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increase by 2%. Other overdue amounts bear interest at a rate equal to the rate otherwise applicable to such revolving loans bearing interest at the base rate at such time, plus 2% until such amounts are paid in full.

*Guarantees.* Subject to certain exceptions, the amounts outstanding under the NAI ABL Agreement are guaranteed by NAI Holdings and each of its existing and future direct and indirect wholly-owned domestic subsidiaries that are not borrowers, excluding any real estate subsidiary unless it owns or ground-leases real estate that is eligible real estate included in the borrowing base or has been designated as collateral for incremental term loans under the NAI ABL Facility.

*Security.* Subject to certain exceptions, the obligations under the NAI ABL Agreement are secured by (a) a first-priority security interest in and lien on NAI ABL Priority Collateral and (b) a second-priority security interest in and lien on any NAI Pari Debt Term Loan Priority Collateral (excluding any real estate that NAI has not elected to include in the borrowing base).

*Fees.* Certain customary fees are payable to the lenders and the agents under the NAI ABL Agreement, including a commitment fee on the average daily unused amount of the NAI ABL Facility, in an amount equal to (a) 0.375% per annum if such average daily excess availability amount during the most recently ended fiscal quarter is less than 50% of the aggregate commitments and (b) 0.50% per annum if such average daily excess availability amount during the most recently ended fiscal quarter is greater than or equal to 50% of the aggregate commitments.

*Affirmative and Negative Covenants.* The NAI ABL Agreement contains various affirmative and negative covenants (in each case, subject to customary exceptions), including, but not limited to, restrictions on the ability of NAI Holdings and its subsidiaries to (i) dispose of assets, (ii) incur additional indebtedness, issue preferred stock and guarantee obligations, (iii) repay other indebtedness, (iv) pay certain restricted payments and dividends, (v) create liens on assets or agree to restrictions on the creation of liens on assets, (vi) make investments, loans or advances, (vii) restrict distributions from our subsidiaries, (viii) engage in mergers or consolidations, (ix) engage in certain transactions with affiliates, (x) amend the terms of any of our organizational documents or material indebtedness, (xi) change lines of business or (xii) make certain accounting changes.

*Financial Covenant.* The NAI ABL Agreement provides that if (a) excess availability is less than 10% of the aggregate commitments at any time or (b) an event of default is continuing, NAI Holdings and its subsidiaries must maintain a fixed charge coverage ratio of 1.0:1.0 from the date such triggering event occurs until such event of default is cured or waived and/or the 30th consecutive day that the trigger under clause (a) no longer exists.

*Events of Default.* The NAI ABL Agreement contains customary events of default (subject to customary exceptions, thresholds and grace periods), including, without limitation: (i) nonpayment of principal or interest; (ii) failure to perform or observe covenants; (iii) inaccuracy or breaches of representations and warranties; (iv) cross-defaults and cross-accelerations with certain other indebtedness; (v) certain bankruptcy related events; (vi) impairment of security interests in collateral; (vii) invalidity of guarantees; (viii) material judgments; (ix) certain ERISA matters and (x) certain change of control events (including the Equity Investors failing to own more than 50% of the voting power of our company, any "change in control" or other similar event as defined in any document governing other material indebtedness of any of the NAI ABL Loan Parties, our company failing to own 100% of the equity interests of NAI Holdings, or NAI Holdings failing to own 100% of the equity interests of NAI free and clear of all liens).