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

FORM 10-K

(Mark One)

[X] **Annual Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

For the fiscal year ended: **December 31, 2017**

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: 001-35625

BLOOMIN' BRANDS, INC.

(Exact name of registrant as specified in its charter)

Delaware	**20-8023465**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

2202 North West Shore Boulevard, Suite 500, Tampa, Florida 33607
(Address of principal executive offices) (Zip Code)

(813) 282-1225
(Registrant's telephone number, including area code)

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

Title of each class	Name of each exchange on which registered
Common Stock, $0.01 par value	**The Nasdaq Stock Market LLC (Nasdaq Global Select Market)**

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 Section 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 and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted 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 and post such files).
YES ☒ NO ☐

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (§229.405 of this chapter) is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. ☐

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

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

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). YES ☐ NO ☒

The aggregate market value of common stock held by non-affiliates (based on the closing price on the last business day of the registrant's most recently completed second fiscal quarter as reported on the Nasdaq Global Select Market) was $1.9 billion.

As of February 23, 2018, 92,581,406 shares of common stock of the registrant were outstanding.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the registrant's definitive Proxy Statement for its 2018 Annual Meeting of Stockholders, expected to be held on April 24, 2018, are incorporated by reference into Part III, Items 10-14 of this Annual Report on Form 10-K.

BLOOMIN' BRANDS, INC.

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For Fiscal Year 2017

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BLOOMIN' BRANDS, INC.

PART I

Cautionary Statement

This Annual Report on Form 10-K (the "Report") includes statements that express our opinions, expectations, beliefs, plans, objectives, assumptions or projections regarding future events or future results and therefore are, or may be deemed to be, "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 (the "Exchange Act"). These forward-looking statements can generally be identified by the use of forward-looking terminology, including the terms "believes," "estimates," "anticipates," "expects," "feels," "seeks," "forecasts," "projects," "intends," "plans," "may," "will," "should," "could" or "would" or, in each case, their negative or other variations or comparable terminology, although not all forward-looking statements are accompanied by such terms. These forward-looking statements include all matters that are not historical facts. They appear in a number of places throughout this Report and include statements regarding our intentions, beliefs or current expectations concerning, among other things, our results of operations, financial condition, liquidity, prospects, growth, strategies and the industry in which we operate.

By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Although we base these forward-looking statements on assumptions that we believe are reasonable when made, we caution you that forward-looking statements are not guarantees of future performance and that our actual results of operations, financial condition and liquidity, and industry developments may differ materially from statements made in or suggested by the forward-looking statements contained in this Report. In addition, even if our results of operations, financial condition and liquidity, and industry developments are consistent with the forward-looking statements contained in this Report, those results or developments may not be indicative of results or developments in subsequent periods. Important factors that could cause actual results to differ materially from statements made or suggested by forward-looking statements include, but are not limited to, those described in the "Risk Factors" section of this Report and the following:

(i) Consumer reactions to public health and food safety issues;

(ii) Our ability to compete in the highly competitive restaurant industry with many well-established competitors and new market entrants;

(iii) Minimum wage increases and additional mandated employee benefits;

(iv) Economic conditions and their effects on consumer confidence and discretionary spending, consumer traffic, the cost and availability of credit and interest rates;

(v) Fluctuations in the price and availability of commodities;

(vi) Our ability to effectively respond to changes in patterns of consumer traffic, consumer tastes and dietary habits;

(vii) Our ability to comply with governmental laws and regulations, the costs of compliance with such laws and regulations and the effects of changes to applicable laws and regulations, including tax laws and unanticipated liabilities;

(viii) Our ability to implement our expansion, remodeling and relocation plans due to uncertainty in locating and acquiring attractive sites on acceptable terms, obtaining required permits and approvals, recruiting and training necessary personnel, obtaining adequate financing and estimating the performance of newly opened, remodeled or relocated restaurants;

(ix) Our ability to protect our information technology systems from interruption or security breach, including cyber security threats, and to protect consumer data and personal employee information;

(x) The effects of international economic, political and social conditions and legal systems on our foreign operations and on foreign currency exchange rates;

(xi) Our ability to preserve and grow the reputation and value of our brands, particularly in light of changes in consumer engagement with social media platforms;

(xii) Any impairment in the carrying value of our goodwill or other intangible or long-lived assets and its effect on our financial condition and results of operations;

(xiii) Strategic actions, including acquisitions and dispositions, and our success in implementing these initiatives or integrating any acquired or newly created businesses;

(xiv) Seasonal and periodic fluctuations in our results and the effects of significant adverse weather conditions and other disasters or unforeseen events;

(xv) The effects of our substantial leverage and restrictive covenants in our various credit facilities on our ability to raise additional capital to fund our operations, to make capital expenditures to invest in new or renovate restaurants and to react to changes in the economy or our industry, and our exposure to interest rate risk in connection with our variable-rate debt; and

(xvi) The adequacy of our cash flow and earnings and other conditions which may affect our ability to pay dividends and repurchase shares of our common stock.

In light of these risks and uncertainties, we caution you not to place undue reliance on these forward-looking statements. Any forward-looking statement that we make in this Report speaks only as of the date of such statement, and we undertake no obligation to update any forward-looking statement or to publicly announce the results of any revision to any of those statements to reflect future events or developments. Comparisons of results for current and any prior periods are not intended to express any future trends or indications of future performance, unless specifically expressed as such, and should only be viewed as historical data.

BLOOMIN' BRANDS, INC.

