 (and any Permitted Refinancing thereof);

(c) intercompany Indebtedness permitted under Section 8.02;

(d) obligations (contingent or otherwise) of the Parent Borrower or any Subsidiary existing or arising under any Swap Contract, provided that (i) such obligations are (or were) entered into by such Person in the ordinary course of business for the purpose of directly mitigating risks associated with liabilities, commitments, investments, assets, or property held or reasonably anticipated by such Person, or changes in the value of securities issued by such Person, and not for purposes of speculation or taking a “market view;” and (ii) such Swap Contract does not contain any provision exonerating the non-defaulting party from its obligation to make payments on outstanding transactions to the defaulting party;

(e) purchase money Indebtedness (including obligations in respect of Capital Leases or Synthetic Leases) hereafter incurred (or assumed pursuant to a Permitted Acquisition) by the Parent Borrower or any of its Subsidiaries to finance the purchase of fixed assets, and Permitted Refinancings thereof, provided that (i) the total of all such Indebtedness for all such Persons taken together shall not exceed an aggregate principal amount of \$50,000,000 at any one time outstanding; and (ii) such Indebtedness when incurred shall not exceed the purchase price of the asset(s) financed;

(f) [reserved];

(g) (i) the Existing Seller Indebtedness, (ii) the Seller Subordinated Indebtedness, (iii) Earn Out Obligations, in the case of clauses (ii) and (iii), incurred in connection with Permitted Acquisitions and (iv) the Specified Permitted Acquisition Earnout;

(h) Indebtedness constituting customary indemnification obligations, purchase price adjustments or similar obligations incurred in connection with Permitted Acquisitions;

(i) Indebtedness incurred in favor of insurance companies (or their affiliates) in connection with the financing of insurance premiums in an amount not the exceed the premiums with respect to the applicable insurance policies;

(j) Indebtedness in respect of netting services, overdraft protections and otherwise in connections with deposit accounts to the extent incurred in the ordinary course of business;

(k) surety or performance bonds with respect to contracts for the performance of work entered into by the Parent Borrower or its Subsidiaries in the ordinary course of business;

(l) Guarantees with respect to Indebtedness permitted under this Section 8.03; provided such Guarantee is also permitted by Section 8.02 (other than Section 8.02(e));

(m) unsecured Indebtedness of any Loan Party consisting of promissory notes issued by any such Loan Party to employees, officers, directors, former employees, former officers, directors or former directors (or any spouses, ex-spouses, heirs, or estates of any of the foregoing) incurred in connection with the repurchase or redemption by such Loan Party of the Equity Interests of any direct or indirect parent of a Loan Party; provided, that, such Indebtedness (i) is subordinated to the Obligations on terms reasonably acceptable to the Administrative Agent and (ii) shall not exceed an aggregate principal amount of \$6,000,000 at any one time outstanding;

(n) (i) Indebtedness in respect of letters of credit, bank guarantees or similar instruments denominated in currencies other than Dollars, Canadian Dollars or Australian Dollars in an aggregate amount outstanding not to exceed \$5,000,000, and (ii) Indebtedness in the form of bank guarantees backstopped by Letters of Credit;

(o) Indebtedness in respect of workers' compensation claims, including guarantees or obligations of the Parent Borrower or any Subsidiary with respect to workers' compensation claims, (in each case other than for an obligation for money borrowed);

(p) customary obligations in respect of deferred compensation incurred in the ordinary course of business;

(q) Indebtedness of Foreign Subsidiaries (other than Canadian Loan Parties) in an aggregate amount not to exceed \$10,000,000 at any time outstanding;

(r) Indebtedness advanced by (i) any Governmental Authority (including the Small Business Administration) or any other Person acting as a financial agent of a Governmental Authority or (ii) any other Person to the extent such Indebtedness under this clause (ii) is guaranteed by a Governmental Authority (including the Small Business Administration), in each case under this clause (r), pursuant to the CARES Act (or any related legislation), in each case of the preceding clauses (i) and (ii), to the extent approved by the Required Lenders such approval not to be unreasonably withheld or delayed;

(s) other Indebtedness in an aggregate principal amount not to exceed \$2,000,000 at any one time outstanding;

(t) Indebtedness in respect of credit cards, credit card processing services, debit cards, stored value cards, purchase cards (including so-called “procurement cards” or “P-cards”) or other similar cash management services, in each case, incurred in the ordinary course of business in an aggregate amount not to exceed \$5,000,000 at any time outstanding; and

(u) Indebtedness resulting from a Sale and Leaseback Transaction with respect to the property located at 5120 Northshore Drive, North Little Rock, Arkansas 72118 pursuant to FASB ASC 840-40-25.

8.04 Fundamental Changes. Merge, dissolve, liquidate, amalgamate, consolidate with or into another Person, or Dispose of (whether in one transaction or in a series of transactions) all or substantially all of its assets (whether now owned or hereafter acquired) to or in favor of any Person; provided that, notwithstanding the foregoing provisions of this Section 8.04 but subject to the terms of Sections 7.12 and 7.14, (a) the Parent Borrower may merge or consolidate with any of its Subsidiaries (other than the Canadian Borrower); provided, that, the Parent Borrower shall (i) be the continuing or surviving corporation and (ii) only do so with a Domestic Subsidiary, (b) the Canadian Borrower may merge, amalgamate or consolidate with any of its Subsidiaries; provided, that, the Canadian Borrower shall (i) be the continuing or surviving corporation, (ii) only do so with a Loan Party organized under the laws of Canada or a province or territory thereof, and (iii) deliver a confirmation and acknowledgement and other ancillary documents as reasonably requested by the Administrative Agent confirming that is subject to all of the Obligations hereunder, (c) any Loan Party (other than any Borrower) may merge, amalgamate or consolidate with any other Loan Party (other than any Borrower); provided, that, if an Unlimited Loan Party is a party thereto then an Unlimited Loan Party shall be the continuing or surviving corporation or other legal entity (including by way of amalgamation) and (ii) a Loan Party organized under the laws of the United States shall only do so with a Loan Party organized under the laws of the United States and a Loan Party organized under the laws of Canada or a province or territory thereof shall only do so with a Loan Party organized under the laws of Canada, the United States or a province, state or territory thereof, (d) any Foreign Subsidiary that is not a Loan Party may be merged, amalgamated or consolidated with or into any Loan Party; provided, that, (i) such Loan Party shall be the continuing or surviving corporation (or other legal entity) and (ii) a Foreign Subsidiary organized under the laws of Canada or a province or territory thereof shall only do so with a Loan Party organized under the laws of Canada or a province or territory thereof, (e) any Foreign Subsidiary that is not a Loan Party may be merged, amalgamated or consolidated with or into any other Foreign Subsidiary that is not a Loan Party; provided, that, a Foreign Subsidiary organized under the laws of Canada or a province or territory thereof shall only do so with a Foreign Subsidiary organized under the laws of Canada or a province or territory thereof, (f) subject to clause (a) and (b) above and provided that the surviving Person is a Loan Party, the Parent Borrower or any Subsidiary of the Parent Borrower may merge or amalgamate with any other Person in connection with a Permitted Acquisition, and (g) any Subsidiary of the Parent Borrower (other than the Canadian Borrower) may dissolve, liquidate or wind up its affairs at any time provided that such dissolution, liquidation, or winding up, as applicable, could not have a Material Adverse Effect and provided that the assets of such Subsidiary are transferred to a U.S. Loan Party (if such Subsidiary is a Domestic Subsidiary) or a Loan Party (if such Subsidiary is a Foreign Subsidiary) prior to such dissolution, liquidation, or winding up.

8.05 Dispositions. Make any Disposition except: Dispositions by the Parent Borrower or any Subsidiary which are made for fair market value, if the aggregate fair market value of all assets so subject to any such Dispositions by the Parent Borrower and its Subsidiaries shall not exceed \$4,000,000, individually or in the aggregate, in any fiscal year.

8.06 Restricted Payments. Declare or make, directly or indirectly, any Restricted Payment or pay any management fees or similar fees to any of its equityholders or any Affiliate thereof, or incur any obligation (contingent or otherwise) to do so, except that:

(a) (i) each Subsidiary may make Restricted Payments to any Unlimited Loan Party, (ii) any Subsidiary that is not a Loan Party may make Restricted Payments to any other Subsidiary that is not a Loan Party, (iii) any Unlimited Loan Party may make Restricted Payments to (A) any Subsidiary that is not a Loan Party or (B) any Loan Party that is not an Unlimited Loan Party, in an aggregate amount not to exceed, in the case of this clause (iii), \$500,000 in any fiscal year, and (iv) any Loan Party that is not an Unlimited Loan Party may make Restricted Payments to any other Loan Party that is not an Unlimited Loan Party,

(b) the Parent Borrower and each Subsidiary may declare and make dividend payments or other distributions payable solely in the Equity Interests (other than Disqualified Stock) of such Person;

(c) the Loan Parties may make non-cash repurchases of Equity Interests deemed to occur upon the exercise of equity options;

(d) non-Loan Party Subsidiaries may make distributions to the Parent Borrower and any other Subsidiary of the Parent Borrower;

(e) so long as no Default exists or would result therefrom, the Parent Borrower may pay cash dividends to its parent to enable it to pay, or the Parent Borrower may pay, (i) redemptions for cash of equity, rights to acquire equity or cash payments with respect to phantom stock units, in each case if owned by an officer or employee of any Loan Party upon termination of employment of such Person, and (ii) cash payments in lieu of the issuance of fractional units upon the exercise or conversion of options or other equity equivalents, provided that the aggregate amount of all such redemptions or payments under the immediately preceding clauses (i) and (ii) shall not exceed \$1,000,000 in the aggregate (excluding proceeds of issuances of Equity Interests used for such purpose);

(f) [reserved];

(g) the Parent Borrower may make cash coupon payments up to twelve percent (12.0%) per annum with respect to the Series A-2 Preferred Equity (or cash payments in respect of accrued but unpaid coupon payments with respect to the Series A-2 Preferred Equity); provided that (i) upon giving effect to any such payment on a Pro Forma Basis, as of the most recently ended fiscal quarter for which financial statements have been (or were required to have been) delivered pursuant to the Loan Documents, the Loan Parties would be in compliance with the financial covenants set forth in this Agreement, and (ii) no Default has occurred and is continuing both before and after giving effect to such payment (so long as any such payment is paid within sixty (60) days of the date of declaration);

(h) the Parent Borrower may redeem the Series A-2 Preferred Equity (and pay accrued but unpaid dividends thereon) at its option; provided that (i) upon giving effect to such redemption on a Pro Forma Basis, as of the most recently ended fiscal quarter for which financial statements have been (or were required to have been) delivered pursuant to Loan Documents, (A) the Loan Parties would be in compliance with the financial covenants set forth in this Agreement and (B) the Consolidated Total Leverage Ratio would not be greater than 3.50 to 1.0 (or, with respect to any such redemption made during the period from the Closing Date through the end of the fiscal quarter ending December 31, 2025, 4.00 to 1.0), and (ii) no Default has occurred and is continuing both before and after giving effect to such Restricted Payment, in

each case, as of the declaration of such Restricted Payment (so long as such Restricted Payment is paid within sixty (60) days of the date of declaration);

(i) the Parent Borrower may accrue dividends and pay such dividends in kind (but may not pay such dividends in cash, other than cash payments permitted under this Agreement);

(j) [reserved];

(k) [reserved];

(l) the Loan Parties may make Restricted Payments made in the form of the issuance of promissory notes (any such promissory note, a “Restricted Payment Note”) permitted by the Loan Documents and payments made in respect of such promissory notes to the extent such payments are otherwise permitted hereunder and are not made in violation of the applicable subordination provisions applicable thereto; provided that, prior to making any payments in cash on such Restricted Payments Notes, Parent Borrower shall deliver to the Administrative Agent a Pro Forma Compliance Certificate demonstrating that, after giving effect to such Restricted Payments, Parent Borrower is in compliance with Section 8.11 for the most recently completed four fiscal quarter period for which the Parent Borrower has delivered financial statements pursuant to Section 7.01(a) or (b); and

(m) the Loan Parties may make other Restricted Payments at their option; provided that (i) upon giving effect to such Restricted Payment on a Pro Forma Basis, as of the most recently ended fiscal quarter for which financial statements have been (or were required to have been) delivered pursuant to Loan Documents, (A) the Consolidated Fixed Charge Coverage Ratio would not be less than 1.25 to 1.0, and (B) the Consolidated Total Leverage Ratio would not be greater than 3.00 to 1.0, and (ii) no Default has occurred and is continuing both before and after giving effect to such Restricted Payment, in each case, as of the declaration of such Restricted Payment (so long as such Restricted Payment is paid within sixty (60) days of the date of declaration).

8.07 Change in Nature of Business. Engage in any material line of business substantially different from those lines of business conducted by the Parent Borrower and its Subsidiaries on the Closing Date or any business related or incidental thereto.

8.08 Transactions with Affiliates and Insiders. Enter into or permit to exist any transaction or series of transactions with any officer, director or Affiliate of such Person other than (a) advances of working capital to any Loan Parties that are not Unlimited Loan Parties, (b) transfers of cash and assets to any Loan Parties that are not Unlimited Loan Parties, (c) transactions expressly permitted by Section 8.02, Section 8.03, Section 8.04, Section 8.05 or Section 8.06, (d) normal and reasonable compensation and reimbursement of expenses of officers and directors in the ordinary course of business, (e) except as otherwise specifically limited in this Agreement, other transactions which are entered into in the ordinary course of such Person’s business on terms and conditions substantially as favorable to such Person as would be obtainable by it in a comparable arms-length transaction with a Person other than an officer, director or Affiliate, (f) transactions among the Unlimited Loan Parties, (g) as set forth on Schedule 8.08, (h) the Series A-2 Preferred Equity Documents, and (i) tax sharing agreements among the Loan Parties and their Subsidiaries.

8.09 Burdensome Agreements.

(a) Enter into, or permit to exist, any Contractual Obligation that encumbers or restricts on the ability of any such Person to (i) pay dividends or make any other distributions to any Loan Party on its Equity Interests or with respect to any other interest or participation in, or measured by, its

profits, (ii) pay any Indebtedness or other obligation owed to any Loan Party, (iii) make loans or advances to any Loan Party, (iv) sell, lease or transfer any of its property to any Loan Party, (v) pledge its property pursuant to the Loan Documents or any renewals, refinancings, exchanges, refundings or extension thereof or (vi) act as a Loan Party pursuant to the Loan Documents or any renewals, refinancings, exchanges, refundings or extension thereof, except (in respect of any of the matters referred to in clauses (i) through (iv) above) for (1) this Agreement and the other Loan Documents, (2) any document or instrument governing Indebtedness incurred pursuant to Section 8.03(e), provided that any such restriction contained therein relates only to the asset or assets constructed or acquired in connection therewith and the proceeds thereof, (3) any Permitted Lien or any document or instrument governing any Permitted Lien, provided that any such restriction contained therein relates only to the asset or assets subject to such Permitted Lien, (4) customary restrictions imposed by corporate law, (5) customary restrictions and conditions contained in any agreement relating to the sale of any property permitted under Section 8.05 pending the consummation of such sale, (6) customary provisions restricting assignments, subletting or other transfers contained in leases, licenses or similar agreements entered into in the ordinary course of business, (7) customary restrictions on transfer of interests in a joint venture contained in governing agreements, or (8) the Series A-2 Preferred Equity Documents.

(b) Enter into, or permit to exist, any Contractual Obligation that prohibits or otherwise restricts the existence of any Lien upon any of its property in favor of the Administrative Agent (for the benefit of the holders of the Obligations) for the purpose of securing the Obligations, whether now owned or hereafter acquired, or requires the grant of any security for any obligation if such property is given as security for the Obligations, except (i) any document or instrument governing Indebtedness incurred pursuant to Section 8.03(e), provided that any such restriction contained therein relates only to the asset or assets constructed or acquired in connection therewith and the proceeds thereof, (ii) in connection with any Permitted Lien or any document or instrument governing any Permitted Lien, provided that any such restriction contained therein relates only to the asset or assets subject to such Permitted Lien, (iii) pursuant to customary restrictions and conditions contained in any agreement relating to the sale of any property permitted under Section 8.05, pending the consummation of such sale, (iv) customary provisions restricting assignments, subletting or other transfers contained in leases, licenses or similar agreements entered into in the ordinary course of business, or (v) customary restrictions on the encumbering of interests in a joint venture contained in governing agreements.

8.10 Use of Proceeds. Use the proceeds of any Credit Extension, whether directly or indirectly, and whether immediately, incidentally or ultimately, to purchase or carry margin stock (within the meaning of Regulation U of the Board) or to extend credit to others for the purpose of purchasing or carrying margin stock or to refund indebtedness originally incurred for such purpose.

8.11 Financial Covenants.

(a) **Consolidated Total Leverage Ratio.** Permit the Consolidated Total Leverage Ratio as of the end of any fiscal quarter to be greater than (i) 4.00 to 1.0, beginning with the fiscal quarter ending March 31, 2025 through and including the fiscal quarter ending December 31, 2025, and (ii) 3.75 to 1.0, beginning with the fiscal quarter ending March 31, 2026 and each fiscal quarter thereafter; provided that the maximum Consolidated Total Leverage Ratio may be increased by 0.50:1.00, not to exceed 4.25:1.00, for a period of four consecutive fiscal quarters (the “Adjusted Covenant Period”) in connection with a Permitted Acquisition, or a series of Permitted Acquisitions within a 90-day period, in each case for aggregate gross consideration that exceeds \$20,000,000 (excluding consideration constituting Equity Interests of the Parent Borrower) if the Parent Borrower has provided notice in writing to the Administrative Agent requesting an Adjusted Covenant Period during the fiscal quarter in which such Permitted Acquisition is consummated; provided further that, if the Parent Borrower previously has requested an Adjusted Covenant Period, (x) it has not requested more than one (1) such Adjusted Covenant Period, and

(y) at least two (2) fiscal quarters have been completed following the end of the previously requested Adjusted Covenant Period.

(b) Consolidated Fixed Charge Coverage Ratio. Permit the Consolidated Fixed Charge Coverage Ratio as of the end of any fiscal quarter, commencing with the fiscal quarter ending March 31, 2025, to be less than 1.25 to 1.0.

8.12 Prepayment of Other Indebtedness, Etc.

(a) Make (or give any notice with respect thereto) any voluntary or optional payment or prepayment of principal or redemption or acquisition for value of (including without limitation, by way of depositing money or securities with the trustee with respect thereto before due for the purpose of paying when due), refund, refinance or exchange of, or make any payment (in cash, in kind or otherwise) of interest with respect to, any Subordinated Indebtedness (other than (i) in accordance with the terms of the governing subordination terms and (ii) no such payment in cash shall be made so long as any Default or Event of Default exists or would result from such payment);

provided that the Loan Parties may pay (I) the Specified Permitted Acquisition Earnout at any time after the Closing Date either (A) with the issuance of Equity Interests (that do not constitute Disqualified Stock) of the Parent Borrower or (B) so long as after giving pro forma effect thereto, (x) no Default or Event of Default shall have occurred and be continuing or would result therefrom and (y) the Parent Borrower is in compliance with the financial covenants in Section 8.11 as of the most recently ended fiscal quarter for which financial statements have been (or were required to have been) delivered pursuant to Section 7.01(a) or (b) and (II) any other Earn Out Obligations or Seller Subordinated Indebtedness at any time after the Closing Date so long as after giving pro forma effect thereto, (x) no Default shall have occurred and be continuing or would result therefrom, (y) the Parent Borrower is in compliance with the financial covenants in (x) Section 8.11(a) less 0.25:1.00 and (y) Section 8.11(b), in each case, as of the most recently ended fiscal quarter for which financial statements have been (or were required to have been) delivered pursuant to Section 7.01(a) or (b), and (z) such payment is permitted by the terms of any subordination or intercreditor agreement applicable to such Earn Out Obligation or Seller Subordinated Indebtedness.

(b) Amend, modify or change (or permit the amendment, modification or change of) any of the terms or provisions of any of any Subordinated Indebtedness in a manner adverse to the Lenders or in a manner not permitted by the subordination terms applicable thereto.

8.13 Organization Documents; Series A-2 Preferred Equity Documents; Fiscal Year; Legal Name, Jurisdiction of Formation and Form of Entity, Etc.

(a) Amend, modify or change its Organization Documents in a manner adverse in any material respect to the Lenders.

(b) Amend, modify or change (or permit the amendment, modification or change of) the Series A-2 Preferred Equity Documents or any other terms or provisions governing the Series A-2 Preferred Equity in a manner adverse to the Lenders; provided further that, without limitation of the foregoing, no amendment, modification or change shall be made to the Series A-2 Certificate of Designation without the consent of the Administrative Agent;

(c) Change its fiscal year; provided, that the Loan Parties shall be permitted to change the fiscal year of any Persons which are acquired to match that of the Parent Borrower.

(d) Without providing ten (10) days (or such shorter period as may be agreed by the Administrative Agent in its reasonable discretion) prior written notice to the Administrative Agent, change its name, jurisdiction of formation or form of organization.

8.14 Ownership of Subsidiaries. Notwithstanding any other provisions of this Agreement to the contrary, (a) permit any Person (other than any Loan Party or any Subsidiary of the Parent Borrower) to own any Equity Interests of any Subsidiary of any Loan Party, except (i) to qualify directors where required by applicable Law or to satisfy other requirements of applicable Law with respect to the ownership of Equity Interests of Foreign Subsidiaries and (ii) as a result of a transaction permitted under Section 8.02, (b) permit any Loan Party or any Subsidiary of any Loan Party to issue or have outstanding any shares of Disqualified Stock (other than the Series A-2 Preferred Equity) or (c) create, incur, assume or suffer to exist any Lien on any Equity Interests of any Subsidiary of any Loan Party, except for Permitted Liens.

8.15 Sale Leasebacks. Enter into any Sale and Leaseback Transaction, except for a Sale and Leaseback Transaction with respect to the property located at 5120 Northshore Drive, North Little Rock, Arkansas 72118.

8.16 Sanctions. Directly or indirectly, use the proceeds of any Loan or Letter of Credit, or lend, contribute or otherwise make available such proceeds to any Subsidiary, joint venture partner or other individual or entity, to fund any activities of or business with any individual or entity, or in any country or territory, that, at the time of such funding, is the subject of Sanctions, or in any other manner that will result in a violation by any individual or entity (including any individual or entity participating in the transaction, whether as underwriter, advisor, investor or otherwise) of Sanctions.