Item 1. Business

General and History - Bloomin' Brands, Inc. ("Bloomin' Brands," the "Company," "we," "us," and "our" and similar terms mean Bloomin' Brands, Inc. and its subsidiaries except where the context otherwise requires) is one of the largest casual dining restaurant companies in the world, with a portfolio of leading, differentiated restaurant concepts. We have four founder-inspired concepts: Outback Steakhouse, Carrabba's Italian Grill, Bonefish Grill and Fleming's Prime Steakhouse & Wine Bar. Our restaurant concepts range in price point and degree of formality from casual (Outback Steakhouse and Carrabba's Italian Grill) to upscale casual (Bonefish Grill) and fine dining (Fleming's Prime Steakhouse & Wine Bar).

As of December 31, 2017, we owned and operated 1,199 restaurants and franchised 290 restaurants across 48 states, Puerto Rico, Guam and 19 countries.

The first Outback Steakhouse restaurant opened in 1988 and in 1996, we expanded the Outback Steakhouse concept internationally. OSI Restaurant Partners, LLC ("OSI"), a wholly-owned subsidiary of Bloomin' Brands, is our primary operating entity.

Financial Information About Segments - We have two reportable segments, U.S. and International, which reflects how we manage our business, review operating performance and allocate resources. The U.S. segment includes all brands operating in the U.S., and brands operating outside the U.S. are included in the International segment. Following is a summary of reporting segments as of December 31, 2017:

SEGMENT (1)	CONCEPT	GEOGRAPHIC LOCATION
U.S.	Outback Steakhouse Carrabba's Italian Grill Bonefish Grill Fleming's Prime Steakhouse & Wine Bar	United States of America
International	Outback Steakhouse	Brazil, Hong Kong, China
	Carrabba's Italian Grill (Abbraccio)	Brazil

(1) Includes franchise locations. See Item 2 - *Properties* for disclosure of our restaurant count by state, territory and country.

Segment information for 2017, 2016 and 2015, which reflects financial information by geographic area, is included in Management's Discussion and Analysis of Financial Condition and Results of Operations in Part II, Item 7 and Note 20 - *Segment Reporting* of our Notes to Consolidated Financial Statements in Part II, Item 8.

OUR SEGMENTS

U.S. Segment

As of December 31, 2017, in our U.S. segment, we owned and operated 1,075 restaurants and franchised 165 restaurants across 48 states.

Outback Steakhouse - Outback Steakhouse is a casual steakhouse restaurant concept focused on steaks, signature flavors and Australian decor. The Outback Steakhouse menu offers seasoned and seared or wood-fire grilled steaks, chops, chicken, seafood, pasta, salads and seasonal specials. The menu also includes several specialty appetizers, including our signature Bloomin' Onion®, and desserts, together with full bar service including Australian wine and beer.

Carrabba's Italian Grill - Carrabba's Italian Grill is a casual authentic Italian restaurant concept featuring handcrafted dishes. The Carrabba's Italian Grill menu includes a variety of Italian pasta, chicken, beef and seafood dishes, small plates, salads and wood-fired pizza. Our ingredients are sourced from around the world and our traditional Italian exhibition kitchen allows customers to watch handmade dishes being prepared.

Bonefish Grill - Bonefish Grill is an upscale casual seafood restaurant concept that specializes in market fresh fish from around the world, wood-grilled specialties and hand-crafted cocktails. In addition, Bonefish Grill offers beef, pork and chicken entrées, as well as several specialty appetizers, including our signature Bang Bang Shrimp®, and desserts.

Fleming's Prime Steakhouse & Wine Bar - Fleming's Prime Steakhouse & Wine Bar is a contemporary steakhouse concept featuring prime cuts of beef, chops, fresh fish, seafood and poultry, salads and side dishes. The steak selection features USDA Prime corn-fed beef, both wet- and dry-aged for flavor and texture, in a variety of sizes and cuts. Fleming's Prime Steakhouse & Wine Bar offers a large selection of domestic and imported wines, with 100 selections available by the glass.

International Segment

We have cross-functional, local management to support and grow restaurants in each of the countries where we have Company-owned operations. Our international operations are integrated with our corporate organization to leverage enterprise-wide capabilities, including marketing, finance, real estate, information technology, legal, human resources, supply chain management and productivity.

As of December 31, 2017, in our International segment, we owned and operated 124 restaurants and franchised 125 restaurants across 19 countries, Puerto Rico and Guam.

Outback Steakhouse - International Outback Steakhouse restaurants have a menu similar to the U.S. menu with additional variety to meet local taste preferences. In addition to the traditional Outback Special sirloin, a typical international menu may feature local beef cuts such as the Aussie Grilled Picanha in Brazil.

Carrabba's Italian Grill (Abbraccio Cucina Italiana) - Abbraccio Cucina Italiana, our Carrabba's Italian Grill restaurant concept in Brazil, offers a blend of traditional modern Italian dishes. The menu varies, with additional pasta and pizza menu offerings, to account for local tastes and customs. Abbraccio Cucina Italiana also has a range of beverage options, including classically inspired cocktails and local favorites with an Italian twist.