8.17 Anti-Corruption Laws. Directly or indirectly, use any Credit Extension or the proceeds of any Credit Extension for any purpose which would breach the United States Foreign Corrupt Practices Act of 1977, the Corruption of Foreign Public Officials Act (Canada), the UK Bribery Act 2010 or other similar legislation in other jurisdictions.

8.18 Controlled Substances.

(a) Purchase, distribute, manufacture or provide testing or other services with respect to Cannabis or any other controlled substance in the United States or any jurisdiction in violation of applicable Law (including the Controlled Substances Act); or

(b) To the extent the Parent Borrower obtains an option to purchase a business that provides testing or other services with respect to Cannabis or any other controlled substance in the United States or any jurisdiction where Cannabis is illegal, Parent Borrower shall not exercise such option until Cannabis is no longer a controlled substance under the Controlled Substances Act, 21 U.S.C. § 841 and is no longer illegal under U.S. federal law.

8.19 Canadian Defined Benefit Pension Plans. Maintain, contribute to, or incur any liability or contingent liability in respect of a Canadian Defined Benefit Pension Plan.

8.20 Outbound Investment Rules. (a) Be or become a “covered foreign person”, as that term is defined in the Outbound Investment Rules, or (b) engage, directly or indirectly, in (i) a “covered activity” or a “covered transaction”, as each such term is defined in the Outbound Investment Rules, (ii) any activity or transaction that would constitute a “covered activity” or a “covered transaction”, as each such term is defined in the Outbound Investment Rules, if such Loan Party or Subsidiary were a United States citizen, lawful permanent resident, entity organized under the laws of the United States or any jurisdiction within the United States, including any foreign branch of any such entity, or any person in the United States, or

(iii) any other activity that would cause any Secured Party to be in violation of the Outbound Investment Rules or cause any Secured Party to be legally prohibited by the Outbound Investment Rules from performing under this Agreement or any other Loan Document.

ARTICLE IX. EVENTS OF DEFAULT AND REMEDIES

9.01 Events of Default. Any of the following shall constitute an Event of Default:

(a) **Non-Payment.** Any Borrower or any other Loan Party fails to pay (i) when and as required to be paid herein and in the currency required hereunder any amount of principal of any Loan or any L/C Obligation, or (ii) within three (3) Business Days after the same becomes due, any interest on any Loan or on any L/C Obligation, or any fee due hereunder, or (iii) within five (5) Business Days after the same becomes due, any other amount payable hereunder or under any other Loan Document; or

(b) **Specific Covenants.** Any Loan Party fails to perform or observe any term, covenant or agreement contained in any of Section 7.01(a), 7.01(b), 7.02(a), 7.03(a), 7.05(a), 7.11 or 7.20 or Article VIII, provided that the applicable Loan Party or Subsidiary may cure an Event of Default resulting solely from a breach of Section 7.05(a) solely from a Loan Party not being in good standing as described in Section 7.05(a) in a particular jurisdiction upon such Person becoming in good standing in such jurisdiction prior to dissolution proceedings having been instituted against it, so long as at no time could such failure to be in good standing have caused, or be reasonably expected to cause, a Material Adverse Effect; or

(c) **Other Defaults.** Any Loan Party fails to perform or observe any other covenant or agreement (not specified in subsection (a) or (b) above) contained in any Loan Document on its part to be performed or observed and such failure continues for (i) in the case of Section 7.10, ten (10) Business Days or more, and (ii) in such other cases thirty (30) days or more following the earlier to occur of (a) notice thereof furnished to any Loan Party by Administrative Agent or the Required Lenders and (b) the date any executive officer of a Loan Party has knowledge of the occurrence of the acts or omissions that constitute such failure; or

(d) **Representations and Warranties.** Any representation, warranty, certification or statement of fact made or deemed made by or on behalf of any Borrower or any other Loan Party herein, in any other Loan Document, or in any document delivered in connection herewith or therewith shall be incorrect or misleading in any material respect when made or deemed made; or

(e) **Cross-Default.** (i) Any Loan Party or any Subsidiary (A) fails to make any payment when due (whether by scheduled maturity, required prepayment, acceleration, demand, or otherwise) in respect of (x) any Subordinated Indebtedness or (y) any other Indebtedness or Guarantee (other than Indebtedness hereunder and Indebtedness under Swap Contracts) having an aggregate principal amount (including undrawn committed or available amounts and including amounts owing to all creditors under any combined or syndicated credit arrangement) of more than \$10,000,000, or (B) fails to observe or perform any other agreement or condition relating to any such Indebtedness or Guarantee or contained in any instrument or agreement evidencing, securing or relating thereto, the effect of which default or other event is to cause, or to permit the holder or holders of such Indebtedness or the beneficiary or beneficiaries of such Guarantee (or a trustee or agent on behalf of such holder or holders or beneficiary or beneficiaries) to cause, with the giving of notice if required, such Indebtedness to be demanded or to become due or to be repurchased, prepaid, defeased or redeemed (automatically or otherwise), or an offer to repurchase, prepay, defease or redeem such Indebtedness to be made, prior to its stated maturity, or such Guarantee to become payable or cash collateral in respect thereof to be demanded; or (ii) there occurs under any Swap Contract with a value of more than \$10,000,000 an early termination date (as defined in such Swap Contract)

resulting from (A) any event of default under such Swap Contract as to which a Loan Party or any Subsidiary is the defaulting party (as defined in such Swap Contract) or (B) any termination event (as so defined) under such Swap Contract as to which a Loan Party or any Subsidiary is a party and, in either event, the Swap Termination Value owed by such Loan Party or such Subsidiary as a result thereof is greater than the Threshold Amount; provided, that in the event the Loan Parties are prohibited from making a payment with respect to Subordinated Indebtedness hereunder or pursuant to the applicable subordination terms in favor of the Lenders, such failure shall not be the basis for an Event of Default hereunder; or

(f) Insolvency Proceedings, Etc. Any Loan Party or any of its Subsidiaries (other than an Immaterial Subsidiary) institutes or consents to the institution of any proceeding under any Debtor Relief Law, or makes an assignment for the benefit of creditors; makes a proposal to its creditors or files a notice of intention to do so, institutes any other proceeding under applicable Law seeking to adjudicate it a bankrupt or an insolvent, or seeking liquidation, dissolution, winding-up, reorganization, compromise, arrangement, adjustment, protection, moratorium, relief, stay of proceedings of creditors, composition of it or its debts or any other similar relief; or applies for or consents to the appointment of any receiver, receiver-manager, trustee, custodian, conservator, liquidator, rehabilitator or similar officer for it or for all or any material part of its property; or any receiver, receiver-manager, trustee, custodian, conservator, liquidator, rehabilitator or similar officer is appointed without the application or consent of such Person and the appointment continues undischarged or unstayed for sixty (60) calendar days; or any proceeding under any Debtor Relief Law relating to any such Person or to all or any material part of its property is instituted without the consent of such Person and continues undismissed or unstayed for sixty (60) calendar days, or an order for relief is entered in any such proceeding; or

(g) Inability to Pay Debts; Attachment. (i) Any Loan Party or any of its Subsidiaries (other than an Immaterial Subsidiary) becomes unable or admits in writing its inability or fails generally to pay its debts as they become due, or (ii) any writ or warrant of attachment or execution or similar process is issued or levied against all or any material part of the property of any such Person and is not released, vacated or fully bonded within thirty (30) days after its issue or levy; or

(h) Judgments. There is entered against any Loan Party or any Subsidiary (i) one or more final judgments or orders for the payment of money in an aggregate amount exceeding the Threshold Amount (to the extent not covered by independent third-party insurance as to which the insurer does not dispute coverage), or (ii) any one or more non-monetary final judgments that have, or could reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect and, in either case, (A) enforcement proceedings are commenced by any creditor upon such judgment or order, or (B) there is a period of thirty (30) consecutive days during which such judgment is not satisfied, settled, discharged or a stay of enforcement of such judgment, by reason of a pending appeal or otherwise, is not in effect; or

(i) ERISA and Canadian Pension Plan. (i) An ERISA Event occurs with respect to a Pension Plan or Multiple Employer Plan which has resulted or could reasonably be expected to result in liability of any Loan Party under Title IV of ERISA to the Pension Plan, Multiple Employer Plan or the PBGC in an aggregate amount in excess of the Threshold Amount, (ii) any Borrower or any ERISA Affiliate fails to pay when due, after the expiration of any applicable grace period, any installment payment with respect to its withdrawal liability under Section 4201 of ERISA under a Multiple Employer Plan in an aggregate amount in excess of the Threshold Amount, or (iii) any failure by any Loan Party or any Subsidiary to perform its obligations in respect of a Canadian Pension Plan which has resulted or could reasonably be expected to result in liability of any Loan Party in an aggregate amount in excess of the Threshold Amount; or

(j) Invalidity of Loan Documents. Any Loan Document, at any time after its execution and delivery and for any reason other than as expressly permitted hereunder or thereunder or satisfaction in

full of all the Obligations (other than contingent indemnification obligations that survive the termination of this Agreement), ceases to be in full force and effect in any material respect; or any Loan Party contests in any manner the validity or enforceability of any Loan Document; or any Loan Party denies that it has any or further liability or obligation under any Loan Document, or purports to revoke, terminate or rescind any Loan Document, other than in accordance with the terms thereof;

(k) Change of Control. There occurs any Change of Control;

(l) Reserved.

(m) Invalidity of Subordination Provisions. The subordination provisions in any of the documents governing any Subordinated Indebtedness shall, in whole or part, terminate, cease to be effective or cease to be legally valid, binding and enforceable in any material respect against any holder of such Subordinated Indebtedness.

9.02 Remedies Upon Event of Default. Upon the occurrence and during the continuance of any Event of Default:

(a) the Administrative Agent shall at the request of the Required Lenders declare all or any portion of any one or more of the Revolving Commitments of each Revolving Lender to make Revolving Loans or of the L/C Issuer to Issue Letters of Credit to be suspended or terminated, whereupon all or such portion of such Revolving Commitments shall forthwith be suspended or terminated;

(b) the Administrative Agent shall at the request of the Required Lenders declare all or any portion of any one or more of the Term Loan Commitments of each Term Lender to make Term Loans to be suspended or terminated, whereupon all or such portion of such Term Loan Commitments shall forthwith be suspended or terminated;

(c) the Administrative Agent shall at the request of the Required Lenders, declare all or any portion of the unpaid principal amount of all outstanding Loans, all interest accrued and unpaid thereon, and all other amounts owing or payable hereunder or under any other Loan Document to be immediately due and payable, in which case the Revolving Commitment of each Revolving Lender shall immediately terminate; without presentment, demand, protest or other notice of any kind, all of which are hereby expressly waived by each Loan Party; and/or

(d) at the request of the Required Lenders, require that the Parent Borrower Cash Collateralize the L/C Obligations (in an amount equal to the Minimum Collateral Amount with respect thereto); and

(e) the Administrative Agent shall at the request of the Required Lenders exercise on behalf of itself, the Lenders and the L/C Issuer all rights and remedies available to it, the Lenders and the L/C Issuer under the Loan Documents or applicable Law or at equity;

provided, however, that upon the occurrence of any event specified in Section 9.01(f) or 9.01(g) above (in the case of clause (ii) of Section 9.01(g) upon the expiration of the thirty (30) day period mentioned therein), the obligation of each Lender to make Loans and the obligation of the L/C Issuer to Issue Letters of Credit shall automatically terminate and the unpaid principal amount of all outstanding Loans and all interest and other amounts as aforesaid shall automatically become due and payable, and the obligation of the Parent Borrower to Cash Collateralize the L/C Obligations as aforesaid shall automatically become effective, in each case without further act of the Administrative Agent, any Lender or the L/C Issuer.

9.03 Application of Funds. After the exercise of remedies provided for in Section 9.02 (or after the Loans have automatically become immediately due and payable and the L/C Obligations have automatically been required to be Cash Collateralized as set forth in the proviso to Section 9.02), any amounts received on account of the Obligations shall, subject to the provisions of Sections 2.14 and 2.15, be applied by the Administrative Agent in the following order:

First, to payment of that portion of the Obligations constituting fees, indemnities, expenses and other amounts (including fees, charges and disbursements of counsel to the Administrative Agent and amounts payable under Article III) payable to the Administrative Agent in its capacity as such;

Second, to payment of that portion of the Obligations constituting fees, indemnities and other amounts (other than principal, interest and Letter of Credit Fees) payable to the Lenders and the L/C Issuer (including fees, charges and disbursements of counsel to the respective Lenders and the L/C Issuer) arising under the Loan Documents and amounts payable under Article III, ratably among them in proportion to the respective amounts described in this clause Second payable to them;

Third, to payment of that portion of the Obligations constituting accrued and unpaid Letter of Credit Fees and interest on the Loans and L/C Borrowings and fees, premiums and scheduled periodic payments, and any interest accrued thereon, due under any Secured Swap Agreement, ratably among the Lenders, Swap Banks and the L/C Issuer in proportion to the respective amounts described in this clause Third held by them;

Fourth, to (a) payment of that portion of the Obligations constituting accrued and unpaid principal of the Loans and L/C Borrowings, (b) payment of breakage, termination or other payments, and any interest accrued thereon, due under any Secured Swap Agreement, (c) payments of amounts due under any Secured Treasury Management Agreement and (d) Cash Collateralize that portion of L/C Obligations comprised of the aggregate undrawn amount of Letters of Credit, ratably among the Lenders, Swap Banks, Treasury Management Banks and the L/C Issuer in proportion to the respective amounts described in this clause Fourth held by them; and

Last, the balance, if any, after all of the Obligations have been indefeasibly paid in full, to the Parent Borrower or as otherwise required by Law.

Subject to Sections 2.03(c) and 2.14, amounts used to Cash Collateralize the aggregate undrawn amount of Letters of Credit pursuant to clause Fourth above shall be applied to satisfy drawings under such Letters of Credit as they occur. If any amount remains on deposit as Cash Collateral after all Letters of Credit have either been fully drawn or expired, such remaining amount shall be applied to the other Obligations, if any, in the order set forth above. Excluded Swap Obligations with respect to any Guarantor shall not be paid with amounts received from such Guarantor or such Guarantor's assets, but appropriate adjustments shall be made with respect to payments from other Loan Parties to preserve the allocation to Obligations otherwise set forth above in this Section.

In carrying out the foregoing, (i) amounts received shall be applied to each category in the numerical order provided until exhausted prior to the application to the immediately succeeding category, (ii) each of the Lenders or other Persons entitled to payment shall receive an amount equal to its pro rata share of amounts available to be applied pursuant to clauses Second, Third and Fourth above and (iii) no payments by a Guarantor and no proceeds of Collateral of a Guarantor shall be applied to Obligations, the guaranty of which by such Guarantor would constitute an Excluded Swap Obligation. Notwithstanding the foregoing, Swap Obligations and Obligations under Treasury Management Agreements with parties that are not Affiliates of Administrative Agent shall be excluded from the application described above unless at

least three Business Days prior to any distribution, Administrative Agent has received a Secured Party Designation Notice from the applicable Swap Bank or Treasury Management Bank.

9.04 Equity Cure. In the event that the Loan Parties fail to comply with any financial covenant contained in Section 8.11 (a “Financial Covenant Default”), the Parent Borrower shall have the right to cure such Event of Default on the following terms and conditions (the “Equity Cure”):

(a) In the event the Parent Borrower desires to cure a Financial Covenant Default, the Parent Borrower shall deliver to the Administrative Agent irrevocable written notice of its intent to cure (a “Cure Notice”) at any time during the period commencing on the date that the financial statements and corresponding Compliance Certificate as of and for the period ending on the last day of the fiscal quarter as of which such Financial Covenant Default occurred (the “Testing Date”) are required to be delivered to the Administrative Agent and the Lenders and ending on the tenth (10th) Business Day thereafter. The Cure Notice shall set forth the calculation of the applicable Financial Covenant Cure Amount (as hereinafter defined).

(b) In the event the Parent Borrower delivers a Cure Notice in accordance with clause (a) above, a capital contribution (in either (x) common stock of the Parent Borrower, (y) other preferred equity provided by Oaktree Capital Management or its Affiliates that is not Disqualified Stock or (z) other Equity Interests that are on terms reasonably satisfactory to the Administrative Agent; in each case of (w) through (z), structured (during the term of this Agreement) as a payment-in-kind contribution with no cash repayment or other Restricted Payments permitted with respect thereto) shall be made to the Parent Borrower, in an amount such that the Net Cash Proceeds thereof shall be equal to the Financial Covenant Cure Amount, at any time during the period commencing on the date of the Administrative Agent’s receipt of such Cure Notice and ending on the fifteenth (15th) Business Day following the date on which the relevant financial statements and Compliance Certificate were required to be delivered to the Administrative Agent and the Lenders (such fifteenth (15th) Business Day, the “Required Contribution Date”). All of the Net Cash Proceeds of such capital contribution (such amount, the “Contributed Amount”) shall be immediately contributed to the capital of the Parent Borrower. The “Financial Covenant Cure Amount” shall be the sum of (x) lowest amount which if added to the amount of Consolidated EBITDA as of the applicable Testing Date, would result in the Loan Parties being in pro forma compliance with the applicable financial covenant which is the subject of such Financial Covenant Default(s) as of such Testing Date plus (y) \$1,000,000 (provided, however, that if more than one such Financial Covenant Default exists as of a testing date, the Financial Covenant Cure Amount for purposes hereof shall equal the sum of (x) the lowest amount which if added to the amount of Consolidated EBITDA as of the applicable Testing Date, would result in the Loan Parties being in pro forma compliance with all financial covenants which are the subject of such Financial Covenant Defaults as of such Testing Date plus (y) \$1,000,000).

(c) The Equity Cure may not be exercised (i) more than five times prior to the Maturity Date or (ii) more than two times in any four-fiscal quarter period.

(d) Upon timely receipt by the Parent Borrower in cash of the appropriate Contributed Amount, if and to the extent after giving effect to the following clause (e), all applicable Financial Covenant Defaults would no longer exist on a pro forma basis, the applicable Financial Covenant Defaults shall be deemed cured. To the extent the exercise of the Equity Cure pursuant to this Section 9.04 also acts to cure any default or event of default under any Subordinated Indebtedness arising solely as a result of the Financial Covenant Default, any existing Event of Default pursuant to Section 9.01(e), arising solely as a result of such default or event of default under such Subordinated Indebtedness shall also be deemed cured.

(e) The Equity Cure and the effects thereof on Consolidated EBITDA will be disregarded for all other purposes under the Loan Documents, including, without limitation, for purposes

of calculating the Consolidated Total Leverage Ratio as a threshold for permitted exceptions to various affirmative and negative covenants and for purposes of determining the applicable interest rate and fees to be charged hereunder from time to time; provided that for purposes of determining compliance with Section 8.11, the Contributed Amount shall be deemed added to Consolidated EBITDA for the fiscal quarter ending as of the applicable Testing Date and any subsequent measurement period that includes such fiscal quarter; it being understood that for purposes of calculating the Consolidated Total Leverage Ratio for the fiscal quarter ending as of the applicable Testing Date for which the Equity Cure was exercised, Consolidated Funded Indebtedness shall not be reduced by the amount of any prepayment of the Loans made with the Contributed Amount in connection with such exercise of the Equity Cure.

(f) So long as the Parent Borrower is otherwise entitled to exercise an Equity Cure pursuant to the foregoing terms and provisions of this Section 9.04, during the period from the effective date of delivery of a Cure Notice until the earlier to occur of the Required Contribution Date and the date on which the Administrative Agent is notified that the required contribution will not be made, neither the Administrative Agent nor any Lender shall impose default interest, accelerate the Obligations, terminate the Revolving Commitment or exercise any enforcement remedy against any Loan Party or any of its Subsidiaries or any of their respective properties solely on the basis of the applicable Financial Covenant Default in respect of which the Cure Notice was delivered (it being understood that, for the avoidance of doubt, at all times during such period, such Financial Covenant Default shall continue to exist for all other purposes of this Agreement including with respect to the conditions precedent to any Credit Extension under Section 5.02); provided, that notwithstanding the foregoing, upon a deemed cure pursuant to this Section 9.04, the requirements of the applicable financial covenants shall be deemed to have been satisfied as of the applicable Testing Date with the same effect as though there had been no Financial Covenant Default at such date or thereafter with respect to the fiscal quarter ending as of the applicable Testing Date.

ARTICLE X. AGENTS

10.01 Appointment and Duties.

(a) Appointment of Administrative Agent. (i) Each Secured Party hereby appoints Bank of America (together with any successor Administrative Agent pursuant to Section 10.09) as the Administrative Agent hereunder and authorizes the Administrative Agent to (x) execute and deliver the Loan Documents and accept delivery thereof on its behalf from any Loan Party, (y) take such other actions on its behalf and to exercise all rights, powers and remedies and perform the duties as are expressly delegated to Administrative Agent under such Loan Documents and (z) exercise such powers as are reasonably incidental thereto and (ii) each Revolving Lender and L/C Issuer hereby appoints Bank of America (together with any successor Administrative Agent pursuant to Section 10.09) as the Administrative Agent hereunder and authorizes the Administrative Agent to (x) execute and deliver the Loan Documents and accept delivery thereof on its behalf from any Loan Party, (y) take such action on its behalf and to exercise all rights, powers and remedies and perform the duties as are expressly delegated to the Administrative Agent under such Loan Documents and (z) exercise such powers as are reasonably incidental thereto.

(b) Each Secured Party further consents to and authorizes each Agent's execution and delivery of any intercreditor or subordination agreements from time to time as contemplated by the terms hereof on behalf of such Secured Party and agrees to be bound by the terms and provisions thereof.

(c) Duties as Collateral and Disbursing Agent. Without limiting the generality of clause (a) above,

(i) the Administrative Agent shall have the sole and exclusive right and authority (to the exclusion of the Secured Parties, except as otherwise provided in clause (ii) below as to the rights and authority of the Administrative Agent), and is hereby authorized, to (t) act as the disbursing and collecting agent for the Lenders and the L/C Issuers with respect to all payments and collections arising in connection with the Loan Documents (including in any proceeding described in Sections 9.01(f) or 9.01(g) or any other bankruptcy, insolvency or similar proceeding), and each Person making any payment in connection with any Loan Document to any Secured Party is hereby authorized to make such payment to the Administrative Agent, (u) file and prove claims and file other documents necessary or desirable to allow the claims of the Secured Parties with respect to any Obligation in any proceeding described in Section 9.01(f) or 9.01(g) or any other bankruptcy, insolvency or similar proceeding (but not to vote, consent or otherwise act on behalf of such Person), (v) act as collateral agent for each Secured Party for purposes of the perfection of all Liens created by such agreements and all other purposes stated therein, (w) manage, supervise and otherwise deal with the Collateral, (x) take such other action as is necessary or desirable to maintain the perfection and priority of the Liens created or purported to be created by the Loan Documents, (y) except as may be otherwise specified in any Loan Document, exercise all remedies given to the Administrative Agent and the other Secured Parties with respect to the Loan Parties and/or the Collateral, whether under the Loan Documents, applicable requirements of Law or otherwise and (z) execute any amendment, consent or waiver under the Loan Documents on behalf of any Lender that has consented in writing to such amendment, consent or waiver; provided, however, that the Administrative Agent hereby appoints, authorizes and directs each Secured Party to act as collateral sub-agent for the Administrative Agent, the Secured Parties for purposes of the perfection of all Liens with respect to the Collateral, including any deposit account maintained by a Loan Party with, and cash and Cash Equivalents held by, such Secured Party (other than the Administrative Agent), and may further authorize the Secured Parties (other than the Administrative Agent) to take further actions as collateral sub-agents for purposes of enforcing such Liens or otherwise to transfer the Collateral subject thereto to the Administrative Agent, and each Secured Party (other than the Administrative Agent) may take such further actions to the extent, and only to the extent, so authorized; and

(ii) the Administrative Agent shall have the sole and exclusive right and authority (to the exclusion of the Administrative Agent, the Lenders and L/C Issuers), and is hereby authorized to (x) act as the disbursing and collecting agent for the Revolving Lenders and the L/C Issuers with respect to all payments made in respect of the Revolving Loans and L/C Obligations and fees related thereto, all as more specifically provided in Article I and (y) to perform such other duties and exercise such other powers as are specifically provided to the Administrative Agent in this Agreement.

(d) Limited Duties. Under the Loan Documents, each of the Agents (i) is acting solely on behalf of the Secured Parties (or the Revolving Lenders and the L/C Issuers with respect to the Administrative Agent except to the limited extent provided in Section 11.06(c) with respect to the Register), with duties that are entirely administrative in nature, notwithstanding the use of the defined term “Administrative Agent” or the terms “agent”, “Agent” and “collateral agent” and similar terms in any Loan Document to refer to the Administrative Agent, which terms are used for title purposes only, (ii) is not assuming and shall not have any actual or implied obligations, functions, responsibilities, duties, under any Loan Document other than as expressly set forth therein or any role as agent, fiduciary or trustee of or for any Secured Party or any other Person, and each Secured Party, by accepting the benefits of the Loan Documents, hereby waives and agrees not to assert any claim against the Administrative Agent based on the roles, duties and legal relationships expressly disclaimed in clauses (i) and (ii) above.

10.02 Binding Effect. Each Secured Party, by accepting the benefits of the Loan Documents, agrees that (i) any action taken (or omitted to be taken) by any Agent or the Required Lenders (or, if expressly required hereby, a greater proportion of the Lenders) in accordance with the provisions of the Loan Documents, (ii) any action taken (or omitted to be taken) by any Agent in reliance upon the instructions of Required Lenders (or, where so required, such greater proportion) and (iii) the exercise by any Agent or the Required Lenders (or, where so required, such greater proportion) of the powers set forth herein or therein, together with such other powers as are reasonably incidental thereto, shall be authorized and binding upon all of the Secured Parties.

10.03 Use of Discretion.

(a) **No Action without Instructions.** Agent shall not be required to exercise any discretion or take, or to omit to take, any action, including with respect to enforcement or collection, except any action it is required to take or omit to take (i) under any Loan Document or (ii) pursuant to instructions from the Required Lenders (or, where expressly required by the terms of this Agreement, or a greater proportion of the Lenders).

(b) **Right Not to Follow Certain Instructions.** Notwithstanding clause (a) above, neither Agent shall be required to take, or to omit to take, any action (i) unless, upon demand, the Administrative Agent receives an indemnification satisfactory to it from the Lenders (or, to the extent applicable and acceptable to the Administrative Agent, any other Person) against all liabilities that, by reason of such action or omission, may be imposed on, incurred by or asserted against the Administrative Agent or any Related Party thereof or (ii) that is, in the opinion of the Administrative Agent or its counsel, contrary to any Loan Document or applicable requirement of Law.

(c) **Exclusive Right to Enforce Rights and Remedies.** Notwithstanding anything to the contrary contained herein or in any other Loan Document, the authority to enforce rights and remedies hereunder and under the other Loan Documents against the Loan Parties or any of them shall be vested exclusively in, and all actions and proceedings at law in connection with such enforcement shall be instituted and maintained exclusively by, the Administrative Agent in accordance with the Loan Documents for the benefit of all the Secured Parties; provided that the foregoing shall not prohibit (i) the Administrative Agent from exercising on its own behalf the rights and remedies that inure to its benefit (solely in its capacity as the Administrative Agent, as the case may be) hereunder and under the other Loan Documents, (ii) each of the L/C Issuer and the Swing Line Lender from exercising the rights and remedies that inure to its benefit (solely in its capacity as L/C Issuer or Swing Line Lender, as the case may be) hereunder and under the other Loan Documents, (iii) any Lender from exercising setoff rights in accordance with Section 11.08 and this Section 10.03 or (iv) any Secured Party from filing proofs of claim (and thereafter appearing and filing pleadings on its own behalf during the pendency of a proceeding relative to any Loan Party under any bankruptcy or other Debtor Relief Law), but in the case of this clause (iv) if, and solely if, Administrative Agent has not filed such proof of claim or other instrument of similar character in respect of the Obligations under the Loan Documents within five (5) days before the expiration of the time to file the same; and provided further that if at any time there is no Person acting as the Administrative Agent hereunder and under the other Loan Documents, then (A) reserved, (B) the Required Lenders shall have the rights otherwise ascribed to the Administrative Agent pursuant to Section 9.02 and (C) in addition to the matters set forth in clauses (ii), (iii) and (iv) of the preceding proviso and subject to Section 10.11, any Secured Party may, with the consent of the Required Lenders, enforce any rights and remedies available to it and as authorized by the Required Lenders.

10.04 Delegation of Rights and Duties. Each Agent may, upon any term or condition it specifies, delegate or exercise any of its rights, powers and remedies under, and delegate or perform any of its duties or any other action with respect to, any Loan Document by or through any trustee, co-agent,

employee, attorney-in-fact and any other Person (including any Secured Party). Any such Person shall benefit from this Article X to the extent provided by any Agent.

10.05 Reliance and Liability. Each Agent may, without incurring any liability hereunder, (i) treat the payee of any Note as its holder until such Note has been assigned in accordance with Section 11.06, (ii) rely on the Register to the extent set forth in Section 11.06(c), (iii) consult with any of its Related Parties and, whether or not selected by it, any other advisors, accountants and other experts (including advisors to, and accountants and experts engaged by, any Loan Party) and (iv) rely and act upon any document and information (including those transmitted by Electronic Transmission) and any telephone message or conversation, in each case believed by it to be genuine and transmitted, signed or otherwise authenticated by the appropriate parties.

(a) No Agent and none of the Related Parties of any Agent shall be liable for any action taken or omitted to be taken by any of them under or in connection with any Loan Document with the consent or at the request of the Required Lenders (or such other number or percentage of the Lenders as shall be necessary), and each Secured Party, each Borrower and each other Loan Party hereby waive and shall not assert (and each of the Borrowers shall cause each other Loan Party to waive and agree not to assert) any right, claim or cause of action based thereon, except to the extent of liabilities resulting primarily from the gross negligence or willful misconduct of such Agent or, as the case may be, such Related Parties (each as determined in a final, non-appealable judgment by a court of competent jurisdiction) in connection with the duties expressly set forth herein. Without limiting the foregoing, each Agent and its Related Parties:

(i) shall not be responsible or otherwise incur liability for any action or omission taken in reliance upon the instructions of the Required Lenders or for the actions or omissions of any of its Related Parties selected with reasonable care (other than employees, officers and directors of such Agent, when acting on behalf of such Agent);

(ii) shall not be responsible to any Secured Party or other Person for the due execution, legality, validity, enforceability, effectiveness, genuineness, sufficiency or value of, or the attachment, perfection or priority of any Lien created or purported to be created under or in connection with, any Loan Document;

(iii) makes no warranty or representation, and shall not be responsible, to any Secured Party or other Person for any statement, document, information, representation or warranty made or furnished by or on behalf of any Loan Party or any Related Parties of any Loan Party in connection with any Loan Document or any transaction contemplated therein or any other document or information with respect to any Loan Party, whether or not transmitted or (except for documents expressly required under any Loan Document to be transmitted to the Lenders) omitted to be transmitted by such Agent, including as to completeness, accuracy, scope or adequacy thereof, or for the scope, nature or results of any due diligence performed by such Agent in connection with the Loan Documents;

(iv) shall not have any duty to ascertain or to inquire as to the performance or observance of any provision of any Loan Document, whether any condition set forth in any Loan Document is satisfied or waived, as to the financial condition of any Loan Party or as to the existence or continuation or possible occurrence or continuation of any Default or Event of Default and shall not be deemed to have notice or knowledge of such occurrence or continuation unless it has received a notice from the Parent Borrower or any Secured Party describing such Default or Event of Default clearly labeled "notice of default" (in which case such Agent shall promptly give notice of such receipt to all Lenders); and

(v) shall not be responsible or have any liability for, or have any duty to ascertain, inquire into, monitor or enforce, compliance with the provisions hereof relating to Disqualified Institutions. Without limiting the generality of the foregoing, no Agent shall (x) be obligated to ascertain, monitor or inquire as to whether any Lender or Participant or prospective Lender or Participant is a Disqualified Institution or (y) have any liability with respect to or arising out of any assignment or participation of Loans, or disclosure of confidential information, to any Disqualified Institution.

and, for each of the items set forth in clauses (i) through (iv) above, each Secured Party and each Borrower hereby waives and agrees not to assert (and each Borrower shall cause each other Loan Party to waive and agree not to assert) any right, claim or cause of action it might have against any Agent based thereon.

10.06 Administrative Agent Individually. Agent and its Affiliates may make loans and other extensions of credit to, acquire Equity Interests of, engage in any kind of business with, any Loan Party or Affiliate thereof as though it were not acting as Administrative Agent, and may receive separate fees and other payments therefor. To the extent Agent or any of its Affiliates makes any Loan or otherwise becomes a Lender hereunder, it shall have and may exercise the same rights and powers hereunder and shall be subject to the same obligations and liabilities as any other Lender and the terms “**Lender**”, “**Revolving Lender**”, “**Required Lenders**” and any similar terms shall, except where otherwise expressly provided in any Loan Document, include the Administrative Agent or such Affiliate, as the case may be, in its individual capacity as Lender, Revolving Lender, or as one of the Required Lenders, respectively.

10.07 Lender Credit Decision. Each Secured Party acknowledges that it shall, independently and without reliance upon any Agent, any other Secured Party or any of their Related Parties or upon any document (including any offering and disclosure materials in connection with the syndication of the Loans) solely or in part because such document was transmitted by an Agent or any of its Related Parties, conduct its own independent investigation of the financial condition and affairs of each Loan Party and make and continue to make its own credit decisions in connection with entering into, and taking or not taking any action under, any Loan Document or with respect to any transaction contemplated in any Loan Document, in each case based on such documents and information as it shall deem appropriate. Except for documents expressly required by any Loan Document to be transmitted by an Agent to the Lenders or L/C Issuers, such Agent shall not have any duty or responsibility to provide any Secured Party with any credit or other information concerning the business, prospects, operations, property, financial and other condition or creditworthiness of any Loan Party or any Affiliate of any Loan Party that may come into the possession of such Agent or any of its Related Parties.

10.08 Expenses; Indemnities; Withholding.

(a) Each Lender agrees to reimburse the Administrative Agent and each of its Related Parties (to the extent not reimbursed by any Loan Party), and each Revolving Lender agrees to reimburse the Administrative Agent and each of its Related Parties (to the extent not reimbursed by any Loan Party), in each case, promptly upon demand, severally and ratably, for any costs and expenses (including fees, charges and disbursements of financial, legal and other advisors and Other Taxes paid in the name of, or on behalf of, any Loan Party) that may be incurred by such Agent or any of its Related Parties in connection with the preparation, syndication, execution, delivery, administration, modification, consent, waiver or enforcement of, or the taking of any other action (whether through negotiations, through any work-out, bankruptcy, restructuring or other legal or other proceeding (including preparation for and/or response to any subpoena or request for document production relating thereto) or otherwise) in respect of, or legal advice with respect to, its rights or responsibilities under, any Loan Document.

(b) Each Lender further agrees to indemnify the Administrative Agent and each of its Related Parties (to the extent not reimbursed by any Loan Party), and each Revolving Lender further agrees to indemnify the Administrative Agent, each L/C Issuer and each of their respective Related Parties (to the extent not reimbursed by any Loan Party), in each case, severally and ratably, from and against liabilities (including, to the extent not indemnified pursuant to Section 10.08(c), Taxes, interests and penalties imposed for not properly withholding or backup withholding on payments made to or for the account of any Lender) that may be imposed on, incurred by or asserted against such Administrative Agent, any L/C Issuer or any of their respective Related Parties in any matter relating to or arising out of, in connection with or as a result of any Loan Document, any Letter of Credit or any other act, event or transaction related, contemplated in or attendant to any such document, or, in each case, any action taken or omitted to be taken by any Administrative Agent, any L/C Issuer or any of their respective Related Parties under or with respect to any of the foregoing; provided, that with respect to any indemnification owed to any L/C Issuer or any of its Related Parties in connection with any Letter of Credit, only Revolving Lenders shall be required to indemnify, such indemnification to be made severally and ratably based on such Revolving Lender's Applicable Percentage of the Aggregate Revolving Commitment (determined as of the time the applicable indemnification is sought by such L/C Issuer or Related Parties from the Revolving Lenders); provided, further, that no Lender shall be liable to any Agent or any of its Related Parties to the extent such liability has resulted primarily from the gross negligence or willful misconduct of such Agent or, as the case may be, such Related Party, as determined by a court of competent jurisdiction in a final non-appealable judgment or order.

(c) To the extent required by any requirement of Law, the Administrative Agent may withhold from any payment to any Lender under a Loan Document an amount equal to any applicable withholding Tax (including withholding Taxes imposed under Chapters 3 and 4 of Subtitle A of the Internal Revenue Code). If the IRS or any other Governmental Authority asserts a claim that the Administrative Agent did not properly withhold Tax from amounts paid to or for the account of any Lender (because the appropriate certification form was not delivered, was not properly executed, or fails to establish an exemption from, or reduction of, withholding Tax with respect to a particular type of payment, or because such Lender failed to notify the Administrative Agent or any other Person of a change in circumstances which rendered the exemption from, or reduction of, withholding Tax ineffective, failed to maintain a Participant Register or for any other reason), or the Administrative Agent reasonably determines that it was required to withhold Taxes from a prior payment but failed to do so, such Lender shall promptly indemnify the Administrative Agent fully for all amounts paid, directly or indirectly, by the Administrative Agent as Tax or otherwise, including penalties and interest, and together with all expenses incurred by the Administrative Agent, including legal expenses, allocated internal costs and out-of-pocket expenses. The Administrative Agent may offset against any payment to any Lender under a Loan Document, any applicable withholding Tax that was required to be withheld from any prior payment to such Lender but which was not so withheld, as well as any other amounts for which such Agent is entitled to indemnification from such Lender under this Section 10.08(c).

10.09 Resignation of Agents or L/C Issuer.

(a) The Administrative Agent may resign at any time by delivering notice of such resignation to the Lenders and the Parent Borrower, effective on the date set forth in such notice or, if no such date is set forth therein, upon the date such notice shall be effective in accordance with the terms of this Section 10.09. If the Administrative Agent delivers any such notice, the Required Lenders shall have the right to appoint a successor Agent who shall be satisfactory to the Parent Borrower. If, after 30 days after the date of the retiring Administrative Agent's notice of resignation, no successor Administrative Agent has been appointed by the Required Lenders that has accepted such appointment, then the retiring Administrative Agent may, on behalf of the Lenders and with the Parent Borrower's consent, appoint a successor Administrative Agent from among the Lenders. Administrative Agent may resign at any time by

delivering notice of such resignation to the Lenders, the Administrative Agent and the Parent Borrower, effective on the date set forth in such notice or, if no such date is set forth therein, upon the date such notice shall be effective in accordance with the terms of this Section 10.09. Each appointment under this clause (a) (other than an appointment by Administrative Agent) shall be subject to the prior consent of the Parent Borrower, which may not be unreasonably withheld but shall not be required during the continuance of an Event of Default.

(b) Effective immediately upon its resignation, (i) the retiring Administrative Agent shall be discharged from its duties and obligations under the Loan Documents, (ii) the Lenders shall assume and perform all of the duties of the retiring Administrative Agent and the Revolving Lenders shall assume and perform all of the duties of the retiring Administrative Agent, in each case, until a successor Administrative Agent shall have accepted a valid appointment hereunder, (iii) the retiring Administrative Agent and its Related Parties shall no longer have the benefit of any provision of any Loan Document other than with respect to any actions taken or omitted to be taken while such retiring Administrative Agent was, or because such retiring Administrative Agent had been, validly acting as Administrative Agent, as the case may be, under the Loan Documents and (iv) subject to its rights under Section 10.03, the retiring Administrative Agent shall take such action as may be reasonably necessary to assign to the successor Administrative Agent its rights as Administrative Agent under the Loan Documents. Effective immediately upon its acceptance of a valid appointment as Administrative Agent, as applicable, a successor Administrative Agent, as applicable, shall succeed to, and become vested with, all the rights, powers, privileges and duties of the retiring Administrative Agent, as the case may be, under the Loan Documents.

10.10 Release of Collateral or Guarantors. Each Secured Party hereby consents to the release and hereby directs the Administrative Agent to release (or, in the case of clause (b)(ii) below, release or subordinate) the following:

(a) any Subsidiary of a Borrower from its guaranty of any Obligation if all of the Equity Interests of such Subsidiary owned by any Loan Party are sold or transferred in a transaction permitted under the Loan Documents (including pursuant to a waiver or consent), to the extent that, after giving effect to such transaction, such Subsidiary would not be required to guaranty any Obligations pursuant to Section 7.12; and

(b) any Lien held by the Administrative Agent for the benefit of the Secured Parties against (i) any Collateral that is sold, transferred, conveyed or otherwise disposed of by a Loan Party in a transaction permitted by the Loan Documents (including pursuant to a valid waiver or consent), to the extent all Liens required to be granted in such Collateral pursuant to Section 7.12 after giving effect to such transaction have been granted, (ii) any property subject to a Lien permitted hereunder in reliance upon Section 8.01(i) and (iii) all of the Collateral and all Loan Parties, upon (A) the occurrence of the Maturity Date and (B) to the extent requested by the Administrative Agent, receipt by the Administrative Agent and the Secured Parties of liability releases from the Loan Parties each in form and substance reasonably acceptable to the Administrative Agent.

Each Secured Party hereby directs the Administrative Agent, and the Administrative Agent hereby agrees, upon receipt of reasonable advance notice from the Parent Borrower, to execute and deliver or file such documents and to perform other actions reasonably necessary at the Borrowers' expense to release the guaranties and Liens when and as directed in this Section 10.10.

10.11 Additional Secured Parties. The benefit of the provisions of the Loan Documents directly relating to the Collateral or any Lien granted thereunder shall extend to and be available to any Secured Party that is not a Lender or L/C Issuer party hereto as long as, by accepting such benefits, such Secured Party agrees, as among the Administrative Agent and all other Secured Parties, that such Secured Party is

bound by (and, if requested by the Administrative Agent, shall confirm such agreement in a writing in form and substance acceptable to the Administrative Agent). Section 2.12, Section 3.01, Section 4.08, this Article X, Section 11.02, Section 11.06, Section 11.07, Section 11.08, Section 11.13, Section 11.14 and Section 11.15 (and, solely with respect to L/C Issuers, Section 2.03), all terms and provisions contained herein applicable to Swap Banks or Treasury Management Banks, as applicable, and the decisions and actions of the Administrative Agent and the Required Lenders (or, where expressly required by the terms of this Agreement, a greater proportion of the Lenders or other parties hereto as required herein) to the same extent a Lender is bound; provided, however, that, notwithstanding the foregoing, (a) such Secured Party shall be bound by Section 10.08 only to the extent of liabilities, costs and expenses with respect to or otherwise relating to the Collateral held for the benefit of such Secured Party, (b) each of the Administrative Agent, the Lenders and the L/C Issuers party hereto shall be entitled to act at its sole discretion, without regard to the interest of such Secured Party, regardless of whether any Obligation to such Secured Party thereafter remains outstanding, is deprived of the benefit of the Collateral, becomes unsecured or is otherwise affected or put in jeopardy thereby, and without any duty or liability to such Secured Party or any such Obligation and (c) except as otherwise set forth herein, such Secured Party shall not have any right to be notified of, consent to, direct, require or be heard with respect to, any action taken or omitted in respect of the Collateral or under any Loan Document.

10.12 Additional Titles. Notwithstanding any provision to the contrary contained elsewhere in this Agreement or in any other Loan Document, the Arrangers shall not have any duties or responsibilities, nor shall the Arrangers have or be deemed to have any fiduciary relationship with any Lender, and no implied covenants, functions, responsibilities, duties, obligations or liabilities shall be read into this Agreement or any other Loan Document or otherwise exist against the Arrangers.