Restaurant Overview

Selected Sales Data - Following is sales mix by product type and average check per person for Company-owned restaurants during 2017:

	U.S.				INTERNATIONAL
	Outback Steakhouse	Carrabba's Italian Grill	Bonefish Grill	Fleming's Prime Steakhouse & Wine Bar	Outback Steakhouse Brazil
Food & non-alcoholic beverage	90%	85%	78%	74%	84%
Alcoholic beverage	10%	15%	22%	26%	16%
	100%	100%	100%	100%	100%
Average check per person ($USD)	$ 23	$ 23	$ 26	$ 80	$ 18
Average check per person (LC)					R$ 56

System-wide Restaurant Summary - Following is a system-wide rollforward of restaurants in operation during 2017:

	DECEMBER 25, 2016	2017 ACTIVITY			DECEMBER 31, 2017	U.S. STATE COUNT
		OPENED	CLOSED	OTHER		
Number of restaurants:						
U.S.						
Outback Steakhouse						
Company-owned (1)	650	1	(13)	(53)	585	
Franchised (1)	105	1	(4)	53	155	
Total	755	2	(17)	—	740	48
Carrabba's Italian Grill						
Company-owned (1)	242	—	(16)	(1)	225	
Franchised (1)	2	—	—	1	3	
Total	244	—	(16)	—	228	31
Bonefish Grill						
Company-owned	204	1	(11)	—	194	
Franchised	6	1	—	—	7	
Total	210	2	(11)	—	201	33
Fleming's Prime Steakhouse & Wine Bar						
Company-owned	68	2	(1)	—	69	28
Express						
Company-owned	—	2	—	—	2	1
U.S. Total	1,277	8	(45)	—	1,240	
International						
Company-owned						
Outback Steakhouse - Brazil (2)	83	4	—	—	87	
Other	29	11	(3)	—	37	
Franchised						
Outback Steakhouse - South Korea	73	5	(6)	—	72	
Other	54	3	(4)	—	53	
International Total	239	23	(13)	—	249	
System-wide total	1,516	31	(58)	—	1,489	

(1) In April 2017, we sold 53 Outback Steakhouse restaurants and one Carrabba's Italian Grill restaurant, which are now operated as franchises. See Note 3 - *Disposals* of our Notes to Consolidated Financial Statements in Part II, Item 8 for additional information.

(2) The restaurant counts for Brazil are reported as of November 30, 2017 and 2016, respectively, to correspond with the balance sheet dates of this subsidiary.

RESTAURANT DESIGN AND DEVELOPMENT

Site Design - We generally construct freestanding buildings on leased properties, although certain leased sites are also located in strip shopping centers. Construction of a new restaurant typically takes 60 to 180 days from the date the location is leased or under contract and fully permitted. In the majority of cases, future restaurant development will result from the lease of existing third-party retail space. We typically design the interior of our restaurants in-house, utilizing outside architects when necessary. We have an ongoing remodel program across all of our concepts to maintain the relevance of our restaurants' ambiance. During 2017, we remodeled 145 Outback Steakhouse restaurants.

Site Selection Process - We have a central site selection team comprised of real estate development, property/lease management and design and construction personnel. This site selection team also utilizes a combination of existing field operations managers, internal development personnel and outside real estate brokers to identify and qualify potential sites.

We have a relocation initiative in process, primarily related to the U.S. Outback Steakhouse brand. This multi-year relocation plan is focused on driving additional traffic to our restaurants by moving legacy restaurants from non-prime to prime locations within the same trade area. During 2017, we relocated 18 U.S. Outback Steakhouse restaurants.

Restaurant Development

We utilize the ownership structure and market entry strategy that best fits the needs for a particular market, including Company-owned units, joint ventures and franchises, as determined by demand, cost structure and economic conditions.

International Development - We continue to pursue international expansion opportunities, leveraging established equity and franchise markets in South America and Asia, and in strategically selected emerging and high-growth developed markets, with a focus on Brazil.

See Item 2 - *Properties* for disclosure of our international restaurant count by country.

U.S. Development - We plan to opportunistically pursue unit growth across our concepts through existing geography fill-in and market expansion opportunities based on current location mix.

During 2017, we opened our first Express units, which combine Outback Steakhouse and Carrabba's Italian Grill offerings in a delivery and take-out only format. We will utilize this smaller footprint concept to expand our reach into both new trade areas and fill-in opportunities in existing trade areas where we believe that the off-premise dining occasion has the largest potential.

RESEARCH & DEVELOPMENT / INNOVATION

We utilize a global core menu policy to ensure consistency and quality in our menu offerings. Before we add an item to the core menu, our research and development ("R&D") team performs a thorough review of the item, including conducting consumer research. Internationally, we have teams in our developed markets that tailor our menus to address the preferences of local consumers.

We continuously evolve our product offerings based on consumer trends and feedback. We have a 12-month pipeline of new menu and promotional items across all concepts that allows us to quickly make adjustments in response to market demands, when necessary. In addition, we continue to focus on productivity across the portfolio. For new menu items and significant product changes, we have a testing process that includes direct consumer feedback on the product and its pricing.

Menu innovation and enhancement remains a high priority across all concepts. During the last two years, we introduced a new center-cut sirloin, increased certain portion sizes and simplified the menu at Outback Steakhouse. We also reduced menu complexity to refocus efforts on fresh seafood at Bonefish Grill and introduced new specialty items to our menu at Carrabba's Italian Grill.

INFORMATION SYSTEMS

The Company leverages technology to support customer engagement, labor and food productivity initiatives and restaurant operations.

To drive customer engagement, the Company continues to invest in technology infrastructure, including brand websites, online ordering and mobile apps. To increase customer convenience, we are leveraging our existing online ordering infrastructure to facilitate expanded off-premise dining. Additionally, we developed systems to support our new customer loyalty program with a focus of increasing traffic to our restaurants. Investments are also being made in a global supply chain management system to provide better inventory forecasting and replenishment to our restaurants, which will help manage food quality and specifications. We also continue to invest in a range of tools and infrastructure to support risk management and cyber security.

Our integrated point-of-sale ("POS") system allows us to transact business in our restaurants and communicate sales data through a secure corporate network to our enterprise resource planning system and data warehouse. Our Company-owned restaurants, and most of our franchised restaurants, are connected through a portal that provides our Company employees and franchise partners with access to business information and tools that allow them to collaborate, communicate, train and share information.