10.13 Credit Bid. Each of the Lenders hereby irrevocably authorizes (and by entering into a Swap Contract or Treasury Management Agreement, each Swap Bank or Treasury Management Bank, as the case may be, hereby authorizes and shall be deemed to authorize) Administrative Agent, on behalf of all Secured Parties to take any of the following actions upon the instruction of the Required Lenders:

(a) consent to the Disposition of all or any portion of the Collateral free and clear of the Liens securing the Obligations in connection with any Disposition pursuant to the applicable provisions of the applicable Debtor Relief Laws, including Section 363 of the Bankruptcy Code of the United States;

(b) credit bid all or any portion of the Obligations, or purchase all or any portion of the Collateral (in each case, either directly or through one or more acquisition vehicles), in connection with any Disposition of all or any portion of the Collateral pursuant to the applicable provisions of the applicable Debtor Relief Laws, including Section 363 of the Bankruptcy Code of the United States;

(c) credit bid all or any portion of the Obligations, or purchase all or any portion of the Collateral (in each case, either directly or through one or more acquisition vehicles), in connection with any Disposition of all or any portion of the Collateral pursuant to the applicable provisions of the Uniform Commercial Code or the PPSA, including pursuant to Sections 9-610 or 9-620 of the Uniform Commercial Code or Part V of the PPSA;

(d) credit bid all or any portion of the Obligations, or purchase all or any portion of the Collateral (in each case, either directly or through one or more acquisition vehicles), in connection with any foreclosure or other Disposition conducted in accordance with applicable Law following the occurrence of an Event of Default, including by power of sale, judicial action or otherwise; and/or

(e) estimate the amount of any contingent or unliquidated Obligations of such Lender or other Secured Party;

it being understood that no Lender shall be required to fund any amount (other than by means of offset) in connection with any purchase of all or any portion of the Collateral by Administrative Agent pursuant to the foregoing clauses (b), (c) or (d) without its prior written consent.

Each Secured Party agrees that Administrative Agent is under no obligation to credit bid any part of the Obligations or to purchase or retain or acquire any portion of the Collateral; provided that, in connection with any credit bid or purchase described under clauses (b), (c) or (d) of the preceding paragraph, the Obligations owed to all of the Secured Parties (other than with respect to contingent or unliquidated liabilities as set forth in the next succeeding paragraph) may be, and shall be, credit bid by Administrative Agent on a ratable basis.

With respect to each contingent or unliquidated claim that is an Obligation, Administrative Agent is hereby authorized, but is not required, to estimate the amount thereof for purposes of any credit bid or purchase described in the second preceding paragraph so long as the estimation of the amount or liquidation of such claim would not unduly delay the ability of Administrative Agent to credit bid the Obligations or purchase the Collateral in the relevant Disposition. In the event that Administrative Agent, in its sole and absolute discretion, elects not to estimate any such contingent or unliquidated claim or any such claim cannot be estimated without unduly delaying the ability of Administrative Agent to consummate any credit bid or purchase in accordance with the second preceding paragraph, then any contingent or unliquidated claims not so estimated shall be disregarded, shall not be credit bid, and shall not be entitled to any interest in the portion or the entirety of the Collateral purchased by means of such credit bid.

Each Secured Party whose Obligations are credit bid under clauses (b), (c) or (d) of the third preceding paragraph shall be entitled to receive interests in the Collateral or any other asset acquired in connection with such credit bid (or in the Equity Interests of the acquisition vehicle or vehicles that are used to consummate such acquisition) on a ratable basis in accordance with the percentage obtained by dividing (x) the amount of the Obligations of such Secured Party that were credit bid in such credit bid or other Disposition, by (y) the aggregate amount of all Obligations that were credit bid in such credit bid or other Disposition.

10.14 ERISA Matters.

(a) Each Lender (i) represents and warrants, as of the date such Person became a Lender party hereto, to, and (ii) covenants, from the date such Person became a Lender party hereto to the date such Person ceases being a Lender party hereto, for the benefit of, the Administrative Agent and not, for the avoidance of doubt, to or for the benefit of the Parent Borrower or any other Loan Party, that at least one of the following is and will be true: (A) such Lender is not using “plan assets” (within the meaning of Section 3(42) of ERISA or otherwise) of one or more Benefit Plans with respect to such Lender’s entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments, or this Agreement; (B) the transaction exemption set forth in one or more PTEs, such as PTE 84–14 (a class exemption for certain transactions determined by independent qualified professional asset managers), PTE 95–60 (a class exemption for certain transactions involving insurance company general accounts), PTE 90–1 (a class exemption for certain transactions involving insurance company pooled separate accounts), PTE 91–38 (a class exemption for certain transactions involving bank collective investment funds) or PTE 96–23 (a class exemption for certain transactions determined by in-house asset managers), is applicable with respect to such Lender’s entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments and this Agreement; (C) (1) such Lender is an investment fund managed by a “Qualified Professional Asset Manager” (within the meaning of Part VI of PTE 84–14), (2) such Qualified Professional Asset Manager made the investment decision on behalf of such Lender to enter into, participate in, administer and perform the Loans, the Letters of Credit, the Commitments and this Agreement, (3) the entrance into, participation in, administration of and performance

of the Loans, the Letters of Credit, the Commitments and this Agreement satisfies the requirements of sub-sections (b) through (g) of Part I of PTE 84–14 and (4) to the best knowledge of such Lender, the requirements of subsection (a) of Part I of PTE 84–14 are satisfied with respect to such Lender’s entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments and this Agreement; or (D) such other representation, warranty and covenant as may be agreed in writing between the Administrative Agent, in its sole discretion, and such Lender.

(b) In addition, unless either (i) clause (A) in the immediately preceding clause (a) is true with respect to a Lender or (ii) a Lender has provided another representation, warranty and covenant in accordance with clause (D) in the immediately preceding clause (a), such Lender further (A) represents and warrants, as of the date such Person became a Lender party hereto, to, and (B) covenants, from the date such Person became a Lender party hereto to the date such Person ceases being a Lender party hereto, for the benefit of, the Administrative Agent and not, for the avoidance of doubt, to or for the benefit of the Parent Borrower or any other Loan Party, that the Administrative Agent is not a fiduciary with respect to the assets of such Lender involved in such Lender’s entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments and this Agreement (including in connection with the reservation or exercise of any rights by the Administrative Agent under this Agreement, any Loan Document or any documents related hereto or thereto).

ARTICLE XI. MISCELLANEOUS

11.01 Amendments, Etc. Except as provided in Section 3.03, no amendment or waiver of any provision of this Agreement or any other Loan Document, and no consent to any departure by the Parent Borrower or any other Loan Party therefrom, shall be effective unless in writing signed by the Required Lenders and the Parent Borrower or the applicable Loan Party, as the case may be, and acknowledged by the Administrative Agent, and each such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given; provided, further, that no such amendment, waiver or consent shall:

(i) extend or increase the Commitment of a Lender (or reinstate any Commitment terminated pursuant to Section 9.02) without the written consent of such Lender whose Commitment is being extended or increased (it being understood and agreed that a waiver of any condition precedent set forth in Section 5.02 or of any Default or a mandatory reduction in Commitments is not considered an extension or increase in Commitments of any Lender); provided, however, that only the consent of the Required Lenders shall be necessary to amend the definition of “Default Rate” or to waive any obligation of any Borrower to pay interest or Letter of Credit Fees at the Default Rate; provided, further, that, any change in the definitions of any ratios used in the calculation of any rate of interest or fees (or the component definitions) shall not constitute a postponement or reduction in any rate of interest or fees;

(ii) postpone any date fixed by this Agreement or any other Loan Document for any payment of principal (excluding mandatory prepayments and the rescission of acceleration), interest, fees or other amounts due to the Lenders (or any of them) or any scheduled or mandatory reduction of the Commitments hereunder or under any other Loan Document without the written consent of each Lender entitled to receive such payment or whose Commitments are to be reduced;

(iii) reduce the principal of, or the rate of interest specified herein on, any Loan or L/C Borrowing, or (subject to clause (i) of the final proviso to this Section 11.01) any

fees or other amounts payable hereunder or under any other Loan Document without the written consent of each Lender entitled to receive such payment of principal, interest, fees or other amounts; provided, however, that only the consent of the Required Lenders shall be necessary to amend the definition of “Default Rate” or to waive any obligation of any Borrower to pay interest or Letter of Credit Fees at the Default Rate; provided, further that, any change in the definitions of any ratios used in the calculation of any rate of interest or fees (or the component definitions) shall not constitute a postponement or reduction in any rate of interest or fees;

(iv) (A) change any provision of this Section 11.01 or the definition of “Required Lenders” without the written consent of each Lender; (B) change Section 2.13 in a manner that would alter the pro rata sharing of payments required thereby or Section 9.03 without the written consent of each Lender; or (C) subordinate the Liens securing the Obligations (in full or material part) to Liens securing other Indebtedness without the written consent of each Lender directly and adversely affected thereby;

(v) release all or substantially all of the Collateral without the written consent of each Lender;

(vi) release any Borrower, or, except in connection with a merger, amalgamation or consolidation permitted under Section 8.04 or a Disposition permitted under Section 8.05, all or substantially all of the Guarantors without the written consent of each Lender;

(vii) change any provision, or waive any violation, of Section 8.18 without the written consent of each Lender;

(viii) without the written consent of each Lender, amend the definition of “Alternative Currency” or Section 1.09(a);

(ix) reserved;

(x) unless also signed by the L/C Issuer, no amendment, waiver or consent shall affect the rights or duties of the L/C Issuer under this Agreement or any Issuer Document relating to any Letter of Credit issued or to be issued by it;

(xi) unless also signed by the Swing Line Lender, no amendment, waiver or consent shall affect the rights or duties of the Swing Line Lender under this Agreement;

(xii) unless also signed by the Administrative Agent, no amendment, waiver or consent shall affect the rights or duties of the Administrative Agent under this Agreement or any other Loan Document; and

(xiii) the consent of each Lender shall be required to waive a condition precedent in Section 5.01.

provided, however, that notwithstanding anything to the contrary herein, (i) the Fee Letter and any other letter agreement constituting a Loan Document may be amended, or rights or privileges thereunder waived, in a writing executed only by the parties thereto, (ii) no Defaulting Lender shall have any right to approve or disapprove any amendment, waiver or consent hereunder (and any amendment, waiver or consent which by its terms requires the consent of all Lenders or each affected Lender may be effected with the consent

of the applicable Lenders other than Defaulting Lenders), except that (x) the Commitment of any Defaulting Lender may not be increased or extended without the consent of such Defaulting Lender and (y) any waiver, amendment or modification requiring the consent of all Lenders or each affected Lender that by its terms affects any Defaulting Lender more adversely than other affected Lenders shall require the consent of such Defaulting Lender, (iii) each Lender is entitled to vote as such Lender sees fit on any bankruptcy reorganization plan that affects the Loans, and each Lender acknowledges that the provisions of Section 1126(c) of the Bankruptcy Code of the United States supersede the unanimous consent provisions set forth herein and (iv) the Required Lenders shall determine whether or not to allow a Loan Party to use cash collateral in the context of a bankruptcy or insolvency proceeding and such determination shall be binding on all of the Lenders.

Notwithstanding any provision herein to the contrary, this Agreement may be amended (or amended and restated) with the written consent of the Required Lenders, the Administrative Agent and the Parent Borrower (i) to add one or more additional revolving credit or term loan facilities to this Agreement and to permit the extensions of credit and all related obligations and liabilities arising in connection therewith from time to time outstanding to share ratably (or, subject to clause (iv)(B)-(C) of the first proviso to this Section 11.01, in a subordinated position to the existing facilities hereunder) in the benefits of this Agreement and the other Loan Documents with the obligations and liabilities from time to time outstanding in respect of the existing facilities hereunder and (ii) in connection with the foregoing, to permit, as deemed appropriate by the Administrative Agent and approved by the Required Lenders hereunder, the Lenders providing such additional credit facilities to participate in any required vote or action required to be approved by the Required Lenders or by any other number or percentage of the Lenders hereunder (after such Lenders have extended such additional credit facilities and joined this Agreement as Lenders).

In addition, notwithstanding the foregoing, the Parent Borrower may, by written notice to the Administrative Agent from time to time, make one or more offers (each, a “Loan Modification Offer”) to all the Lenders to make one or more amendments or modifications to (A) allow the maturity of the Revolving Commitments or Loans of the accepting Lenders to be extended and (B) increase the Applicable Rate and/or fees payable with respect to the Loans and Revolving Commitments of the accepting Lenders (“Permitted Amendments”) pursuant to procedures reasonably specified by the Administrative Agent and reasonably acceptable to the Parent Borrower. Such notice shall set forth (i) the terms and conditions of the requested Permitted Amendment and (ii) the date on which such Permitted Amendment is requested to become effective. Permitted Amendments shall become effective only with respect to the Revolving Commitments and/or Loans of the Lenders that accept the applicable Loan Modification Offer (such Lenders, the “Accepting Lenders”) and, in the case of any Accepting Lender, only with respect to such Lender’s Revolving Commitments and/or Loans as to which such Lender’s acceptance has been made. The Parent Borrower, each other Loan Party and each Accepting Lender shall execute and deliver to the Administrative Agent an amendment and such other documentation as the Administrative Agent shall reasonably specify to evidence the acceptance of the Permitted Amendments and the terms and conditions thereof, and the Loan Parties shall also deliver such resolutions, opinions and other documents as reasonably requested by the Administrative Agent. The Administrative Agent shall promptly notify each Lender as to the effectiveness of each such amendment. Each of the parties hereto hereby agrees that (1) upon the effectiveness of any such amendment, this Agreement shall be deemed amended to the extent (but only to the extent) necessary to reflect the existence and terms of the Permitted Amendment evidenced thereby and only with respect to the Revolving Commitments and Loans of the Accepting Lenders as to which such Lenders’ acceptance has been made and (2) any applicable Lender who is not an Accepting Lender may be replaced by the Parent Borrower in accordance with Section 11.13.

In addition, notwithstanding anything to the contrary herein, (a) this Agreement may be amended and restated without the consent of any Lender (but with the consent of the Parent Borrower and the Agents) if, upon giving effect to such amendment and restatement, such Lender shall no longer be a party to this

Agreement (as so amended and restated), the Commitments of such Lender shall have terminated, such Lender shall have no other commitment or other obligation hereunder and shall have been paid in full all principal, interest and other amounts owing to it or accrued for its account under this Agreement, and (b) the Administrative Agent may amend or modify this Agreement and any other Loan Document without the consent of any Lender (but with the consent of the Parent Borrower) to (i) to cure any ambiguity, omission, mistake, defect or inconsistency therein or (ii) grant a new Lien for the benefit of the holders of the Obligations, extend an existing Lien over additional property for the benefit of the holders of the Obligations or join additional Persons as Loan Parties.

11.02 Notices and Other Communications; Facsimile Copies.

(a) Notices Generally. Except in the case of notices and other communications expressly permitted to be given by telephone (and except as provided in subsection (b) below), all notices and other communications provided for herein shall be in writing and shall be delivered by hand or overnight courier service, mailed by certified or registered mail or sent by facsimile as follows, and all notices and other communications expressly permitted hereunder to be given by telephone shall be made to the applicable telephone number, as follows:

(i) if to the Parent Borrower or any other Loan Party, any Agent, the L/C Issuer or the Swing Line Lender, to the address, facsimile number, electronic mail address or telephone number specified for such Person on Schedule 11.02; and

(ii) if to any other Lender, to the address, facsimile number, electronic mail address or telephone number specified in its Administrative Questionnaire (including, as appropriate, notices delivered solely to the Person designated by a Lender on its Administrative Questionnaire then in effect for the delivery of notices that may contain material non-public information relating to the Parent Borrower).

Notices and other communications sent by hand or overnight courier service, or mailed by certified or registered mail, shall be deemed to have been given when received; notices and other communications sent by facsimile or e-mail transmission shall be deemed to have been given when sent (except that, if not given during normal business hours for the recipient, shall be deemed to have been given at the opening of business on the next Business Day for the recipient). Notices and other communications delivered through electronic communications to the extent provided in subsection (b) below, shall be effective as provided in such subsection (b).

(b) Electronic Communications. Notices and other communications to the Secured Parties hereunder may be delivered or furnished by electronic communication (including e-mail address and Internet or intranet websites) pursuant to procedures approved by the Administrative Agent, provided that the foregoing shall not apply to notices to any Secured Party pursuant to Article II if such Secured Party, as applicable, has notified the Administrative Agent that it is incapable of receiving notices under such Article by electronic communication. The Administrative Agent, the Swing Line Lender, the L/C Issuer or the Parent Borrower may each, in its discretion, agree to accept notices and other communications to it hereunder by electronic communications pursuant to procedures approved by it; provided that approval of such procedures may be limited to particular notices or communications.

Unless the Administrative Agent otherwise prescribes, (i) notices and other communications sent to an e-mail address shall be deemed received upon the sender's receipt of an acknowledgement from the intended recipient (such as by the "return receipt requested" function, as available, return e-mail or other written acknowledgement) and (ii) notices or communications posted to an Internet or intranet website shall be deemed received upon the deemed receipt by the intended recipient at its e-mail address as described in

the foregoing clause (i) of notification that such notice or communication is available and identifying the website address therefor; provided that, for both clauses (i) and (ii), if such notice, email or other communication is not sent during the normal business hours of the recipient, such notice, email or communication shall be deemed to have been sent at the opening of business on the next business day for the recipient.

(c) The Platform. THE PLATFORM IS PROVIDED “AS IS” AND “AS AVAILABLE.” THE AGENT PARTIES (AS DEFINED BELOW) DO NOT WARRANT THE ACCURACY OR COMPLETENESS OF THE BORROWER MATERIALS OR THE ADEQUACY OF THE PLATFORM, AND EXPRESSLY DISCLAIM LIABILITY FOR ERRORS IN OR OMISSIONS FROM THE BORROWER MATERIALS. NO WARRANTY OF ANY KIND, EXPRESS, IMPLIED OR STATUTORY, INCLUDING ANY WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT OF THIRD PARTY RIGHTS OR FREEDOM FROM VIRUSES OR OTHER CODE DEFECTS, IS MADE BY ANY AGENT PARTY IN CONNECTION WITH THE BORROWER MATERIALS OR THE PLATFORM. In no event shall the Administrative Agent or any of its Related Parties (collectively, the “Agent Parties”) have any liability to the Parent Borrower, any Lender, the L/C Issuer or any other Person for losses, claims, damages, liabilities or expenses of any kind (whether in tort, contract or otherwise) arising out of the Parent Borrower’s, any Loan Party’s or the Administrative Agent’s transmission of Borrower Materials or any other information through the internet or any telecommunications, electronic or other information transmissions system, except to the extent that such losses, claims, damages, liabilities or expenses are determined by a court of competent jurisdiction by a final and nonappealable judgment to have resulted from the gross negligence or willful misconduct of such Agent Party; provided, however, that in no event shall any Agent Party have any liability to any Loan Party, any Lender, the L/C Issuer or any other Person for indirect, special, incidental, consequential or punitive damages (as opposed to direct or actual damages).

(d) Change of Address, Etc. Each of the Parent Borrower, each Agent, the L/C Issuer and the Swing Line Lender may change its address, facsimile or telephone number for notices and other communications hereunder by notice to the other parties hereto. Each other Lender may change its address, facsimile, telephone number or e-mail address for notices and other communications hereunder by notice to the Parent Borrower, each Agent, the L/C Issuer and the Swing Line Lender. In addition, each Lender agrees to notify the Administrative Agent, and each Revolving Lender agrees to notify the Administrative Agent, from time to time to ensure that the Administrative Agent has on record (i) an effective address, contact name, telephone number, facsimile number and electronic mail address to which notices and other communications may be sent and (ii) accurate wire instructions for such Lender. Furthermore, each Public Lender agrees to cause at least one individual at or on behalf of such Public Lender to at all times have selected the “Private Side Information” or similar designation on the content declaration screen of the Platform in order to enable such Public Lender or its delegate, in accordance with such Public Lender’s compliance procedures and applicable Law, including United States Federal and state securities Laws, to make reference to Borrower Materials that are not made available through the “Public Side Information” portion of the Platform and that may contain material non-public information with respect to the Parent Borrower or its securities for purposes of United States Federal or state securities laws.

(e) Reliance by Agents, L/C Issuer and Lenders. The Agents, the L/C Issuer and the Lenders shall be entitled to rely and act upon any notices (including telephonic or electronic Loan Notices, Letter of Credit Applications and Swing Line Loan Notices) purportedly given by or on behalf of any Loan Party even if (i) such notices were not made in a manner specified herein, were incomplete or were not preceded or followed by any other form of notice specified herein, or (ii) the terms thereof, as understood by the recipient, varied from any confirmation thereof. The Loan Parties shall indemnify each Agent, the L/C Issuer, each Lender and the Related Parties of each of them from all losses, costs, expenses and liabilities resulting from the reliance by such Person on each notice purportedly given by or on behalf of a

Loan Party. All telephonic notices to and other telephonic communications with any Agent may be recorded by such Agent, and each of the parties hereto hereby consents to such recording.

11.03 No Waiver; Cumulative Remedies; Enforcement. No failure by any Lender, the L/C Issuer, the Administrative Agent to exercise, and no delay by any such Person in exercising, any right, remedy, power or privilege hereunder or under any other Loan Document shall operate as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege. The rights, remedies, powers and privileges herein provided and provided under each other Loan Document are cumulative and not exclusive of any rights, remedies, powers and privileges provided by law.

Notwithstanding anything to the contrary contained herein or in any other Loan Document, the authority to enforce rights and remedies hereunder and under the other Loan Documents against the Loan Parties or any of them shall be vested exclusively in, and all actions and proceedings at law in connection with such enforcement shall be instituted and maintained exclusively by, the Administrative Agent in accordance with Section 9.02 for the benefit of all the Lenders and the L/C Issuer; provided, however, that the foregoing shall not prohibit (a) the Administrative Agent from exercising the rights and remedies that inure to its benefit (solely in its capacity as Administrative Agent) hereunder and under the other Loan Documents, (b) the L/C Issuer or the Swing Line Lender from exercising the rights and remedies that inure to its benefit (solely in its capacity as L/C Issuer or Swing Line Lender, as the case may be) hereunder and under the other Loan Documents, (c) any Lender from exercising setoff rights in accordance with Section 11.08 (subject to the terms of Section 2.13), or (d) any Lender from filing proofs of claim or appearing and filing pleadings on its own behalf during the pendency of a proceeding relative to any Loan Party under any Debtor Relief Law; and provided, further, that if at any time there is no Person acting as Administrative Agent hereunder and under the other Loan Documents, then (i) the Required Lenders shall have the rights otherwise ascribed to the Administrative Agent pursuant to Section 9.02 and (ii) in addition to the matters set forth in clauses (b), (c) and (d) of the preceding proviso and subject to Section 2.13, any Lender may, with the consent of the Required Lenders, enforce any rights and remedies available to it and as authorized by the Required Lenders.