ADVERTISING AND MARKETING

We generally advertise through national and spot television and radio media. Our concepts have an active public relations program and also rely on national promotions, site visibility, local marketing, digital marketing, direct mail, billboards and point-of-sale materials to promote our restaurants. Recently, we increased our focus on data segmentation and personalization, customer relationship management and digital advertising to be more efficient with our advertising expenditures. Internationally, we have teams in our developed markets that engage local agencies to tailor advertising to each market and develop relevant and timely promotions based on local consumer demand.

We utilize a multi-branded loyalty program, called Dine Rewards, to drive incremental traffic. Additionally, to help maintain consumer interest and relevance, each concept leverages limited-time offers featuring seasonal specials. We promote limited-time offers through integrated marketing programs that utilize all of our advertising resources.

RESTAURANT OPERATIONS

Management and Employees - The restaurant management staff varies by concept and restaurant size. Our restaurants employ primarily hourly employees, many of whom work part-time. The Restaurant Managing Partner has primary responsibility for the day-to-day operation of the restaurant and is required to follow Company-established operating standards. Area Operating Partners are responsible for overseeing the operations of typically six to 12 restaurants and Restaurant Managing Partners in a specific region.

Area Operating Partner, Restaurant Managing Partner and Chef Partner Programs - In addition to salary, Area Operating Partners, Restaurant Managing Partners and Chef Partners generally receive performance-based bonuses for providing management and supervisory services to their restaurants, certain of which may be based on a percentage of their restaurants' monthly operating results or cash flows and/or total controllable income ("Monthly Payments").

Restaurant Managing Partners and Chef Partners in the U.S. are eligible to participate in deferred compensation programs and are eligible to receive payments upon completion of their five-year employment agreement. To fund deferred compensation arrangements, we may invest in corporate-owned life insurance policies, which are held within an irrevocable grantor or "rabbi" trust account for settlement of certain of our obligations under the deferred compensation plans. Also, on the fifth anniversary of the opening of each new U.S. Company-owned restaurant, the Area Operating Partner supervising the restaurant during the first five years of operation receives an additional performance-based bonus.

Many of our International Restaurant Managing Partners are given the option to purchase participation interests in the cash distributions of the restaurants they manage. The amount, terms and availability vary by country.

Supervision and Training - We require our Area Operating Partners and Restaurant Managing Partners to have significant experience in the full-service restaurant industry. All Area Operating Partners and Restaurant Managing Partners are required to complete a comprehensive training program that emphasizes our operating strategy, procedures and standards. The Restaurant Managing Partners and Area Operating Partners, together with our Presidents, Regional Vice Presidents, Vice Presidents of Training and Directors of Training, are responsible for selecting and training the employees for each new restaurant.

Service - In order to better assess and improve our performance, we use a third-party research firm to conduct an ongoing satisfaction measurement program that provides us with industry benchmarking information for our Company-owned and franchise locations in the U.S. We have a similar consumer satisfaction measurement program for our international Company-owned and certain international franchise locations and we obtain industry benchmarking information for the international markets in which we operate, when available. These programs measure satisfaction across a wide range of experience elements.

SOURCING AND SUPPLY

Sourcing and Supply - We take a global approach to procurement and supply chain management, with our corporate team serving all U.S. and international concepts. In addition, we have dedicated supply chain management personnel for our international operations in South America and Asia. The supply chain management organization is responsible for all food and operating supply purchases as well as a large percentage of purchases of field and corporate services.

We address the end-to-end costs associated with the products and goods we purchase by utilizing a combination of global, regional and local suppliers to capture efficiencies and economies of scale. This "total cost of ownership" ("TCO") approach focuses on the initial purchase price, coupled with the cost structure underlying the procurement and order fulfillment process. The TCO approach includes monitoring commodity markets and trends to execute product purchases at the most advantageous times.

We have a distribution program that includes food, beverage, smallwares and packaging goods in all major markets. This program is managed by a custom distribution company that only provides products approved for our system. This customized relationship also enables our staff to effectively manage and prioritize our supply chain.

Beef represents the majority of purchased proteins and of our overall global commodity procurement. In 2017, we primarily purchased our U.S. beef raw materials from four beef suppliers and our Brazil beef raw materials from one beef supplier. Due to the nature of our industry, we expect to continue purchasing a substantial amount of our beef from a small number of suppliers. Other major commodity categories purchased include produce, dairy, bread and pasta, and energy sources to operate our restaurants, such as natural gas and electricity.

Quality Control - Our R&D facility is located in Tampa, Florida and serves as a global test kitchen and vendor product qualification site. Our quality assurance team manages internal auditors responsible for supplier evaluations and external third parties who inspect supplier adherence to quality, food safety and product specification. Our suppliers also utilize third-party labs for food safety and quality verification. We have a program that ensures suppliers comply with quality, food safety and other specifications. We develop sourcing strategies for all commodity categories based on the dynamics of each category. In addition, we require our supplier partners to meet or exceed our quality assurance standards.

Our operational teams have multiple touch points in the restaurants ensuring food safety, quality and freshness throughout all phases of the preparation process. In addition, we employ third-party auditors to verify our standards of food safety, training and sanitation.

RESTAURANT OWNERSHIP STRUCTURES

Our restaurants are Company-owned or operated under franchise arrangements. We generate our revenues from our Company-owned restaurants and through ongoing royalties from our franchised restaurants and sales of franchise rights.

Company-owned Restaurants - Company-owned restaurants are wholly-owned by us or in which we have a majority ownership. Our cash flows from entities in which we have a majority ownership are limited to the portion of our ownership. The results of operations of Company-owned restaurants are included in our consolidated operating results and the portion of income or loss attributable to the noncontrolling interests is eliminated in our Consolidated Statements of Operations and Comprehensive Income.

We pay royalties that range from 0.5% to 1.5% of U.S. sales on the majority of our Carrabba's Italian Grill restaurants, pursuant to agreements we entered into with the Carrabba's Italian Grill founders ("Carrabba's Founders").

Each Carrabba's restaurant located outside the United States pays a one-time lump sum fee to the Carrabba's Founders, which varies depending on the size of the restaurant. No continuing royalty fee is paid to the Carrabba's Founders for Carrabba's restaurants located outside the United States.

Unaffiliated Franchise Program - Our unaffiliated franchise agreements grant third parties rights to establish and operate a restaurant using one of our concepts. Franchised restaurants are required to be operated in accordance with the franchise agreement and in compliance with their respective concept's standards and specifications.

Under our franchise agreements, each of our franchisees is required to pay an initial franchise fee and pay monthly royalties based on a percentage of gross restaurant sales. Initial franchise fees are $40,000 for U.S. franchisees and range between $40,000 and $75,000 for international franchisees, depending on the market. Some franchisees may also pay administration fees based on a percentage of gross restaurant sales. Following is a summary of royalty fee percentages based on our current existing unaffiliated franchise agreements:

(as a % of gross Restaurant sales)	**MONTHLY ROYALTY FEE PERCENTAGE**
U.S. franchisees (1)	3.50% - 5.75%
International franchisees (2)	3.00% - 6.00%

(1) U.S. franchisees must also contribute a percentage of gross sales for national marketing programs and also spend a certain percentage of gross sales on local advertising. For U.S. franchisees, there is a maximum of 8.0% of gross restaurant sales for combined national marketing and local advertising.

(2) International franchisees must also spend a certain percentage of gross sales on local advertising, which varies depending on the market.

COMPETITION

The restaurant industry is highly competitive with a substantial number of restaurant operators that compete directly and indirectly with us in respect to price, service, location and food quality, and there are other well-established competitors with significant financial and other resources. There is also active competition for management personnel, attractive suitable real estate sites, supplies and restaurant employees. In addition, competition is also influenced strongly by marketing and brand reputation. At an aggregate level, all major U.S. casual dining restaurants and casual dining restaurants in the international markets in which we operate would be considered competitors of our concepts. Further, we face growing competition from the supermarket industry and home delivery services, with improved selections of prepared meals, and from quick service and fast casual restaurants, as a result of higher-quality food and beverage offerings. Internationally, we face increasing competition due to an increase in the number of casual dining restaurant options in the markets in which we operate.

GOVERNMENT REGULATION

We are subject to various federal, state, local and international laws affecting our business. Each of our restaurants is subject to licensing and regulation by a number of governmental authorities, which may include, among others, alcoholic beverage control, health and safety, nutritional menu labeling, health care, environmental and fire agencies in the state, municipality or country in which the restaurant is located.

U.S. - Alcoholic beverage sales represent 14% of our U.S. restaurant sales. Alcoholic beverage control regulations require each of our restaurants to apply to a state authority and, in certain locations, county or municipal authorities for a license or permit to sell alcoholic beverages on the premises and to provide service for extended hours and on Sundays.

Our restaurant operations are also subject to federal and state laws for such matters as:

- immigration, employment, minimum wages, overtime, tip credits, worker conditions and health care;
- nutritional labeling, nutritional content, menu labeling and food safety;
- the Americans with Disabilities Act, which, among other things, requires our restaurants to meet federally mandated requirements for the disabled; and
- information security, privacy, cashless payments, gift cards and consumer credit, protection and fraud.

International - Our restaurants outside of the United States are subject to similar local laws and regulations as our U.S. restaurants, including labor, food safety and information security. In addition, we are subject to anti-bribery and anti-corruption laws and regulations.

See Item 1A - *Risk Factors* for a discussion of risks relating to federal, state, local and international regulation of our business.

EXECUTIVE OFFICERS OF THE REGISTRANT

Below is a list of the names, ages, positions and a brief description of the business experience of each of our executive officers as of February 23, 2018.

NAME	AGE	POSITION
Elizabeth A. Smith	54	Chairman of the Board of Directors and Chief Executive Officer
David J. Deno	60	Executive Vice President and Chief Financial and Administrative Officer
Donagh M. Herlihy	54	Executive Vice President and Chief Technology Officer
Joseph J. Kadow	61	Executive Vice President and Chief Legal Officer
Michael Kappitt	48	Executive Vice President and President of Carrabba's Italian Grill
Gregg Scarlett	56	Executive Vice President and President of Outback Steakhouse
David P. Schmidt	47	Executive Vice President and President of Bonefish Grill
Sukhdev Singh	54	Executive Vice President and Global Chief Development and Franchising Officer

Elizabeth A. Smith was appointed Chairman in January 2012. Since November 2009, Ms. Smith has served as Chief Executive Officer and as a member of our Board of Directors. Ms. Smith is a member of the Board of Directors of Hilton Worldwide Holdings, Inc. and was previously a member of the Board of Directors of Staples, Inc. from September 2008 to June 2014.

David J. Deno has served as Executive Vice President and Chief Financial and Administrative Officer since May 2012. From December 2009 to May 2012, Mr. Deno served as Chief Financial Officer of the international division of Best Buy Co. Inc. Mr. Deno previously served as President and later Chief Executive Officer of Quiznos and Chief Financial Officer and later Chief Operating Officer of YUM! Brands, Inc.