11.04 Expenses; Indemnity; and Damage Waiver.

(a) Costs and Expenses. The Loan Parties shall pay (i) all reasonable out-of-pocket expenses incurred by each Agent and its Affiliates (including the reasonable fees, charges and disbursements of counsel for such Agent) (limited, in the case of legal counsel, to the reasonable fees, charges and disbursements of one primary counsel, and of a single local counsel in each relevant jurisdiction), in connection with the syndication of the credit facilities provided for herein, the preparation, negotiation, execution, delivery and administration of this Agreement and the other Loan Documents or any amendments, modifications or waivers of the provisions hereof or thereof (whether or not the transactions contemplated hereby or thereby shall be consummated), (ii) all reasonable out-of-pocket expenses incurred by the L/C Issuer in connection with the issuance, amendment, renewal or extension of any Letter of Credit or any demand for payment thereunder and (iii) all reasonable out-of-pocket expenses incurred by the Administrative Agent, any Lender or the L/C Issuer (including the fees, charges and disbursements of one primary counsel for the Administrative Agent, any Lender or the L/C Issuer, and of a single local counsel in each relevant jurisdiction (and, in the case of an actual or perceived conflict of interest where the party affected by such conflict informs the Parent Borrower of such conflict and thereafter retains its own counsel, of one additional firm of counsel for all such affected parties taken as a whole)), and shall pay all reasonable fees and time charges for attorneys who may be employees of the Administrative Agent, any Lender or the L/C Issuer, in connection with the enforcement or protection of its rights (A) in connection with this Agreement and the other Loan Documents, including its rights under this Section, or (B) in connection with the Loans made or Letters of Credit issued hereunder, including all

such out-of-pocket expenses incurred during any workout, restructuring or negotiations in respect of such Loans or Letters of Credit.

(b) Indemnification by the Loan Parties. The Loan Parties shall indemnify the each Agent (and any sub-agent thereof), each Arranger, each Lender and the L/C Issuer, and each Related Party of any of the foregoing Persons (each such Person being called an “Indemnatee”) against, and hold each Indemnatee harmless from, any and all losses, claims, damages, liabilities and related documented expenses (but limited, in the case of legal fees and expenses, to the actual, reasonable and documented out-of-pocket fees, disbursements and other charges of one counsel to all such Persons taken as a whole and, solely in the case of an actual or potential conflict of interest, one additional counsel to all affected Persons, taken as a whole, and, if reasonably necessary, one local counsel in each relevant jurisdiction to all such Persons, taken as a whole and, solely in the case of an actual or potential conflict of interest, one additional local counsel to all affected Persons, taken as a whole, in each such relevant jurisdiction and in any event, excluding lost profits), and shall indemnify and hold harmless each Indemnatee from all fees and time charges and disbursements for attorneys who may be employees of any Indemnatee, incurred by any Indemnatee or asserted against any Indemnatee by any third party or by the Parent Borrower or any other Loan Party arising out of, in connection with, or as a result of (i) the execution or delivery of this Agreement, any other Loan Document or any agreement or instrument contemplated hereby or thereby, the performance by the parties hereto of their respective obligations hereunder or thereunder or the consummation of the transactions contemplated hereby or thereby, or, in the case of the each Agent (and any sub-agent thereof) and its Related Parties only, the administration of this Agreement and the other Loan Documents, (ii) any Loan or Letter of Credit or the use or proposed use of the proceeds therefrom (including any refusal by the L/C Issuer to honor a demand for payment under a Letter of Credit if the documents presented in connection with such demand do not strictly comply with the terms of such Letter of Credit), (iii) any actual or threatened release of Hazardous Materials on or from any property owned or operated by a Loan Party or any of its Subsidiaries in connection with the Businesses, or any Environmental Liability related in any way to a Loan Party’s or any of its Subsidiaries’ conducting of the Businesses, or (iv) any actual or prospective claim, litigation, investigation or proceeding relating to any of the foregoing, whether based on contract, tort or any other theory, whether brought by a third party or by the Parent Borrower or any other Loan Party, and regardless of whether any Indemnatee is a party thereto, in all cases, whether or not caused by or arising, in whole or in part, out of the comparative, contributory or sole negligence of the Indemnatee; provided that such indemnity shall not, as to any Indemnatee, be available to the extent that such losses, claims, damages, liabilities or related expenses (w) are determined to have resulted from the gross negligence or willful misconduct of such Indemnatee or any of its Related Parties, (x) result from a claim brought by the Parent Borrower or any other Loan Party against an Indemnatee for a material breach of such Indemnatee’s obligations hereunder or under any other Loan Document, if the Parent Borrower or such Loan Party has obtained a final and nonappealable judgment in its favor on such claim as determined by a court of competent jurisdiction, (y) result from any dispute that is among Indemnitees (other than any dispute involving claims against the Administrative Agent or the L/C Issuer, in each case in their respective capacities as such) that a court of competent jurisdiction has determined in a final and nonappealable judgment did not involve actions or omissions of any direct or indirect parent or controlling person of the Parent Borrower or any of its Subsidiaries, or (z) so long as no Event of Default has occurred and is continuing, settlements effected without Borrowers’ prior written consent (not to be unreasonably withheld or delayed); provided, further, that each Indemnatee agrees to refund and return any and all amounts paid by Loan Parties to such Indemnatee to the extent such losses, claims, damages, liabilities or related expenses arose from any of the foregoing items in clauses (x) through (z) above. Without limiting the provisions of Section 3.01(c), this Section 11.04(b) shall not apply with respect to Taxes other than any Taxes that represent losses, claims, damages, etc. arising from any non-Tax claim.

(c) Reimbursement by Lenders. To the extent that the Loan Parties for any reason fail to indefeasibly pay any amount required under subsection (a) or (b) of this Section to be paid by them to

each Agent (or any sub-agent thereof), the L/C Issuer, the Swing Line Lender or any Related Party of any of the foregoing, each Lender severally agrees to pay to each Agent (or any such sub-agent), the L/C Issuer, Swing Line Lender or such Related Party, as the case may be, such Lender's pro rata share (determined as of the time that the applicable unreimbursed expense or indemnity payment is sought based on each Lender's share of the Total Credit Exposure at such time) of such unpaid amount (including any such unpaid amount in respect of a claim asserted by such Lender), such payment to be made severally among them based on such Lenders' Applicable Percentages (determined as of the time that the applicable unreimbursed expense or indemnity payment is sought) of such unpaid amount, provided that the unreimbursed expense or indemnified loss, claim, damage, liability or related expense, as the case may be, was incurred by or asserted against any Agent (or any such sub-agent) or the L/C Issuer or the Swing Line Lender in its capacity as such, or against any Related Party of any of the foregoing acting for each Agent (or any such sub-agent), the L/C Issuer or the Swing Line Lender in connection with such capacity. The obligations of the Lenders under this subsection (c) are subject to the provisions of Section 2.12(d).

(d) Waiver of Consequential Damages, Etc. To the fullest extent permitted by applicable Law, none of the Loan Parties, the Administrative Agent, any other agent hereunder, any Lender, the L/C Issuer, the Swing Line Lender, any other party hereto or any Indemnitee shall assert, and each such Person hereby waives and acknowledges that no other Person shall have, any claim against any other such Person, on any theory of liability, for special, indirect, consequential or punitive damages (as opposed to direct or actual damages) (whether or not the claim therefor is based on contract, tort or duty imposed by any applicable legal requirement) arising out of, in connection with, arising out of, as a result of, or in any way related to, this Agreement or any other Loan Document or any agreement or instrument contemplated hereby or referred to herein, the transactions contemplated hereby or thereby any Loan or Letter of Credit or the use of the proceeds thereof, or any act or omission or event occurring in connection therewith; provided that the foregoing shall in no event limit the Parent Borrower's indemnification obligations under clause (b) above to the extent such special, indirect, consequential or punitive damages are included in any third-party claim in connection with which such Indemnitee is otherwise entitled to indemnification hereunder. No Indemnitee referred to in subsection (b) above shall be liable for any damages arising from the use by unintended recipients of any information or other materials distributed by it through telecommunications, electronic or other information transmission systems in connection with this Agreement or the other Loan Documents or the transactions contemplated hereby or thereby other than for direct or actual damages resulting from the gross negligence or willful misconduct of such Indemnitee or from a material breach of such Indemnitee's obligations under the Loan Documents as determined by a final and nonappealable judgment of a court of competent jurisdiction.

(e) Payments. All amounts due under this Section shall be payable not later than ten (10) Business Days after demand therefor.

(f) Survival. The agreements in this Section and the indemnity provisions of Section 11.02(e), shall survive the resignation of the Administrative Agent, the L/C Issuer, and the Swing Line Lender, the replacement of any Lender, the termination of the Commitments and the repayment, satisfaction or discharge of all the other Obligations.

11.05 Payments Set Aside. To the extent that any payment by or on behalf of any Loan Party is made to the Administrative Agent, the L/C Issuer or any Lender, or the Administrative Agent, the L/C Issuer or any Lender exercises its right of setoff, and such payment or the proceeds of such setoff or any part thereof is subsequently invalidated, declared to be fraudulent or preferential, set aside or required (including pursuant to any settlement entered into by the Administrative Agent, the L/C Issuer or such Lender in its discretion) to be repaid to a trustee, receiver or any other party, in connection with any proceeding under any Debtor Relief Law or otherwise, then (a) to the extent of such recovery, the obligation or part thereof originally intended to be satisfied shall be revived and continued in full force and effect as

if such payment had not been made or such setoff had not occurred, and (b) each Lender and the L/C Issuer severally agrees to pay to the Administrative Agent upon demand its applicable share (without duplication) of any amount so recovered from or repaid by such Agent, plus interest thereon from the date of such demand to the date such payment is made at a rate per annum equal to the applicable Overnight Rate from time to time in effect, in the applicable currency of such recovery or payment. The obligations of the Lenders and the L/C Issuer under clause (b) of the preceding sentence shall survive the payment in full of the Obligations and the termination of this Agreement.

11.06 Successors and Assigns.

(a) Successors and Assigns Generally. The provisions of this Agreement and the other Loan Documents shall be binding upon and inure to the benefit of the parties hereto and thereto and their respective successors and assigns permitted hereby, except that the Parent Borrower may not assign or otherwise transfer any of its rights or obligations hereunder or thereunder without the prior written consent of the Agents and each Lender and no Lender may assign or otherwise transfer any of its rights or obligations hereunder except (i) to an assignee in accordance with the provisions of subsection (b) of this Section, (ii) by way of participation in accordance with the provisions of subsection (d) of this Section or (iii) by way of pledge or assignment of a security interest subject to the restrictions of subsection (f) of this Section (and any other attempted assignment or transfer by any party hereto shall be null and void). Nothing in this Agreement, expressed or implied, shall be construed to confer upon any Person (other than the parties hereto, their respective successors and assigns permitted hereby, Participants to the extent provided in subsection (d) of this Section and, to the extent expressly contemplated hereby, the Related Parties of each of the Agents, the L/C Issuer and the Lenders) any legal or equitable right, remedy or claim under or by reason of this Agreement.

(b) Assignments by Lenders. Any Lender may at any time assign to one or more assignees all or a portion of its rights and obligations under this Agreement and the other Loan Documents (including all or a portion of its Commitment and the Loans (including for purposes of this subsection (b), participations in L/C Obligations) at the time owing to it); provided that any such assignment shall be subject to the following conditions:

(i) Minimum Amounts.

(A) in the case of an assignment of the entire remaining amount of the assigning Lender's Commitment and/or the Loans at the time owing to it or contemporaneous assignments to related Approved Funds that equal at least the amount specified in paragraph (b)(i)(B) of this Section in the aggregate or in the case of an assignment to a Lender, an Affiliate of a Lender or an Approved Fund, no minimum amount need be assigned; and

(B) in any case not described in subsection (b)(i)(A) of this Section, the aggregate amount of the Commitment (which for this purpose includes Loans outstanding thereunder) or, if the applicable Commitment is not then in effect, the principal outstanding balance of the Loans of the assigning Lender subject to each such assignment, determined as of the date the Assignment and Assumption with respect to such assignment is delivered to the Administrative Agent or, if "Trade Date" is specified in the Assignment and Assumption, as of the Trade Date, shall not be less than \$5,000,000 in the case of any assignment in respect of a Revolving Commitment (and the related Revolving Loans thereunder) and \$5,000,000 in the case of any assignment in respect of the Term Loan or Incremental Term Loan, unless each of (x) the Administrative Agent (in the case of the Term Loan or

Incremental Term Loan) or (y) the Administrative Agent and each L/C Issuer (in the case of a Revolving Commitment (and the related Revolving Loans thereunder)) and, so long as no Event of Default has occurred and is continuing, the Parent Borrower otherwise consents (each such consent not to be unreasonably withheld or delayed); provided that this Section 11.06(b)(i)(B) shall not apply to assignments permitted pursuant to Section 10.13.

(ii) Proportionate Amounts. Each partial assignment shall be made as an assignment of a proportionate part of all the assigning Lender's Loans and Commitments, and rights and obligations with respect thereto, assigned, except that this clause (ii) shall not (A) apply to the Swing Line Lender's rights and obligations in respect of Swing Line Loans or (B) prohibit any Lender from assigning all or a portion of its rights and obligations in respect of its Revolving Commitment (and the related Revolving Loans thereunder) and its outstanding portion of the Term Loan on a non-pro rata basis;

(iii) Required Consents. No consent shall be required for any assignment except to the extent required by subsection (b)(i)(B) of this Section and, in addition:

(A) the consent of the Parent Borrower (such consent not to be unreasonably withheld or delayed) shall be required unless (1) an Event of Default has occurred and is continuing at the time of such assignment or (2) such assignment is to a Lender, an Affiliate of a Lender or an Approved Fund; provided, that, the Parent Borrower shall be deemed to have consented to any such assignment unless it shall object thereto by written notice to the Administrative Agent within ten (10) Business Days after having received notice thereof;

(B) the consent of the Administrative Agent (such consent not to be unreasonably withheld or delayed) shall be required for assignments in respect of (1) any unfunded Incremental Term Loan Commitment if such assignment is to a Person that is not a Lender with a Term Loan Commitment, an Affiliate of such Lender or an Approved Fund with respect to such Lender and (2) any Term Loan or Incremental Term Loan to a Person that is not a Lender, an Affiliate of a Lender or an Approved Fund;

(C) the consent of the Administrative Agent (such consent not to be unreasonably withheld or delayed) shall be required for assignments in respect of any unfunded Revolving Commitment if such assignment is to a Person that is not a Lender with a Revolving Commitment, an Affiliate of such Lender or an Approved Fund with respect to such Lender; and

(D) the consent of the L/C Issuer (such consent not to be unreasonably withheld or delayed) and the Swing Line Lender shall be required for any assignment in respect of the Revolving Commitment,

(iv) Assignment and Assumption. The parties to each assignment shall execute and deliver to the Administrative Agent an Assignment and Assumption, together with a processing and recordation fee in the amount of \$3,500; provided, however, that the Administrative Agent may, in its sole discretion, elect to waive such processing and recordation fee in the case of any assignment; provided, further, that such processing and recordation fee shall not apply to any assignment permitted pursuant to Section 10.09. The

assignee, if it is not a Lender, shall deliver to the Administrative Agent an Administrative Questionnaire.

(v) No Assignment to Certain Persons. No such assignment shall be made (A) to the Parent Borrower or any of the Parent Borrower's Affiliates or Subsidiaries, (B) to any Defaulting Lender or any of its Subsidiaries, or any Person who, upon becoming a Lender hereunder, would constitute any of the foregoing Persons described in this clause (B) or (C) to a natural person.

(vi) Certain Additional Payments. In connection with any assignment of rights and obligations of any Defaulting Lender hereunder, no such assignment shall be effective unless and until, in addition to the other conditions thereto set forth herein, the parties to the assignment shall make such additional payments to the Administrative Agent in an aggregate amount sufficient, upon distribution thereof as appropriate (which may be outright payment, purchases by the assignee of participations or subparticipations, or other compensating actions, including funding, with the consent of the Parent Borrower and the Administrative Agent, the applicable pro rata share of Loans previously requested but not funded by the Defaulting Lender, to each of which the applicable assignee and assignor hereby irrevocably consent), to (x) pay and satisfy in full all payment liabilities then owed by such Defaulting Lender to the Administrative Agent, the L/C Issuer or any Lender hereunder (and interest accrued thereon) and (y) acquire (and fund as appropriate) its full pro rata share of all Loans and participations in Letters of Credit and Swing Line Loans in accordance with its Applicable Percentage. Notwithstanding the foregoing, in the event that any assignment of rights and obligations of any Defaulting Lender hereunder shall become effective under applicable Law without compliance with the provisions of this paragraph, then the assignee of such interest shall be deemed to be a Defaulting Lender for all purposes of this Agreement until such compliance occurs.

(vii) Disqualified Institutions. Assignments and participations to Disqualified Institutions shall be subject to the terms and conditions in Section 11.06(g).

Subject to acceptance and recording thereof by the Administrative Agent pursuant to subsection (c) of this Section, from and after the effective date specified in each Assignment and Assumption, the assignee thereunder shall be a party to this Agreement and, to the extent of the interest assigned by such Assignment and Assumption, have the rights and obligations of a Lender under this Agreement, and the assigning Lender thereunder shall, to the extent of the interest assigned by such Assignment and Assumption, be released from its obligations under this Agreement (and, in the case of an Assignment and Assumption covering all of the assigning Lender's rights and obligations under this Agreement, such Lender shall cease to be a party hereto) but shall continue to be entitled to the benefits of Sections 3.01, 3.04, 3.05 and 11.04 with respect to facts and circumstances occurring prior to the effective date of such assignment; provided, that except to the extent otherwise expressly agreed to by the affected parties, no assignment by a Defaulting Lender will constitute a waiver or release of any claim of any party hereunder arising from that Lender's having been a Defaulting Lender. Upon request, the Parent Borrower (at its expense) shall execute and deliver a Note to the assignee Lender. Any assignment or transfer by a Lender of rights or obligations under this Agreement that does not comply with this subsection shall be treated for purposes of this Agreement as a sale by such Lender of a participation in such rights and obligations in accordance with subsection (d) of this Section.

(c) Register. (x) The Administrative Agent, acting solely for this purpose as an agent of each Borrower (and such agency being solely for tax purposes), shall maintain at Administrative Agent's Office a copy of each Assignment and Assumption delivered to it (or the equivalent thereof in electronic

form) and a register for the recordation of the names and addresses of the Lenders, and the Commitments of, and principal amounts (and stated interest) of the Loans and L/C Obligations owing to, each Lender pursuant to the terms hereof from time to time and (y) the Administrative Agent acting solely for this purpose as an agent of each Borrower (and such agency being solely for tax purposes), shall maintain at Administrative Agent's Office a copy of each Assignment and Assumption delivered to it (or the equivalent thereof in electronic form) and a register for the recordation of the names and addresses of the Revolving Lenders, and the Revolving Commitments of, and principal amounts (and stated interest) of the Revolving Loans and L/C Obligations owing to, each Revolving Lender pursuant to the terms hereof from time to time (collectively, the "Register"). The entries in the Register shall be conclusive absent manifest error, and Borrowers, the Agents, and the Lenders shall treat each Person whose name is recorded in the Register pursuant to the terms hereof as a Lender hereunder for all purposes of this Agreement, notwithstanding notice to the contrary. The Register shall be available for inspection by the any Borrower and any Lender, at any reasonable time and from time to time upon reasonable prior notice.

(d) Participations. Any Lender may at any time, without the consent of, or notice to, the Parent Borrower or the Agents, sell participations to any Person (other than a natural Person, a Defaulting Lender or the Parent Borrower or any of the Parent Borrower's Affiliates or Subsidiaries) (each, a "Participant") in all or a portion of such Lender's rights and/or obligations under this Agreement (including all or a portion of its Commitment and/or the Loans (including such Lender's participations in L/C Obligations and/or Swing Line Loans) owing to it); provided that (i) such Lender's obligations under this Agreement shall remain unchanged, (ii) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations and (iii) the Parent Borrower, the Agents, the Lenders and the L/C Issuer shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under this Agreement. For the avoidance of doubt, each Lender shall be responsible for the indemnity under Section 11.04(c) without regard to the existence of any participation.

Any agreement or instrument pursuant to which a Lender sells such a participation shall provide that such Lender shall retain the sole right to enforce this Agreement and to approve any amendment, modification or waiver of any provision of this Agreement; provided that such agreement or instrument may provide that such Lender will not, without the consent of the Participant, agree to any amendment, waiver or other modification described in clauses (i) through (vi) of Section 11.01 that affects such Participant. Each Borrower agrees that each Participant shall be entitled to the benefits of Sections 3.01, 3.04 and 3.05 to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to subsection (b) of this Section (it being understood that the documentation required under Section 3.01(c) shall be delivered to the Lender who sells the participation) to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to paragraph (b) of this Section; provided that such Participant (A) agrees to be subject to the provisions of Sections 3.06 and 11.13 as if it were an assignee under paragraph (b) of this Section and (B) shall not be entitled to receive any greater payment under Sections 3.01 or 3.04, with respect to any participation, than the Lender from whom it acquired the applicable participation would have been entitled to receive, except to the extent such entitlement to receive a greater payment results from a Change in Law that occurs after the Participant acquired the applicable participation. Each Lender that sells a participation agrees, at the Parent Borrower's request and expense, to use reasonable efforts to cooperate with the Parent Borrower to effectuate the provisions of Section 3.06 with respect to any Participant. To the extent permitted by law, each Participant also shall be entitled to the benefits of Section 11.08 as though it were a Lender; provided that such Participant agrees to be subject to Section 2.13 as though it were a Lender. Each Lender that sells a participation shall, acting solely for this purpose as an agent of each Borrower, maintain a register on which it enters the name and address of each Participant and the principal amounts (and stated interest) of each Participant's interest in the Loans or other obligations under the Loan Documents (the "Participant Register"); provided that no Lender shall have any obligation to disclose all or any portion of the Participant Register (including the identity of any Participant or any information relating to a Participant's interest in any commitments, loans, letters of credit or its other

obligations under any Loan Document) to any Person except to the extent that such disclosure is necessary to establish that such commitment, loan, letter of credit or other obligation is in registered form under the Internal Revenue Code. The entries in the Participant Register shall be conclusive absent manifest error, and such Lender shall treat each Person whose name is recorded in the Participant Register as the owner of such participation for all purposes of this Agreement notwithstanding any notice to the contrary. For the avoidance of doubt, the Administrative Agent (in its capacity as such Administrative Agent) shall have no responsibility for maintaining a Participant Register.