Donagh M. Herlihy has served as Executive Vice President and Chief Technology Officer since September 2014. Prior to joining Bloomin' Brands, Mr. Herlihy was Senior Vice President, Chief Information Officer and eCommerce of Avon Products, Inc. from March 2008 to August 2014.

Joseph J. Kadow has served as Executive Vice President and Chief Legal Officer since April 2005. Mr. Kadow has served as Assistant Secretary since February 2016 and previously served as Secretary from April 1994 to February 2016.

Michael Kappitt has served as Executive Vice President and President of Carrabba's Italian Grill since February 2016. Mr. Kappitt served as Senior Vice President and Chief Marketing Officer from January 2014 to February 2016 and Chief Marketing Officer of Outback Steakhouse from March 2011 to December 2013.

Gregg Scarlett has served as Executive Vice President and President of Outback Steakhouse since July 2016. Mr. Scarlett previously served as Executive Vice President and President of Bonefish Grill from March 2015 to July 2016; Senior Vice President, Casual Dining Restaurant Operations from January 2013 to March 2015; and Senior Vice President of Operations for Outback Steakhouse from March 2010 to January 2013.

David P. Schmidt has served as Executive Vice President and President of Bonefish Grill since July 2016. Mr. Schmidt previously served as Group Vice President of Finance from April 2016 to July 2016; Vice President of Finance for Bonefish Grill from August 2015 to April 2016; Vice President of Productivity from November 2011 to August 2015 and Vice President of Corporate Finance from April 2010 to November 2011 for Bloomin' Brands.

Sukhdev Singh has served as Executive Vice President and Global Chief Development and Franchising Officer since May 2015. Mr. Singh previously served as Senior Vice President, Chief Development Officer from January 2014 to May 2015. Prior to joining Bloomin' Brands, Mr. Singh was Chief Development Officer for Darden Restaurants, Inc. from July 2006 to January 2014.

EMPLOYEES

As of December 31, 2017, we employed approximately 94,000 persons, of which approximately 850 are corporate personnel, including 200 in international markets. None of our U.S. employees are covered by a collective bargaining agreement. Various national industry-wide labor agreements apply to certain of our employees in Brazil. We consider our employee relations to be in good standing.

TRADEMARKS

We regard our Outback®, Outback Steakhouse®, Carrabba's Italian Grill®, Bonefish Grill®, and Fleming's Prime Steakhouse & Wine Bar® service marks and our Bloomin' Onion® trademark as having significant value and as being important factors in the marketing of our restaurants. We have also obtained trademarks for several of our other menu items and for various advertising slogans. We are aware of names and marks similar to the service marks of ours used by other persons in certain geographic areas in which we have restaurants. However, we believe such uses will not adversely affect us. Our policy is to pursue registration of our marks whenever possible and to oppose vigorously any infringement of our marks.

We license the use of our registered trademarks to franchisees and third parties through franchise arrangements and licenses. The franchise and license arrangements restrict franchisees' and licensees' activities with respect to the use of our trademarks, and impose quality control standards in connection with goods and services offered in connection with the trademarks.

SEASONALITY AND QUARTERLY RESULTS

Our business is subject to seasonal fluctuations. Historically, customer traffic patterns for our established U.S. restaurants are generally highest in the first quarter of the year and lowest in the third quarter of the year. International customer traffic patterns vary by market. For example, Brazil historically experiences minimal seasonal traffic fluctuations. Additionally, holidays and severe weather may affect sales volumes seasonally in some of our markets.

Quarterly results have been and will continue to be significantly affected by general economic conditions, the timing of new restaurant openings and their associated pre-opening costs, restaurant closures and exit-related costs and impairments of goodwill, definite and indefinite-lived intangible assets and property, fixtures and equipment. As a result of these and other factors, our financial results for any given quarter may not be indicative of the results that may be achieved for a full year.

BLOOMIN' BRANDS, INC.

ADDITIONAL INFORMATION

We make available, free of charge, through our internet website www.bloominbrands.com, our Annual Report 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 Securities Exchange Act of 1934, as amended, as soon as reasonably practicable after electronically filing such material with the Securities and Exchange Commission ("SEC"). You may read and copy any materials filed with the SEC at the Securities and Exchange Commission's Public Reference Room at 100 F Street, NE, Washington, DC 20549. You may obtain information on the operation of the Public Reference Room by calling the SEC at 1-800-SEC-0330. Our reports and other materials filed with the SEC are also available at www.sec.gov. The reference to these website addresses does not constitute incorporation by reference of the information contained on the websites and should not be considered part of this Report.

Item 1A. Risk Factors

The risk factors set forth below should be carefully considered. The risks described below are those that we believe could materially and adversely affect our business, financial condition or results of operations, however, they are not the only risks facing us. Additional risks and uncertainties not currently known to us or those we currently view to be immaterial may also materially and adversely affect our business, financial condition or results of operations.

Risks Related to Our Business and Industry

Food safety and food-borne illness concerns in our restaurants or throughout the industry or supply chain may have an adverse effect on our business by reducing demand and increasing costs.

Regardless of the source or cause, any report of food-borne illnesses and other food safety issues, whether at one of our restaurants or in the industry or supply chain generally, could have a negative impact on our traffic and sales and adversely affect the reputation of our brands. Food safety issues could be caused by suppliers or distributors and, as a result, be out of our control. Health concerns or outbreaks of disease in a food product could also reduce demand for particular menu offerings. Even instances of food-borne illness, food tampering or food contamination occurring solely at restaurants of other companies could result in negative publicity about the food service industry generally and adversely impact our sales. Social media has dramatically increased the rate at which negative publicity, including as it relates to food-borne illnesses, can be disseminated before there is any meaningful opportunity to respond or address an issue. The occurrence of food-borne illnesses or food safety issues could also adversely affect the price and availability of affected ingredients, resulting in higher costs and lower margins.