(e) Certain Pledges. Any Lender may at any time pledge or assign a security interest in all or any portion of its rights under this Agreement (including under its Note, if any) to secure obligations of such Lender, including any pledge or assignment to secure obligations to a Federal Reserve Bank; provided that no such pledge or assignment shall release such Lender from any of its obligations hereunder or substitute any such pledgee or assignee for such Lender as a party hereto.

(f) Resignation as L/C Issuer or Swing Line Lender after Assignment. Notwithstanding anything to the contrary contained herein, if at any time Bank of America assigns all of its Revolving Commitment and Revolving Loans pursuant to subsection (b) above, Bank of America may, (i) upon thirty (30) days' notice to the Parent Borrower and the Lenders, resign as L/C Issuer and/or (ii) upon thirty days' notice to the Parent Borrower resign as Swing Line Lender. In the event of any such resignation as L/C Issuer or Swing Line Lender, the Parent Borrower shall be entitled to appoint from among the Lenders a successor L/C Issuer or Swing Line Lender hereunder; provided, however, that no failure by the Parent Borrower to appoint any such successor shall affect the resignation of Bank of America as L/C Issuer or Swing Line Lender, as the case may be. If Bank of America resigns as L/C Issuer, it shall retain all the rights, powers, privileges and duties of the L/C Issuer hereunder with respect to all Letters of Credit outstanding as of the effective date of its resignation as L/C Issuer and all L/C Obligations with respect thereto (including the right to require the Lenders to make Base Rate Loans or fund risk participations in unreimbursed amounts pursuant to Section 2.03(c)). If Bank of America resigns as Swing Line Lender, it shall retain all the rights of the Swing Line Lender provided for hereunder with respect to Swing Line Loans made by it and outstanding as of the effective date of such resignation including the right to require the Lenders to make Base Rate Loans or fund risk participations in outstanding Swing Line Loans pursuant to Section 2.04(c). Upon the appointment of a successor L/C Issuer and/or Swing Line Lender, (1) such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the retiring L/C Issuer or Swing Line Lender, as the case may be, and (2) the successor L/C Issuer shall issue letters of credit in substitution for the Letters of Credit, if any, outstanding at the time of such succession or make other arrangements satisfactory to Bank of America to effectively assume the obligations of Bank of America with respect to such Letters of Credit.

(g) Disqualified Institutions.

(i) No assignment or, to the extent the DQ List has been posted on the Platform for all Lenders, participation shall be made to any Person that was a Disqualified Institution as of the date (the "**Trade Date**") on which the assigning or transferring Lender entered into a binding agreement to sell and assign, or grant a participation in, all or a portion of its rights and obligations under this Agreement, as applicable, to such Person unless Administrative Agent and the Parent Borrower (unless a Specified Event of Default has occurred and is continuing, in which case no consent from the Parent Borrower is required) have consented in writing in their sole and absolute discretion to such assignment or participation, in which case such Person will not be considered a Disqualified Institution for the purpose of such assignment or participation. For the avoidance of doubt, (x) no assignment or participation shall be retroactively invalidated pursuant to this Section 11.06(g) if the Trade Date therefor occurred prior to the assignee's or participant's

becoming a Disqualified Institution (including as a result of the delivery of a notice pursuant to, and/or the expiration of the notice period referred to in, the definition of “Disqualified Institution”), and (y) the execution by the Parent Borrower or Administrative Agent of an Assignment with respect to such an assignment will not by itself result in such assignee no longer being considered a Disqualified Institution.

(ii) Administrative Agent and each assignor of a Loan or seller of a participation hereunder shall be entitled to rely conclusively on a representation of the assignee Lender or Participant in the relevant Assignment and Assumption or participation agreement, as applicable, that such assignee or purchaser is not a Disqualified Institution. Administrative Agent shall have the right, and the Borrowers hereby expressly authorize Administrative Agent, to (A) post the list of Disqualified Institutions provided by the Parent Borrower and any updates thereto from time to time (collectively, the “**DQ List**”) on a Platform, including that portion of such Platform that is designated for “public side” Lenders and/or (B) provide the DQ List to each Lender requesting the same. Any assignment to a Disqualified Institution or grant or sale of participation to a Disqualified Institution in violation of this Section 11.06(g) shall not be void, but the other provisions of this Section 11.06(g) shall apply.

(iii) If any assignment or participation is made to any Disqualified Institution without the consents required by this Section 11.06(g) and/or Section 11.06(b)(iii), or if any Person becomes a Disqualified Institution after the applicable Trade Date, the Parent Borrower may, at its sole expense and effort, upon notice to the applicable Disqualified Institution and Administrative Agent, (1) terminate the Revolving Commitment of such Disqualified Institution and pay or cause to be paid all Obligations of the Borrowers owing to such Disqualified Institution in connection with such Revolving Commitment, (2) in the case of outstanding Term Loans held by Disqualified Institutions, prepay (or cause to be prepaid) such Term Loan by paying the lesser of (x) the principal amount thereof and (y) the amount that such Disqualified Institution paid to acquire such Term Loans, in each case plus accrued interest, accrued fees and all other amounts (other than principal amounts) payable to it hereunder and/or (3) require such Disqualified Institution to assign, without recourse (in accordance with and subject to the restrictions and conditions contained in this Section 11.06), all of its interest, rights and obligations under this Agreement and the other Loan Documents to one or more assignees at the lesser of (x) the principal amount thereof and (y) the amount that such Disqualified Institution paid to acquire such interests, rights and obligations of such Term Loans, in each case plus accrued interest, accrued fees and all other amounts (other than principal amounts) payable to it hereunder.

(iv) Notwithstanding anything to the contrary contained in this Agreement, Disqualified Institutions (1) will not have the right to (x) receive information, reports or other materials provided to Agents or Lenders by the Borrowers, any other Agent or any other Lender, (y) attend or participate (including by telephone) in meetings attended by any of the Lenders and/or Agents, or (z) access any electronic site established for the Lenders or confidential communications from counsel to or financial advisors of Agents or the Lenders and (2) (x) for purposes of any consent to any amendment, waiver or modification of, or any action under, and for the purpose of any direction to any Agent or any Lender to undertake any action (or refrain from taking any action) under this Agreement or any other Loan Document, each Disqualified Institution will be deemed to have consented in the same proportion as the Lenders that are not Disqualified Institutions consented to such matter, and (y) for purposes of voting on any plan of reorganization pursuant to Section 1126 of the Bankruptcy Code of the United States or any similar plan,

each Disqualified Institution party hereto hereby agrees (1) not to vote on such plan, (2) if such Disqualified Institution does vote on such plan notwithstanding the restriction in the immediately foregoing clause (1), such vote will be deemed not to be in good faith and shall be “designated” pursuant to Section 1126(e) of the Bankruptcy Code of the United States (or any similar provision in any other similar federal, state or foreign law affecting creditor’s rights, including any Debtor Relief Laws), and such vote shall not be counted in determining whether the applicable class has accepted or rejected such plan in accordance with Section 1126(c) of the Bankruptcy Code of the United States (or any similar provision in any other similar federal, state or foreign law affecting creditor’s rights, including any Debtor Relief Laws) and (3) not to contest any request by any party for a determination by the Bankruptcy Court of the United States of America (or other applicable court of competent jurisdiction) effectuating the foregoing clause (2).

(v) No Disqualified Institution shall (i) be entitled to bring actions against any Agent, in its role as such, (ii) receive advice of counsel or other advisors to any Agent or any other Lenders or (iii) challenge the attorney client privilege of any Agent or any Lender and their respective counsel.

11.07 Treatment of Certain Information; Confidentiality. Each of the Agents, the Lenders and the L/C Issuer agrees to maintain the confidentiality of the Information (as defined below), except that Information may be disclosed (a) to its Affiliates and to their respective Related Parties (it being understood that the Persons to whom such disclosure is made will be informed of the confidential nature of such Information and instructed to keep such Information confidential), (b) to the extent required or requested by any regulatory authority purporting to have jurisdiction over such Person or its Related Parties (including any self-regulatory authority, such as the National Association of Insurance Commissioners), (c) to the extent required by applicable Laws or regulations or by any subpoena or similar legal process, (d) to any other party hereto, (e) in connection with the exercise of any remedies hereunder or under any other Loan Document or any action or proceeding relating to this Agreement or any other Loan Document or the enforcement of rights hereunder or thereunder, (f) subject to an agreement containing provisions substantially the same as those of this Section, to (i) any assignee of or Participant in, or any prospective assignee of or Participant in, any of its rights or obligations under this Agreement or (ii) any actual or prospective party (or its Related Parties) to any swap or derivative or other transaction under which payments are to be made by reference to a Loan Party and its obligations, this Agreement or payments hereunder (it being understood that the DQ List may be disclosed to any assignee or Participant or prospective assignee or Participant, in reliance on this clause (f)), (g) on a confidential basis to (i) (A) any rating agency in connection with rating the Parent Borrower or its Subsidiaries or the credit facilities provided hereunder, (B) the provider of any Platform or other electronic delivery service used by the Agents, the L/C Issuer and/or the Swing Line Lender to deliver Borrower Materials or notices to the Lenders or (C) the CUSIP Service Bureau or any similar agency in connection with the issuance and monitoring of CUSIP numbers or other market identifiers with respect to the credit facilities provided hereunder, (h) with the consent of the Parent Borrower or (i) to the extent such Information (x) becomes publicly available other than as a result of a breach of this Section or (y) becomes available to any Agent, any Lender, the L/C Issuer or any of their respective Affiliates on a nonconfidential basis from a source other than the Parent Borrower or (j) is independently discovered or developed by a party hereto without utilizing any Information received from the Borrowers or violating the terms of this Section 11.07.

For purposes of this Section, “Information” means all information received from a Loan Party or any Subsidiary relating to the Loan Parties or any Subsidiary or any of their respective businesses, other than any such information that is available to any Agent, any Lender or the L/C Issuer on a nonconfidential basis prior to disclosure by such Loan Party or any Subsidiary. Any Person required to maintain the confidentiality of Information as provided in this Section shall be considered to have complied with its

obligation to do so if such Person has exercised the same degree of care to maintain the confidentiality of such Information as such Person would accord to its own confidential information. In addition, the Agents and the Lenders may disclose the existence of this Agreement and information about this Agreement to market data collectors, similar service providers to the lending industry and service providers to the Agents and the Lenders in connection with the administration of this Agreement, the other Loan Documents and the Commitments.

Each of the Agents, the Lenders and the L/C Issuer acknowledges that (a) the Information may include material non-public information concerning a Loan Party or a Subsidiary, as the case may be, (b) it has developed compliance procedures regarding the use of material non-public information and (c) it will handle such material non-public information in accordance with applicable Law, including United States Federal and state securities Laws.

The Loan Parties acknowledge and agree that the DQ List does not constitute Information and may be posted to all Lenders by Administrative Agent (including any updates thereto).

11.08 Set-off. If an Event of Default shall have occurred and be continuing, each Lender, the L/C Issuer and each of their respective Affiliates is hereby authorized at any time and from time to time, after obtaining the prior written consent of the Administrative Agent (such consent not to be unreasonably withheld or delayed), to the fullest extent permitted by applicable Law, to set off and apply any and all deposits (general or special, time or demand, provisional or final, in whatever currency, but specifically excluding accounts used for payroll, trust and tax withholdings and other Excluded Accounts (as defined in the Security Agreement and the Canadian Security Agreement, as applicable)) at any time held and other obligations (in whatever currency) at any time owing by such Lender, the L/C Issuer or any such Affiliate to or for the credit or the account of the Parent Borrower or any other Loan Party against any and all of the obligations of the Parent Borrower or such Loan Party now or hereafter existing under this Agreement or any other Loan Document then due and owing to such Lender or the L/C Issuer or their respective Affiliates, irrespective of whether or not such Lender or the L/C Issuer or Affiliate shall have made any demand under this Agreement or any other Loan Document and although such obligations of the Parent Borrower or such Loan Party are owed to a branch or office or Affiliate of such Lender or the L/C Issuer different from the branch or office or Affiliate holding such deposit or obligated on such indebtedness; provided, that, in the event that any Defaulting Lender shall exercise any such right of setoff, (x) all amounts so set off shall be paid over immediately to the Agents for further application in accordance with the provisions of Section 2.15 and, pending such payment, shall be segregated by such Defaulting Lender from its other funds and deemed held in trust for the benefit of the Agents, the L/C Issuer and the Lenders and (y) the Defaulting Lender shall provide promptly to the Administrative Agent a statement describing in reasonable detail the Obligations owing to such Defaulting Lender as to which it exercised such right of setoff. The rights of each Lender, the L/C Issuer and their respective Affiliates under this Section are in addition to other rights and remedies (including other rights of setoff) that such Lender, the L/C Issuer or their respective Affiliates may have. Each Lender and the L/C Issuer agrees to notify the Parent Borrower and the Agents promptly after any such setoff and application, provided that the failure to give such notice shall not affect the validity of such setoff and application.

11.09 Interest Rate Limitation. Notwithstanding anything to the contrary contained in any Loan Document, the interest paid or agreed to be paid under the Loan Documents shall not exceed the maximum rate of non-usurious interest permitted by applicable Law (including the Criminal Code (Canada)) (the "Maximum Rate"). If any Agent or any Lender shall receive interest in an amount that exceeds the Maximum Rate, the excess interest shall be applied to the principal of the Loans or, if it exceeds such unpaid principal, refunded to the applicable Borrower. In determining whether the interest contracted for, charged, or received by any Agent or a Lender exceeds the Maximum Rate, such Person may, to the extent permitted by applicable Law, (a) characterize any payment that is not principal as an expense, fee,

or premium rather than interest, (b) exclude voluntary prepayments and the effects thereof, and (c) amortize, prorate, allocate, and spread in equal or unequal parts the total amount of interest throughout the contemplated term of the Obligations hereunder.

11.10 Counterparts; Integration; Effectiveness. This Agreement may be executed in counterparts (and by different parties hereto in different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. This Agreement and the other Loan Documents and any separate letter agreements with respect to fees payable to the Administrative Agent or the L/C Issuer constitute the entire contract among the parties relating to the subject matter hereof and supersede any and all previous agreements and understandings, oral or written, relating to the subject matter hereof. Except as provided in Section 5.01, this Agreement shall become effective when it shall have been executed by the Agents and when the Agents shall have received counterparts hereof that, when taken together, bear the signatures of each of the other parties hereto. Delivery of an executed counterpart of a signature page of this Agreement by facsimile, E-Signature or other electronic imaging means (e.g., “.pdf” or “.tif”) shall be effective as delivery of a manually executed counterpart of this Agreement.

11.11 Survival of Representations and Warranties. All representations and warranties made hereunder and in any other Loan Document or other document delivered pursuant hereto or thereto or in connection herewith or therewith shall survive the execution and delivery hereof and thereof. Such representations and warranties have been or will be relied upon by the Agents and each Lender, regardless of any investigation made by any Agent or any Lender or on their behalf and notwithstanding that any Agent or any Lender may have had notice or knowledge of any Default at the time of any Credit Extension, and shall continue in full force and effect as long as any Loan or any other Obligation hereunder shall remain unpaid or unsatisfied or any Letter of Credit shall remain outstanding.

11.12 Severability. If any provision of this Agreement or the other Loan Documents is held to be illegal, invalid or unenforceable, (a) the legality, validity and enforceability of the remaining provisions of this Agreement and the other Loan Documents shall not be affected or impaired thereby and (b) the parties shall endeavor in good faith negotiations to replace the illegal, invalid or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the illegal, invalid or unenforceable provisions. The invalidity of a provision in a particular jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction. Without limiting the foregoing provisions of this Section 11.12, if and to the extent that the enforceability of any provisions in this Agreement relating to Defaulting Lenders shall be limited by Debtor Relief Laws, as determined in good faith by the Administrative Agent, the L/C Issuer or the Swing Line Lender, as applicable, then such provisions shall be deemed to be in effect only to the extent not so limited.

11.13 Replacement of Lenders. If the Parent Borrower is entitled to replace a Lender pursuant to the provisions of Section 3.06 or if any Lender is a Defaulting Lender or a Non-Consenting Lender, then the Parent Borrower may, at its sole expense and effort, upon notice to such Lender and the Agents, require such Lender to assign and delegate, at par, without recourse (in accordance with and subject to the restrictions contained in, and consents required by, Section 11.06), all of its interests, rights and obligations under this Agreement (other than its existing rights to payments pursuant to Sections 3.01 and 3.04) and the related Loan Documents to an Eligible Assignee that shall assume such obligations (which assignee may be another Lender, if a Lender accepts such assignment), provided that:

(a) the Parent Borrower shall have paid to the Administrative Agent the assignment fee specified in Section 11.06(b);

(b) such Lender shall have received payment of an amount equal to one hundred percent (100%) of the outstanding principal of its Loans and Issued Letters of Credit, accrued interest

thereon, accrued fees and all other amounts payable to it hereunder and under the other Loan Documents (including any amounts under Section 3.05) from the assignee (to the extent of such outstanding principal and accrued interest and fees) or the Parent Borrower (in the case of all other amounts);

(c) in the case of any such assignment resulting from a claim for compensation under Section 3.04 or payments required to be made pursuant to Section 3.01, such assignment will result in a reduction in such compensation or payments thereafter;

(d) such assignment does not conflict with applicable Laws; and

(e) in the case of any such assignment resulting from a Lender becoming a Non-Consenting Lender, the applicable assignee shall have consented to the applicable amendment, waiver or consent.

A Lender shall not be required to make any such assignment or delegation if, prior thereto, as a result of a waiver by such Lender or otherwise, the circumstances entitling the Parent Borrower to require such assignment and delegation cease to apply.

11.14 Governing Law; Jurisdiction; Etc.

(a) GOVERNING LAW. THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK (INCLUDING SECTION 5-1401 AND SECTION 5-1402 OF THE GENERAL OBLIGATIONS LAW OF THE STATE OF NEW YORK) WITHOUT REGARD TO CONFLICTS OF LAW PRINCIPLES THAT WOULD REQUIRE APPLICATION OF THE LAWS OF ANOTHER JURISDICTION.

(b) SUBMISSION TO JURISDICTION. THE PARENT BORROWER AND EACH OTHER LOAN PARTY IRREVOCABLY AND UNCONDITIONALLY SUBMITS, FOR ITSELF AND ITS PROPERTY, TO THE NONEXCLUSIVE JURISDICTION OF THE COURTS OF THE STATE OF NEW YORK SITTING IN NEW YORK COUNTY AND OF THE UNITED STATES DISTRICT COURT OF THE SOUTHERN DISTRICT OF NEW YORK, AND ANY APPELLATE COURT FROM ANY THEREOF, IN ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT, OR FOR RECOGNITION OR ENFORCEMENT OF ANY JUDGMENT, AND EACH OF THE PARTIES HERETO IRREVOCABLY AND UNCONDITIONALLY AGREES THAT ALL CLAIMS IN RESPECT OF ANY SUCH ACTION OR PROCEEDING MAY BE HEARD AND DETERMINED IN SUCH NEW YORK STATE COURT OR, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, IN SUCH FEDERAL COURT. EACH OF THE PARTIES HERETO AGREES THAT A FINAL JUDGMENT IN ANY SUCH ACTION OR PROCEEDING SHALL BE CONCLUSIVE AND MAY BE ENFORCED IN OTHER JURISDICTIONS BY SUIT ON THE JUDGMENT OR IN ANY OTHER MANNER PROVIDED BY LAW. NOTHING IN THIS AGREEMENT OR IN ANY OTHER LOAN DOCUMENT SHALL AFFECT ANY RIGHT THAT ANY AGENT, ANY LENDER OR THE L/C ISSUER MAY OTHERWISE HAVE TO BRING ANY ACTION OR PROCEEDING RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT AGAINST THE PARENT BORROWER OR ANY OTHER LOAN PARTY OR ITS PROPERTIES IN THE COURTS OF ANY JURISDICTION.

(c) WAIVER OF VENUE. EACH PARTY HERETO IRREVOCABLY AND UNCONDITIONALLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY OBJECTION THAT IT MAY NOW OR HEREAFTER HAVE TO THE LAYING OF VENUE OF ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT IN ANY COURT REFERRED TO IN PARAGRAPH (B) OF THIS

SECTION. EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, THE DEFENSE OF AN INCONVENIENT FORUM TO THE MAINTENANCE OF SUCH ACTION OR PROCEEDING IN ANY SUCH COURT.

(d) SERVICE OF PROCESS. EACH PARTY HERETO IRREVOCABLY CONSENTS TO SERVICE OF PROCESS IN THE MANNER PROVIDED FOR NOTICES IN SECTION 11.02. NOTHING IN THIS AGREEMENT WILL AFFECT THE RIGHT OF ANY PARTY HERETO TO SERVE PROCESS IN ANY OTHER MANNER PERMITTED BY APPLICABLE LAW.

11.15 Waiver of Right to Trial by Jury. EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PERSON HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PERSON WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

11.16 Electronic Execution of Assignments and Certain Other Documents. The words “delivery,” “execute,” “execution,” “signed,” “signature” and words of like import in any Loan Document or any other document executed in connection herewith, shall be deemed to include electronic signatures, the electronic matching of assignment terms and contract formations on electronic platforms approved by the Agents, or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature, physical delivery thereof or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable Law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act, and Parts 2 and 3 of the *Personal Information Protection and Electronic Documents Act* (Canada), the *Electronic Commerce Act*, 2000 (Ontario) and other similar federal or provincial laws based on the Uniform Electronic Commerce Act of the Uniform Law Conference of Canada or its Uniform Electronic Evidence Act; provided, that, notwithstanding anything contained herein to the contrary, neither the Administrative Agent the L/C Issuer nor any Lender is under any obligation to agree to accept electronic signatures in any form or in any format unless expressly agreed to by the Administrative Agent, the L/C Issuer or such Lender pursuant to procedures approved by it; provided, further, that without limiting the foregoing, upon the request of any party, any electronic signature shall be promptly followed by such manually executed counterpart. For the avoidance of doubt, the authorization under this paragraph may include, without limitation, use or acceptance by the Agents and each of the Secured Parties of a manually signed paper document, amendment, approval, consent, information, notice, certificate, request, statement, disclosure or authorization related to this Agreement (each a “Communication”) which has been converted into electronic form (such as scanned into PDF format), or an electronically signed Communication converted into another format, for transmission, delivery and/or retention.

11.17 USA PATRIOT Act and Canadian AML Acts Notice. Each Lender that is subject to the PATRIOT Act (as hereinafter defined) or any Canadian AML Act and each Agent (for itself and not on behalf of any Lender) hereby notifies the Parent Borrower that pursuant to the requirements of the USA Patriot Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)) (the “PATRIOT Act”) and the Canadian AML Acts, it is required to obtain, verify and record information that identifies each Loan Party,

which information includes the name and address of such Loan Party, information concerning its direct and indirect holders of Equity Interests and other Persons exercising Control over it and other information that will allow such Lender or such Agent, as applicable, to identify such Loan Party in accordance with the PATRIOT Act and the Canadian AML Acts. Each Loan Party shall, promptly following a request by any Agent or any Lender, provide all documentation and other information that such Agent or such Lender requests in order to comply with its ongoing obligations under applicable “know your customer” and anti-money laundering rules and regulations, including the PATRIOT Act, the Canadian AML Acts and the Beneficial Ownership Regulation.

11.18 No Advisory or Fiduciary Relationship. In connection with all aspects of each transaction contemplated hereby (including in connection with any amendment, waiver or other modification hereof or of any other Loan Document), each of the Loan Parties acknowledges and agrees, and acknowledges its Affiliates’ understanding, that: (i) (A) the arranging and other services regarding this Agreement provided by the Agents, the Arrangers and the Lenders are arm’s-length commercial transactions between the Loan Parties and their respective Affiliates, on the one hand, and the Agents, the Arrangers and the Lenders, on the other hand, (B) each of the Loan Parties has consulted its own legal, accounting, regulatory and tax advisors to the extent it has deemed appropriate, and (C) each of the Loan Parties is capable of evaluating, and understands and accepts, the terms, risks and conditions of the transactions contemplated hereby and by the other Loan Documents; (ii) (A) the Agents, the Arrangers and the Lenders each is and has been acting solely as a principal and, except as expressly agreed in writing by the relevant parties, has not been, is not, and will not be acting as an advisor, agent or fiduciary for the Loan Parties or any of their respective Affiliates, or any other Person and (B) neither any Agent, any Arranger nor any Lender has any obligation to the Loan Parties or any of their respective Affiliates with respect to the transactions contemplated hereby except those obligations expressly set forth herein and in the other Loan Documents; and (iii) the Agents, the Arrangers and the Lenders and their respective Affiliates may be engaged in a broad range of transactions that involve interests that differ from those of the Loan Parties and their respective Affiliates, and neither any Agent, any Arranger nor any Lender has any obligation to disclose any of such interests to the Loan Parties and their respective Affiliates. To the fullest extent permitted by Law, each of the Loan Parties hereby waives and releases any claims that it may have against any Agent, any Arranger or any Lender with respect to any breach or alleged breach of agency or fiduciary duty in connection with any aspect of any transaction contemplated hereby.

11.19 Appointment of Parent Borrower. Each of the Canadian Borrower and the Guarantors hereby appoints the Parent Borrower to act as its agent for all purposes of this Agreement, the other Loan Documents and all other documents and electronic platforms entered into in connection herewith and agrees that (a) the Parent Borrower may execute such documents and provide such authorizations on behalf of the Canadian Borrower and such Guarantors as the Parent Borrower deems appropriate in its sole discretion and the Canadian Borrower and each Guarantor shall be obligated by all of the terms of any such document and/or authorization executed on its behalf, (b) any notice or communication delivered by any Agent, the L/C Issuer or a Lender to the Parent Borrower shall be deemed delivered to each Loan Party and (c) the Agents, the L/C Issuer, the Swing Line Lender or the Lenders may accept, and be permitted to rely on, any document, authorization, instrument or agreement executed by the Parent Borrower on behalf of each of the Canadian Borrower and the Guarantors.

11.20 Amendment and Restatement of Existing Credit Agreement.

(a) The parties hereto agree that, on the Closing Date, the following transactions shall be deemed to occur automatically, without further action by any party hereto: (a) the Existing Credit Agreement shall be deemed to be amended and restated in its entirety pursuant to this Agreement, (b) the Collateral Documents and the Liens created thereunder in favor of Bank of America as Administrative Agent and securing the Obligations (as defined in the Existing Credit Agreement),

shall remain in full force and effect with respect to the Obligations and are hereby reaffirmed, (c) all Obligations (as defined in the Existing Credit Agreement) under the Existing Credit Agreement shall be deemed to be Obligations outstanding hereunder and (d) all references in the other Loan Documents to the Existing Credit Agreement shall be deemed to refer without further amendment to this Agreement. The parties hereto further acknowledge and agree that this Agreement (i) constitutes an amendment to the Existing Credit Agreement made under and in accordance with the terms of Section 11.01 of the Existing Credit Agreement and (ii) shall not constitute a novation of the Existing Credit Agreement.

(b) On the Closing Date upon the effectiveness of this Agreement, the Administrative Agent shall make such assignments, reallocations and transfers of funds as are necessary in order that the balance of Loans (as defined in the Existing Credit Agreement) outstanding under the Existing Credit Agreement immediately prior to effectiveness of this Agreement (which shall, upon effectiveness of this Agreement, become Loans hereunder on the Closing Date that are deemed funded hereunder on the Closing Date), together with any Loans funded hereunder on the Closing Date by the Lenders, reflect the Commitments of the Lenders hereunder as set forth on Schedule 2.01 hereto on the Closing Date (it being acknowledged that “Revolving Loans”, the “Term Loan” and the “Fourth Amendment Term Loan” (each as defined in the Existing Credit Agreement) outstanding under the Existing Credit Agreement immediately prior to effectiveness of this Agreement may be deemed to be a portion of the Term Loan and/or Revolving Loans hereunder upon effectiveness of this Agreement, in each case if and to the extent that the Administrative Agent so determines). The Loan Parties and each Lender consent to such assignments, reallocations and transfers of funds by the Administrative Agent, and each Lender agrees that on the Closing Date such Lender will fund Loans, and will make full cash settlement with the other Lenders either directly or through the Administrative Agent as the Administrative Agent may direct or approve, in amounts such that, together with the assignments, reallocations and transfers of funds by the Administrative Agent described above, the Loans outstanding hereunder on the Closing Date after giving effect to this Agreement are held by the Lenders in amounts that reflect the Commitments of the Lenders hereunder as set forth on Schedule 2.01 hereto on the Closing Date. Each Lender waives any right to compensation under Section 3.05 in connection with the transactions described above in this Section 11.20(b) with respect to Loans (as defined in the Existing Credit Agreement) outstanding under the Existing Credit Agreement immediately prior to effectiveness of this Agreement.

11.21 Acknowledgement and Consent to Bail-In of Affected Financial Institutions. Notwithstanding anything to the contrary in any Loan Document or in any other agreement, arrangement or understanding among any such parties, each party hereto acknowledges that any liability of any Lender that is an Affected Financial Institution arising under any Loan Document, to the extent such liability is unsecured, may be subject to the write-down and conversion powers of the applicable Resolution Authority and agrees and consents to, and acknowledges and agrees to be bound by:

- (i) the application of any Write-Down and Conversion Powers by the applicable Resolution Authority to any such liabilities arising hereunder which may be payable to it by any Lender that is an Affected Financial Institution; and
- (ii) the effects of any Bail-in Action on any such liability, including, if applicable:
 - (A) a reduction in full or in part or cancellation of any such liability;

(B) a conversion of all, or a portion of, such liability into shares or other instruments of ownership in such Affected Financial Institution, its parent undertaking, or a bridge institution that may be issued to it or otherwise conferred on it, and that such shares or other instruments of ownership will be accepted by it in lieu of any rights with respect to any such liability under this Agreement or any other Loan Document; or

(C) the variation of the terms of such liability in connection with the exercise of the write-down and conversion powers of the applicable Resolution Authority.

11.22 Acknowledgement Regarding Any Supported QFCs. To the extent that the Loan Documents provide support, through a guarantee or otherwise, for any Swap Contract or any other agreement or instrument that is a QFC (such support, “QFC Credit Support”, and each such QFC, a “Supported QFC”), the parties acknowledge and agree as follows with respect to the resolution power of the Federal Deposit Insurance Corporation under the Federal Deposit Insurance Act and Title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act (together with the regulations promulgated thereunder, the “U.S. Special Resolution Regimes”) in respect of such Supported QFC and QFC Credit Support (with the provisions below applicable notwithstanding that the Loan Documents and any Supported QFC may in fact be stated to be governed by the laws of the State of New York and/or of the United States or any other state of the United States):

In the event a Covered Entity that is party to a Supported QFC (each, a “Covered Party”) becomes subject to a proceeding under a U.S. Special Resolution Regime, the transfer of such Supported QFC and the benefit of such QFC Credit Support (and any interest and obligation in or under such Supported QFC and such QFC Credit Support, and any rights in property securing such Supported QFC or such QFC Credit Support) from such Covered Party will be effective to the same extent as the transfer would be effective under such U.S. Special Resolution Regime if the Supported QFC and such QFC Credit Support (and any such interest, obligation and rights in property) were governed by the laws of the United States or a state of the United States. In the event a Covered Party or a BHC Act Affiliate of a Covered Party becomes subject to a proceeding under a U.S. Special Resolution Regime, Default Rights under the Loan Documents that might otherwise apply to such Supported QFC or any QFC Credit Support that may be exercised against such Covered Party are permitted to be exercised to no greater extent than such Default Rights could be exercised under such U.S. Special Resolution Regime if the Supported QFC and the Loan Documents were governed by the laws of the United States or a state of the United States. Without limitation of the foregoing, it is understood and agreed that rights and remedies of the parties with respect to a Defaulting Lender shall in no event affect the rights of any Covered Party with respect to a Supported QFC or any QFC Credit Support.

11.23 Judgment Currency. If, for the purposes of obtaining judgment in any court, it is necessary to convert a sum due hereunder or any other Loan Document in one currency into another currency, the rate of exchange used shall be that at which in accordance with normal banking procedures the Administrative Agent could purchase the first currency with such other currency on the Business Day preceding that on which final judgment is given. The obligation of each Loan Party in respect of any such sum due from it to any Agent or any Lender hereunder or under the other Loan Documents shall, notwithstanding any judgment in a currency (the “Judgment Currency”) other than that in which such sum is denominated in accordance with the applicable provisions of this Agreement (the “Agreement Currency”), be discharged only to the extent that on the Business Day following receipt by such Agent or such Lender, as the case may be, of any sum adjudged to be so due in the Judgment Currency, such Agent or such Lender, as the case may be, may in accordance with normal banking procedures purchase the Agreement Currency with the Judgment Currency. If the amount of the Agreement Currency so purchased

is less than the sum originally due to any Agent or any Lender from any Loan Party in the Agreement Currency, such Loan Party agrees, as a separate obligation and notwithstanding any such judgment, to indemnify the Administrative Agent or such Lender, as the case may be, against such loss. If the amount of the Agreement Currency so purchased is greater than the sum originally due to any Agent or any Lender in such currency, such Agent or such Lender, as the case may be, agrees to return the amount of any excess to such Loan Party (or to any other Person who may be entitled thereto under applicable Law).

11.24 California Judicial Reference. Notwithstanding anything to the contrary contained in this Agreement, if any action or proceeding is filed in a court of the State of California by or against any party hereto in connection with any of the transactions contemplated by this Agreement or any other Loan Document, (a) the court shall, and is hereby directed to, make a general reference pursuant to California Code of Civil Procedure Section 638 to a referee (who shall be a single active or retired judge and shall be mutually agreeable to the parties) to hear and determine all of the issues in such action or proceeding (whether of fact or of law) and to report a statement of decision, provided that at the option of any party to such proceeding, any such issues pertaining to a “provisional remedy” as defined in California Code of Civil Procedure Section 1281.8 shall be heard and determined by the court, and (b) without limiting the generality of Section 11.04, the Borrower shall be solely responsible to pay all fees and expenses of any referee appointed in such action or proceeding.

11.25 Reserved.

11.26 Québec Security. Without limiting the generality of any provisions of this Agreement, each Lender hereby appoints and designates the Administrative Agent (or any successor thereto), as part of its duties as Administrative Agent, to act on behalf of each of the Lenders as the hypothecary representative within the meaning of article 2692 of the Civil Code of Québec in order to hold any hypothec granted under the laws of the Province of Québec as security for any of the Obligations pursuant to any Deed of Hypothec and to exercise such rights and duties as are conferred upon a hypothecary representative under the relevant Deed of Hypothec and applicable Laws (with the power to delegate any such rights or duties). Any Person who becomes a Lender or any successor Administrative Agent shall be deemed to have consented to and ratified the foregoing appointment of the Administrative Agent as hypothecary representative, on behalf of all Lenders. For greater certainty, the Administrative Agent, acting as hypothecary representative, shall have the same rights, powers, immunities, indemnities and exclusions from liability as are prescribed in favor of the Administrative Agent in this Agreement, which shall apply mutatis mutandis.

11.27 Joint and Several Liability of Borrowers.

(a) **Applicability of Terms.** Each Borrower and each Person comprising a Borrower hereby acknowledges and agrees that all of the representations, warranties, covenants, obligations, conditions, agreements, and other terms contained in this Agreement are applicable to and binding upon each Person comprising a Borrower unless expressly otherwise stated in this Agreement.

(b) **Joint and Several Liability.** Each Borrower is jointly and severally and solidarily liable for all of the Obligations of each other Borrower, regardless of which Borrower actually receives the proceeds or other benefits of the Loans or other extensions of credit under this Agreement or the manner in which Borrowers, Administrative Agent, or any Lender accounts therefor in their respective books and records.

(c) **Benefits and Best Interests.** Each Borrower acknowledges that it will enjoy significant benefits from the business conducted by each other Borrower because of, *inter alia*, their combined ability to bargain with other Persons including without limitation their ability to receive the Loans and other credit extensions under this Agreement and the other Loan Documents which would not have

been available to any Borrower acting alone. Each Borrower has determined that it is in its best interest to procure the credit facilities contemplated under this Agreement, with the credit support of each other Borrower as contemplated by this Agreement and the other Loan Documents.

(d) Accommodations. Each of Administrative Agent and the Lenders have advised each Borrower that it is unwilling to enter into this Agreement and the other Loan Documents and make available the credit facilities extended hereby or thereby to any Borrower unless each Borrower agrees, among other things, to be jointly and severally for the due and proper payment of the Obligations of each other Borrower. Each Borrower has determined that it is in its best interest and in pursuit of its purposes that it so induce the Lenders to extend credit pursuant to this Agreement and the other documents executed in connection with this Agreement (a) because of the desirability to each Borrower of the credit facilities under this Agreement and the interest rates and the modes of borrowing available under this Agreement and under those other documents; (b) because each Borrower might engage in transactions jointly with other Borrowers; and (c) because each Borrower might require, from time to time, access to funds under this Agreement for the purposes set forth in this Agreement. Each Borrower, individually, expressly understands, agrees, and acknowledges that the credit facilities contemplated under this Agreement would not be made available on the terms of this Agreement in the absence of the collective credit of all the Borrowers, and the joint and several and solidarity liability of all the Borrowers. Accordingly, each Borrower acknowledges that the benefit of the accommodations made under this Agreement to the Borrowers, as a whole, constitutes reasonably equivalent value, regardless of the amount of the indebtedness actually borrowed by, advanced to, or the amount of credit provided to, or the amount of collateral provided by, any one Borrower.

(e) Maximum Amount. To the extent that applicable Law otherwise would render the full amount of the joint and several obligations of any Borrower under this Agreement and under the other Loan Documents invalid or unenforceable, that Person's obligations under this Agreement and under the other Loan Documents will be limited to the maximum amount that does not result in any such invalidity or unenforceability, but each Borrower's obligations under this Agreement and under the other Loan Documents will be presumptively valid and enforceable to their fullest extent in accordance with the terms hereof or thereof, as if this Section 11.27 were not a part of this Agreement.

(f) Joint Liability Payments. To the extent that any Borrower makes a payment under this Section 11.27 of all or any of the Obligations (a "Joint Liability Payment") that, taking into account all other Joint Liability Payments then previously or concurrently made by any other Borrower, exceeds the amount that Borrower would otherwise have paid if each Borrower had paid the aggregate Obligations satisfied by those Joint Liability Payments in the same proportion that that Person's Allocable Amount (as determined immediately prior to those Joint Liability Payments) bore to the aggregate Allocable Amounts of each Borrower as determined immediately prior to the making of those Joint Liability Payments, then, following payment in full in cash of the Obligations (other than contingent indemnification Obligations not then asserted), the expiration, termination, or Cash Collateralization of all Letters of Credit, and the termination of the Commitments, that Borrower will be entitled to receive contribution and indemnification payments from, and be reimbursed by, each other Borrower for the amount of that excess, pro rata based upon their respective Allocable Amounts in effect immediately prior to the applicable Joint Liability Payments. As of any date of determination, the "Allocable Amount" of any Borrower is equal to the maximum amount of the claim that could then be recovered from that Borrower under this Section 11.27 without rendering that claim voidable or avoidable under § 548 of Chapter 11 of the United States Bankruptcy Code (or other similar provision as in effect under the Bankruptcy Code effective in Canada) or under any applicable state Uniform Fraudulent Transfer Act, Uniform Fraudulent Conveyance Act, or similar statute or common law in Canada or other applicable jurisdiction.

(g) Financial Condition. Each Borrower assumes responsibility for keeping itself informed of the financial condition of each other Borrower, and any and all endorsers and/or guarantors of any instrument or document evidencing all or any part of each other Borrower's Obligations, and of all other circumstances bearing upon the risk of nonpayment by each other Borrower of its Obligations, and each Borrower agrees that neither Administrative Agent nor any Lender has or will have any duty to advise that Borrower of information known to Administrative Agent or any Lender regarding any such condition or any such circumstances or to undertake any investigation not a part of its regular business routine. If Administrative Agent or any Lender, in its sole discretion, undertakes at any time or from time to time to provide any such information to a Borrower, neither Administrative Agent nor any Lender will be under any obligation to update any such information or to provide any such information to that Borrower or any other Person on any subsequent occasion.

(h) Administrative Agent Authorizations. Subject to Article X, Administrative Agent is hereby authorized to, at any time and from time to time, to do any and all of the following: (a) in accordance with the terms of this Agreement, renew, extend, accelerate, or otherwise change the time for payment of, or other terms relating to, Obligations incurred by any Borrower or any other Loan Party, otherwise modify, amend or change the terms of any promissory note or other agreement, document or instrument now or hereafter executed by any Borrower or any other Loan Party and delivered to Administrative Agent or any Lender; (b) accept partial payments on an Obligation incurred by any Borrower; (c) take and hold security or collateral for the payment of an Obligation incurred by any Borrower under this Agreement or for the payment of any guaranties of an Obligation incurred by any Borrower or other liabilities of any Borrower and exchange, enforce, waive, and release any such security or collateral; (d) apply any such security or collateral and direct the order or manner of sale thereof as Administrative Agent, in its sole discretion, determines; and (e) settle, release, compromise, collect, or otherwise liquidate an Obligation incurred by any Borrower and any security or collateral therefor in any manner, without affecting or impairing the obligations of any other Borrower. In accordance with the terms of this Agreement, Administrative Agent has the exclusive right to determine the time and manner of application of any payments or credits, whether received from a Borrower or any other source, and any such determination will be binding on each Borrower. In accordance with the terms of this Agreement, all such payments and credits may be applied, reversed and reapplied, in whole or in part, to any of an Obligation incurred by any Borrower as Administrative Agent determines in its sole discretion without affecting the validity or enforceability of the Obligations of any other Borrower. Nothing in this Section 11.27 modifies any right of any Borrower or any Lender to consent to any amendment or modification of this Agreement or the other Loan Documents in accordance with the terms hereof or thereof.

(i) Unconditional Obligations. Each Borrower hereby agrees that, except as otherwise expressly provided in this Agreement, its obligations under this Agreement are and will be unconditional, irrespective of (a) the absence of any attempt to collect an Obligation incurred by any Borrower from any Borrower or any guarantor or other action to enforce the same; (b) failure by Administrative Agent to take any steps to perfect and maintain its security interest in, or to preserve its rights to, any security or collateral for an Obligation incurred by any Borrower; (c) any Insolvency Proceeding by or against any Borrower or any other Loan Party, or Administrative Agent's or any Lender's election in any such proceeding of the application of § 1111(b)(2) of the Bankruptcy Code in the United States (or similar provision under the Bankruptcy Code as in effect in Canada); (d) any borrowing or grant of a security interest by any Borrower as debtor-in-possession under § 364 of the Bankruptcy Code in the United States (or similar provision under the Bankruptcy Code as in effect in Canada); (e) the disallowance, under § 502 of the Bankruptcy Code in the United States (or similar provision under the Bankruptcy Code as in effect in Canada), of all or any portion of Administrative Agent's or any Lender's claim(s) for repayment of any of an Obligation incurred by any Borrower; or (f) any other circumstance which might otherwise constitute a legal or equitable discharge or defense of a guarantor unless that legal or equitable discharge or defense is that of a Borrower in its capacity as a Borrower.