The restaurant industry is highly competitive and consumer options for other prepared food offerings continue to expand. Our inability to compete effectively could adversely affect our business, financial condition and results of operations.

A substantial number of restaurant operators compete directly and indirectly with us with respect to price, service, location and food quality, some of which are well-established with significant resources. There is also active competition for management and other personnel, and attractive suitable real estate sites. Consumer tastes, nutritional and dietary trends, traffic patterns and the type, number and location of competing restaurants often affect the restaurant business, and our competitors may react more efficiently, creatively and effectively to those conditions. In addition, our competitors may generate or better implement business strategies that improve the value and relevance of their brands and reputation, relative to ours. For example, our competitors may more successfully implement menu or technology initiatives, such as remote ordering, social media or mobile technology platforms that expedite or enhance the customer experience. Further, we face growing competition from quick service and fast casual restaurants, the supermarket industry and meal kit and food delivery providers, with the improvement of prepared food offerings and the trend towards convergence in grocery, deli, retail and restaurant services. We believe all of the above factors have increased competitive pressures in the casual dining sector in recent periods and we believe they will continue to present a challenging competitive environment in future periods. If we are unable to continue to compete effectively, our traffic, sales and margins could decline and our business, financial condition and results of operations would be adversely affected.

We are subject to various federal and state employment and labor laws and regulations.

Various federal and state employment and labor laws and regulations govern our relationships with our employees and affect operating costs, and similar laws and regulations apply to our operations outside of the U.S. These laws and regulations relate to matters including employment discrimination, minimum wage requirements, overtime, tip credits, unemployment tax rates, workers' compensation rates, working conditions, immigration status, tax reporting and other wage and benefit requirements. Any significant additional government regulations and new laws governing our relationships with employees, including minimum wage increases, mandated benefits or other requirements that impose additional obligations on us, could increase our costs and adversely affect our business and results of operations.

As a significant number of our food service and preparation personnel are paid at rates related to the applicable minimum wage, federal, state and local proposals related to minimum wage requirements or similar matters could, to the extent implemented, materially increase our labor and other costs. Several states in which we operate have recently approved minimum wage increases. As minimum wage increases are implemented in these states or any other states in which we operate in the future, we expect our labor costs will continue to increase. Our ability to respond to minimum wage increases by increasing menu prices depends on the responses of our competitors and consumers. Our distributors and suppliers could also be affected by higher minimum wage, benefit standards and compliance costs, which could result in higher costs for goods and services supplied to us.

We rely on our employees to accurately disclose the full amount of their tip income, and we base our FICA tax reporting on the disclosures provided to us by such tipped employees. Inaccurate employee FICA tax reporting could subject us to monetary liabilities, which could harm our business, results of operations and financial condition. In 2015, the IRS issued tax adjustments related to cash tips received and unreported by our employees during prior years.

Challenging economic conditions may have a negative effect on our business and financial results.

Challenging economic conditions may negatively impact consumer spending and thus cause a decline in our financial results. For example, international, domestic and regional economic conditions, consumer income levels, financial market volatility, social unrest, governmental, political and budget matters and a slow or stagnant pace of economic growth generally may have a negative effect on consumer confidence and discretionary spending, which the restaurant industry depends upon. In recent years, we believe these factors and conditions may have affected consumer traffic and comparable restaurant sales for us and throughout our industry and may continue to contribute to a challenging sales environment in the casual dining sector. A decline in economic conditions or negative developments with respect to any of the other factors mentioned above, generally or in particular markets in which we operate, and our consumers' reactions to these trends could result in increased pressure with respect to our pricing, traffic levels, commodity and other costs and the continuation of our innovation and productivity initiatives, which could negatively impact our business and results of operations. These factors could also cause us to, among other things, reduce the number and frequency of new restaurant openings, close restaurants or delay remodeling of our existing restaurant locations. Further, poor economic conditions may force nearby businesses to shut down, which could cause our restaurant locations to be less attractive.

Increased commodity, energy and other costs could decrease our profit margins or cause us to limit or otherwise modify our menus or increase prices, which could adversely affect our business.

The performance of our restaurants depends on our ability to anticipate and react to changes in the price and availability of food commodities. Our business also incurs significant costs for energy, insurance, labor, marketing and real estate. Prices may be affected due to supply, market changes, increased competition, the general risk of inflation, changes in laws, shortages or interruptions in supply due to weather, disease or other conditions beyond our control, or other reasons. Increased prices or shortages could affect the cost and quality of the items we buy or require us to raise prices, limit our menu options or implement alternative processes or products. As result, these events, combined with other more general economic and demographic conditions, could impact our pricing and negatively affect our sales and profit margins.

Our failure to comply with government regulation related to our restaurant operations, and the costs of compliance or non-compliance, could adversely affect our business.

We are subject to various federal, state, local and foreign laws affecting our business. Each of our restaurants is subject to licensing and regulation by a number of governmental authorities, which may include, among others, alcoholic beverage control, food safety, nutritional menu labeling, health care, environmental and fire agencies in the state, municipality or country in which the restaurant is located. Our suppliers are also subject to regulation in some of these areas. Any difficulties or inabilities to retain or renew licenses, or increased compliance costs due to changed regulations, could adversely affect operations at existing restaurants. Additionally, difficulties in obtaining or failing to obtain the required licenses or approvals could delay or prevent the development of new restaurants.

Alcoholic beverage sales represent 14% of our consolidated restaurant sales and are subject to extensive state and local licensing and other regulations. The failure of a restaurant to obtain or retain a liquor license would adversely affect that restaurant's operations. In addition, we are subject to "dram shop" statutes in certain states. These statutes generally provide a person injured by an intoxicated person the right to recover damages from an establishment that wrongfully served alcoholic beverages to the intoxicated person.