(j) No Impairment of Obligations or Limitation of Liability. This Section 11.27 is intended only to define the relative rights of Borrowers and nothing set forth in this Section 11.27 is intended to or will impair the obligations of Borrowers, jointly and severally, to pay any amounts as and when the same become due and payable in accordance with the terms of this Agreement or any other Loan Documents. Nothing contained in this Section 11.27 limits the liability of any Borrower to pay the credit facilities made directly or indirectly to that Borrower and accrued interest, fees, and expenses with respect thereto for which that Borrower is primarily liable.

(k) Rights of Contribution and Indemnification. The parties to this Agreement acknowledge that the rights of contribution and indemnification under this Section 11.27 constitute assets of each Borrower to which any such contribution and indemnification is owing. The rights of any indemnifying Borrower against the other Borrowers under this Section 11.27 will be exercisable upon the full and payment of the Obligations, the expiration or termination of the Letters of Credit, and the termination of the Commitments.

(l) Subrogation. No payment made by or for the account of a Borrower, including, without limitation, (a) a payment made by that Borrower on behalf of an Obligation of another Borrower or (b) a payment made by any other Person under any guaranty, will entitle that Borrower, by subrogation or otherwise, to any payment from that other Borrower or from or out of property of that other Borrower and that Borrower shall not exercise any right or remedy against that other Borrower or any property of that other Borrower by reason of any performance of that Borrower of its joint and several and solidarity obligations under this Agreement, until, in each case, the termination of the Commitments, the expiration, termination, or Cash Collateralization of all Letters of Credit, and payment in full of all Obligations (other than contingent indemnification Obligations not then asserted).

[signature pages follow]

BORROWERS:

MONTROSE ENVIRONMENTAL GROUP, INC.

a Delaware corporation

By: /s/ Allan Dicks

Name: Allan Dicks

Title: Chief Financial Officer

MONTROSE ENVIRONMENTAL GROUP LTD.

a company amalgamated under the laws of the Province
of British Columbia

By: /s/ Allan Dicks

Name: Allan Dicks

Title: Treasurer

AMENDED AND RESTATED CREDIT AGREEMENT
MONTROSE ENVIRONMENTAL GROUP, INC.

GUARANTORS:

ANALYTICAL ENVIRONMENTAL SERVICES

a California corporation

ADVANCED GEOSERVICES CORP.

a Pennsylvania corporation

ENTHALPY ANALYTICAL, LLC

a Delaware limited liability company

ENVIRONMENTAL PLANNING SPECIALISTS, INC.

a Georgia corporation

ES ENGINEERING SERVICES, LLC

a Delaware limited liability company

FRS ENVIRONMENTAL REMEDIATION, INC.

a Florida corporation

LEYMASTER ENVIRONMENTAL CONSULTING, LLC

a California limited liability company

MONTROSE AIR QUALITY SERVICES, LLC

a Delaware limited liability company

MONTROSE WATER AND SUSTAINABILITY SERVICES, INC.

a Delaware corporation

PARS ENVIRONMENTAL, INC.

a New Jersey corporation

MONTROSE PLANNING & PERMITTING, LLC

a Delaware limited liability company

MONTROSE WASTE-TO-RESOURCES, LLC

a Delaware limited liability company

EMERGING COMPOUNDS TREATMENT TECHNOLOGIES, INC.

a Massachusetts corporation

MONTROSE FOREIGN HOLDINGS, INC.

a Delaware corporation

THE CENTER FOR TOXICOLOGY AND ENVIRONMENTAL HEALTH, L.L.C.

an Arkansas limited liability company

MSE GROUP, LLC

a Texas limited liability company

SENSIBLEIOT, LLC

a California limited liability company

ENVIRONMENTAL INTELLIGENCE, LLC

a California limited liability company

HORIZON WATER AND ENVIRONMENT, LLC

a California limited liability company

TRIAD ENVIRONMENTAL CONSULTANTS, INC.

a Tennessee corporation

By: /s/ Allan Dicks

Name: Allan Dicks

Title: Treasurer

MONTROSE MEASUREMENTS AND ANALYTICS, LLC

a Delaware limited liability company

MONTROSE SERVICES, LLC

a Delaware limited liability company

By: Montrose Environmental Group, Inc.

Its: Member

By: /s/ Allan Dicks

Name: Allan Dicks

Title: Chief Financial Officer

CTEH LEASING, L.L.C.

an Arkansas limited liability company

CTEH PROPERTIES, L.L.C.

an Arkansas limited liability company

CTEH GOVERNMENT SERVICES, LLC

an Arkansas limited liability company

CTEH IT SERVICES, LLC

an Arkansas limited liability company

MONTROSE ENVIRONMENTAL SOLUTIONS CANADA INC.

a corporation amalgamated under the laws of the Province of Alberta

MONTROSE ENVIRONMENTAL SOLUTIONS, INC.

a Delaware corporation

HUCO CONSULTING INC.

a Texas corporation

ENVIRONMENTAL ALLIANCE, INC.

a Delaware corporation

ENVIRONMENTAL STANDARDS, INC.

a Pennsylvania corporation

TWO DOT CONSULTING, LLC

a Colorado limited liability company

SPIRIT ENVIRONMENTAL, LLC

a Texas limited liability company

By: /s/ Allan Dicks

Name: Allan Dicks

Title: Treasurer

MONTROSE GOVERNMENT SOLUTIONS, INC.

a Delaware corporation

SUSTAINABLE TREATMENT SOLUTIONS, INC.

a New York corporation

By: /s/ Allan Dicks

Name: Allan Dicks

Title: Secretary and Treasurer

AMENDED AND RESTATED CREDIT AGREEMENT
MONTROSE ENVIRONMENTAL GROUP, INC.

ADMINISTRATIVE
AGENT:

BANK OF AMERICA, N.A.,
as Administrative Agent

By: /s/ Angela Berry
Name: Angela Berry
Title: Assistant Vice President

AMENDED AND RESTATED CREDIT AGREEMENT
MONTROSE ENVIRONMENTAL GROUP, INC.

LENDERS:

BANK OF AMERICA, N.A.,

as a Lender, Swing Line Lender and L/C Issuer

By: /s/ Jennifer Yan

Name: Jennifer Yan

Title: Senior Vice President

AMENDED AND RESTATED CREDIT AGREEMENT
MONTROSE ENVIRONMENTAL GROUP, INC.

CAPITAL ONE, NATIONAL ASSOCIATION,
as a Lender

By: /s/ Jerry Huang
Name: Jerry Huang
Title: Duly Authorized Signatory

AMENDED AND RESTATED CREDIT AGREEMENT
MONTROSE ENVIRONMENTAL GROUP, INC.

JPMORGAN CHASE BANK, N.A.,
as a Lender

By: /s/ Jeff Ameen
Name: Jeff Ameen
Title: Vice President

AMENDED AND RESTATED CREDIT AGREEMENT
MONTROSE ENVIRONMENTAL GROUP, INC.

PNC BANK, NATIONAL ASSOCIATION,
as a Lender

By: /s/ Courtney Wojcik
Name: Courtney Wojcik
Title: Vice President

AMENDED AND RESTATED CREDIT AGREEMENT
MONTROSE ENVIRONMENTAL GROUP, INC.

PNC BANK, CANADA BRANCH,
as a Lender

By: /s/ Cameron Ruff
Name: Cameron Ruff
Title: Senior Vice President

AMENDED AND RESTATED CREDIT AGREEMENT
MONTROSE ENVIRONMENTAL GROUP, INC.

U.S. BANK NATIONAL ASSOCIATION,
as a Lender

By: /s/ Kamal Adewumi
Name: Kamal Adewumi
Title: Officer

AMENDED AND RESTATED CREDIT AGREEMENT
MONTROSE ENVIRONMENTAL GROUP, INC.

WELLS FARGO BANK, NATIONAL ASSOCIATION,
as a Lender

By: /s/ Nicholas Hebert
Name: Nicholas Hebert
Title: Vice President

AMENDED AND RESTATED CREDIT AGREEMENT
MONTROSE ENVIRONMENTAL GROUP, INC.

**MONTROSE ENVIRONMENTAL GROUP, INC.
INSIDER TRADING POLICY**

I. Introduction

Federal and state laws prohibit buying, selling or making other transfers of securities by persons who have material information that is not generally known or available to the public. These laws also prohibit persons with such material nonpublic information from disclosing this information to others who trade securities.

Montrose Environmental Group, Inc. (together with its subsidiaries, the “**Company**”) has adopted the following policy (this “**Policy**”) regarding trading in securities by directors, officers, employees and consultants.

You are responsible for ensuring that you do not violate federal or state securities laws or this Policy. The Company designed this Policy to promote compliance with the federal securities laws and to protect the Company and you from the serious liabilities and penalties that can result from violations of these laws.

If you violate the insider trading laws, you may have to pay civil fines for up to three times the profit gained or loss avoided by such trading, as well as criminal fines of up to \$5 million. You also may have to serve a jail sentence of up to 20 years. In addition, the Company may face civil penalties up to the greater of \$2.1 million (as adjusted for inflation), or three times the profit gained or loss avoided as a result of your insider trading violations, as well as criminal fines of up to \$25 million.

Both the Securities and Exchange Commission (“**SEC**”) and the New York Stock Exchange (“**NYSE**”) are very effective at detecting and pursuing insider trading cases. The SEC has successfully prosecuted cases against employees trading through foreign accounts, trading by family members and friends, and trading involving only a small number of shares. Therefore, it is important that you understand the breadth of activities that constitute illegal insider trading. This Policy sets out the Company’s policy in the area of insider trading and should be read carefully and complied with fully.

You should consult the General Counsel if you have any questions about this Policy.

II. Policies and Procedures

A. **Trading Policy**

1. You may not buy or sell a company's securities when you have Material Nonpublic Information (as defined below) about that company. This policy against "insider trading" applies to trading in Company securities, as well as to trading in the securities of other companies, such as the Company's customers and suppliers or a company with which the Company is or may be negotiating a major transaction.

2. You may not convey Material Nonpublic Information about the Company or another company to others. You also may not suggest that anyone purchase or sell any company's securities while you are aware of Material Nonpublic Information about that company. These practices, known as "tipping," also violate the U.S. securities laws and can result in the same civil and criminal penalties that apply if you engage in insider trading directly, even if you do not receive any money or derive any other benefit from trades made by persons to whom you passed Material Nonpublic Information. This policy against "tipping" applies to information about the Company and its securities, as well as to information about other companies. This policy does not restrict legitimate business communications on a "need to know" basis.

3. It is against Company policy for you to engage in short-term or speculative transactions in Company securities. As such, you may not engage in: (a) short-term trading (generally defined as selling or purchasing Company securities within six months following a purchase or sale, respectively); (b) short sales (selling Company securities you do not own); (c) transactions involving publicly traded options or other derivatives, such as trades in puts or calls in Company securities; and (d) hedging transactions. Additionally, because securities held in a margin account or pledged as collateral may be sold without your consent if you fail to meet a margin call or if you default on a loan, a margin or foreclosure sale may result in unlawful insider trading. Because of this danger, you are prohibited from including Company securities in a margin account or pledging Company securities as collateral for a loan; provided, however, that such prohibition on pledging Company securities as collateral for a loan shall not apply to a pledge if:

(i) at the time the pledge is made and for so long as any Company securities are so pledged, the amount of the loan for which the Company securities are pledged as collateral does not exceed 25% of the aggregate 5-day volume weighted average price of the Company securities pledged as collateral and (ii) to the extent such person is a director or Restricted Employee, such pledge shall be considered a "trade" subject to Section D below, including its restrictions with respect to Window Periods and pre-clearance requirements.

The foregoing restrictions apply to all directors, officers, employees and consultants. The restrictions also apply to family members who reside with you (including a spouse, a child, a child away at college, stepchildren, grandchildren, parents, stepparents, grandparents, siblings and in-laws), anyone else who lives in your household (other than household employees), any family members who do not live in your household but whose transactions in Company securities are directed by you or are subject to your influence or control, such as parents or children who consult with you before they trade in Company securities, corporations or other business entities controlled or managed by you, and trusts for which you are the trustee or otherwise influence or control (all of the above, your "**Family Members and Entities**"). The SEC and federal prosecutors may

presume that trading by family members is based on information you supplied and may treat any such transactions as if you had traded yourself. There is no exception for small transactions or transactions that may seem necessary or justifiable for independent reasons, such as the need to raise money for an emergency expenditure.

For purposes of this Policy, references to “trading” and “transactions” include, among other

things:

- purchases and sales of Company securities in public markets;
- sales of Company securities obtained through the exercise of employee stock

options and other equity awards granted by the Company;

- making gifts of Company securities (including charitable donations); and
- using Company securities to secure a loan.

You should consult the General Counsel if you have any questions regarding what constitutes a trade or transaction.

B. What is “Material Nonpublic Information”?

1. Material Information

Material information generally means information that a reasonable investor would consider important in making an investment decision to buy, hold or sell securities. Either positive or negative information may be material. Depending on the circumstances, common examples of information that may be material include:

- earnings, revenue or similar financial information;
- unexpected financial results;
- unpublished financial reports or projections;
- extraordinary borrowing or liquidity problems;
- changes in control;
- changes in directors, senior management or auditors;
- significant cybersecurity incident, such as a data breach, or any other significant disruption in the company’s operations;
- information about current, proposed, or contemplated transactions, business plans, financial restructurings, acquisition targets or significant expansions or

- contractions of operations;
- changes in dividend policies or the declaration of a stock split or the proposed or contemplated issuance, redemption, or repurchase of securities;
- material defaults under agreements or actions by creditors, clients or suppliers relating to a company's credit rating;
- information about major contracts;
- changes in the Company's pricing or cost structure;
- significant new product developments or innovations;
- the interruption of services or other aspects of a company's business as a result of an accident, fire, natural disaster or breakdown of labor negotiations;
- product recalls;
- major environmental incidents; and
- institution of, or developments in, major litigation, investigations or regulatory actions or proceedings.

Federal and NYSE investigators will scrutinize a questionable trade after the fact with the benefit of hindsight, so you should always err on the side of deciding that the information is material and not trade.

2. Nonpublic Information

Nonpublic information is information that is not generally known or available to the public.

The Company considers information to be available to the public only when:

- it has been released to the public by the Company through appropriate channels (e.g., by means of a press release or a widely disseminated statement from a senior officer); and
- enough time has elapsed to permit the investment market to absorb and evaluate the information. As a general rule, you should consider information to be nonpublic until two full trading days have lapsed following public disclosure.

You should consult the General Counsel if you have any questions regarding what constitutes material and/or nonpublic information.

C. Unauthorized Disclosure

All directors, officers, employees and consultants must maintain the confidentiality of Company information for competitive, security and other business reasons, as well as to comply with securities laws. All information you learn about the Company or its business plans is potentially nonpublic information until it is publicly disclosed. You should treat this information

as confidential and proprietary to the Company. You may not disclose it to others, such as family members, other relatives or business or social acquaintances.

Also, legal rules govern the timing and nature of the Company's disclosure of material information to outsiders or the public. Violation of these rules could result in substantial liability for you, the Company and its management. For this reason, the Company permits only specifically designated representatives of the Company to discuss the Company with the news media, securities analysts and investors and only in accordance with the Company's Guidelines for Public Disclosures and Communications with the Investment Community. If you receive inquiries of this nature, refer them to the General Counsel.

D. When and How to Trade Company Stock

1. Overview

Directors, officers and certain other employees who are so designated from time to time (such officers and designated employees, "**Restricted Employees**") are for purposes of this Policy required to comply with the restrictions covered below. Even if you are not a director or a Restricted Employee, however, following the procedures listed below may assist you in complying with this Policy.

2. Window Periods

Directors and Restricted Employees may only trade in Company securities from the date that is two full trading days after an earnings release to the close of business on the date that is two weeks prior to the end of each quarter (such period, the "**Window Period**").

However, even if the Window Period is open, you may not trade in Company securities if you are aware of Material Nonpublic Information about the Company. In addition, if you are subject to the Company's pre-clearance policy (described below), you must pre-clear transactions even if you initiate them when the Window Period is open.

From time to time during the Window Period, the Company may close trading due to developments (such as a significant event or transaction) that involve Material Nonpublic Information. In such cases, the General Counsel or another senior executive may notify particular individuals that they should not engage in any transactions involving the purchase or sale of Company securities, and should not disclose to others the fact that trading has been prohibited.

Even if the Window Period is closed, you may exercise Company stock options if no shares are to be sold (or exercise a tax withholding right pursuant to which you elect to have the Company withhold shares subject to an option to satisfy tax withholding obligations) – you may not, however, effect sales of stock issued upon the exercise of stock options (including same-day sales and cashless exercises). Generally, all pending purchase and sale orders regarding Company securities that could be executed while the Window Period is open must be executed or cancelled before it closes.

In light of these restrictions, if you expect a need to sell Company stock at a specific time in the future, you may wish to consider entering into a prearranged Rule 10b5-1(c) trading plan, as discussed below.

3. Pre-clearance

The Company requires its directors and Restricted Employees to contact the General Counsel in advance of effecting any purchase, sale or other trading of Company securities and to obtain prior approval of the transaction. **The pre-clearance policy applies even if a transaction is initiated while the Window Period is open.** The pre-clearance policy also applies to anyone that lives in the household (other than household employees) of a director or Restricted Employee.

If a transaction is approved under the pre-clearance policy, the transaction must be executed by the end of the second full trading day after the approval is obtained, but regardless may not be executed if you acquire Material Nonpublic Information concerning the Company during that time. If a transaction is not completed within the period described above, the transaction must be approved again before it may be executed.

If a proposed transaction is not approved under the pre-clearance policy, you should refrain from initiating any transaction in Company stock, and you should not inform anyone within or outside of the Company of the restriction. Any transaction under a Rule 10b5-1 trading plan (discussed below) will not require pre-clearance at the time of the transaction.

E. Rule 10b5-1 Trading Plans

Rule 10b5-1 provides a defense from insider trading liability if trades occur pursuant to a pre-arranged trading plan that meets specified conditions. It is possible to pre-arrange trades in Company securities by entering into a written trading plan. Trading plans can be established for a single trade or a series of trades. A plan must either specify the number of securities to be bought or sold, along with the price and the date, or provide a written formula for determining this information. Alternatively, a trading plan can delegate investment discretion to a third party, such as a broker, who then makes trading decisions without further input from the person implementing the plan. Because the SEC rules on trading plans are complex, you should consult with your broker and be sure you fully understand the limitations and conditions of the rules before you establish a trading plan.

All Rule 10b5-1 trading plans, including any amendments, modifications and terminations thereof, must be reviewed and approved in advance by the General Counsel.

Subsidiaries of the Registrant

Name of the Subsidiary	State or Other Jurisdiction of Incorporation or Organization
Advanced GeoServices Corp.	Pennsylvania
Analytical Environmental Services	California
CTEH Government Services, LLC	Arkansas
CTEH IT Services, LLC	Arkansas
CTEH Leasing, L.L.C.	Arkansas
CTEH Properties, L.L.C.	Arkansas
Emerging Compounds Treatment Technologies, Inc.	Massachusetts
Enthalpy Analytical, LLC	Delaware
Environmental Alliance, Inc.	Delaware
Environmental Intelligence, LLC	California
Environmental Planning Specialists, Inc.	Georgia
Environmental Standards, Inc.	Pennsylvania
Epic Environmental Pty Ltd	Australia
ES Engineering Services, LLC	Delaware
FRS Environmental Remediation, Inc.	Florida
Horizon Water and Environment, LLC	California
Huco Consulting, Inc.	Texas
Leymaster Environmental Consulting, LLC	California
Montrose Air Quality Services, LLC	Delaware
Montrose Environmental Group AB	Sweden
Montrose Environmental Group GmbH	Germany
Montrose Environmental Group Ltd.	British Columbia
Montrose Environmental Group BV	Belgium
Montrose Environmental Group Denmark ApS	Denmark
Montrose Environmental Solutions Canada Inc.	Alberta
Montrose Environmental Solutions, Inc.	Delaware
Montrose Foreign Holdings, Inc.	Delaware
Montrose Government Solutions, Inc.	Delaware
Montrose Measurements and Analytics, LLC	Delaware
Montrose Planning & Permitting, LLC	Delaware
Montrose Services, LLC	Delaware
Montrose Waste-To-Resources, LLC	Delaware
Montrose Water and Sustainability Services, Inc.	Delaware
MSE Group, LLC	Texas
PARS Environmental, Inc.	New Jersey
SensibleIOT, LLC	California
Spirit Environmental, LLC	Texas
Sustainable Treatment Solutions, Inc.	New York
The Center for Toxicology and Environmental Health, L.L.C.	Arkansas

TriAD Environmental Consultants, Inc.
Two Dot Consulting, LLC

Tennessee
Colorado

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in Registration Statement Nos. 333-258732, 333-258730 and 333-278725 on Form S-3 and Registration Statement Nos 333-254764, 333-248533, 333-263162 and 333-270174 on Form S-8 of our reports dated March 3, 2025, relating to the financial statements of Montrose Environmental Group, Inc. and the effectiveness of Montrose Environmental Group, Inc.'s internal control over financial reporting appearing in this Annual Report on Form 10-K for the year ended December 31, 2024.

/s/ Deloitte & Touche LLP

Costa Mesa, California
March 3, 2025

**CERTIFICATION PURSUANT TO
RULES 13a-14(a) AND 15d-14(a) UNDER THE SECURITIES EXCHANGE ACT OF 1934,
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Vijay Manthripragada, certify that:

1. I have reviewed this Annual Report on Form 10-K of Montrose Environmental Group, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: March 3, 2025

By:

/s/ Vijay Manthripragada
Vijay Manthripragada
President and Chief Executive Officer

**CERTIFICATION PURSUANT TO
RULES 13a-14(a) AND 15d-14(a) UNDER THE SECURITIES EXCHANGE ACT OF 1934,
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Allan Dicks, certify that:

1. I have reviewed this Annual Report on Form 10-K of Montrose Environmental Group, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: March 3, 2025

By: /s/ Allan Dicks
Allan Dicks
Chief Financial Officer

By: /s/ Vijay Manthripragada
Vijay Manthripragada
President and Chief Executive Officer

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Annual Report of Montrose Environmental Group, Inc. (the “Company”) on Form 10-K for the period ending December 31, 2024 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: March 3, 2025

By:

/s/ Allan Dicks
Allan Dicks
Chief Financial Officer