The FDA adopted final regulations to implement federal nutritional disclosure requirements in 2014, and, although implementation has been delayed, we expect we will be required to comply with these regulations in 2018. The regulations will require us to include calorie information on our menus, and provide additional nutritional information upon request. If the costs of implementing or complying with these new requirements exceed our expectations, our results of operations could be adversely affected. Furthermore, the effect of such labeling requirements on consumer choices, if any, is unclear. It is possible that we may also become subject to other regulation in the future seeking to tax or regulate high fat and high sodium foods in certain of our markets. Compliance with these regulations could be costly.

The food service industry is affected by consumer preferences and perceptions. Changes in these preferences and perceptions may lessen the demand for our products, which would reduce sales and harm our business.

Food service businesses are affected by changes in consumer tastes and demographic trends. For instance, if prevailing health or dietary preferences cause consumers to avoid steak and other products we offer in any of our concepts in favor of foods or ingredients that are perceived as healthier or otherwise reflect popular demand, our business and operating results would be harmed. If we are unable to anticipate or successfully respond to changes in consumer preferences, our results of operations could be adversely affected, generally or in particular concepts or markets.

Changes in tax laws and unanticipated tax liabilities could adversely affect the taxes we pay and our profitability.

We are subject to income and other taxes in the United States and numerous foreign jurisdictions. Our effective income tax rate in the future could be adversely affected by a number of factors, including changes in the mix of earnings in countries with different statutory tax rates, changes in the valuation of deferred tax assets and liabilities, changes in tax laws or other legislative changes, including the Tax Cuts and Jobs Act (the "Tax Act") and the Base Erosion Profit Shifting initiative being conducted by the Organization for Economic Co-operation and Development, the outcome of income tax audits, and any repatriation of non-U.S. earnings for which we have not previously provided for U.S. taxes. Although we believe our tax estimates are reasonable, the final determination of tax audits could be materially different from our historical income tax provisions and accruals. The results of a tax audit could have a material effect on our results of operations or cash flows in the period or periods for which that determination is made. In addition, our effective income tax rate and our results may be impacted by our ability to realize deferred tax benefits and by any increases or decreases of our valuation allowances applied to our existing deferred tax assets.

The Tax Act is expected to have a favorable impact on the Company's effective tax rate and net income as reported under generally accepted accounting principles both in the first fiscal quarter of 2018 and subsequent reporting periods to which the Tax Act is effective. However, the Company is assessing the impact of the Tax Act and there can be no assurances that it will have the expected impact.

Risks associated with our expansion, remodeling and relocation plans may have adverse effects on our operating results.

As part of our business strategy, we intend to continue to expand our current portfolio of restaurants. Our current development schedule calls for the construction of approximately 20 new system-wide locations in 2018. A variety of factors could cause the actual results and outcome of those expansion plans to differ from the anticipated results, including among other things:

- the availability of attractive sites for new restaurants;
- acquiring or leasing those sites at acceptable prices and other terms;
- funding or financing our development;
- obtaining all required permits, approvals and licenses on a timely basis;
- recruiting and training skilled management and restaurant employees and retaining those employees on acceptable terms;
- weather, natural disasters and other events or factors beyond our control resulting in construction or other delays; and
- consumer tastes in new geographic regions and acceptance of our restaurant concepts and awareness of our brands in those regions.

It is difficult to estimate the performance of newly opened restaurants. Earnings achieved to date by restaurants open for less than two years may not be indicative of future operating results. If new restaurants do not meet targeted performance, it could have a material adverse effect on our operating results, including as a result of any impairment losses that we may be required to recognize. There is also the possibility that new restaurants may attract consumers away from other restaurants we own, thereby reducing the revenues of those existing restaurants, or that we will incur unrecoverable costs in the event a development project is abandoned prior to completion.

Some of the challenges described above could be more significant in international markets in which we have more limited experience, either generally or with a particular brand. Those markets are likely to have different competitive conditions, consumer tastes, discretionary spending patterns and brand awareness, which may cause our new restaurants to be less successful than restaurants in our existing markets or make it more difficult to estimate the performance of new restaurants.

In addition, in an effort to increase same-restaurant sales and improve our operating performance, we continue to make improvements to our facilities through our remodeling and relocation programs. We also close underperforming restaurants from time to time in order to improve the performance of our brands. As demographic and economic patterns change or there are declines in neighborhoods where our restaurants are located or adverse economic conditions in local areas, current locations may not continue to be attractive or profitable. Because we lease a significant majority of our restaurants, we incur significant lease termination expenses when we close or relocate a restaurant and are often obligated to continue rent and other lease related payments after restaurant closure. We also incur significant asset impairment and other charges in connection with closures and relocations. If the expenses associated with remodels, relocations or closures are higher than anticipated, we cannot find suitable locations or remodeled or relocated restaurants do not perform as expected, these programs may not yield the desired return on investment, which could have a negative effect on our operating results.

Cyber security breaches of confidential consumer, personal employee and other material information may adversely affect our business.

A cyber incident is considered to be any adverse event that threatens the confidentiality, integrity or availability of our information resources. More specifically, a cyber incident is an intentional attack or an unintentional event that can include gaining unauthorized access to systems to disrupt operations, corrupt data or the theft or exposure of confidential information or intellectual property. A cyber incident that compromises the information of our consumers or employees could result in widespread negative publicity, damage to the reputation of our brands, a loss of consumers, an interruption of our business and legal liabilities.

The majority of our restaurant sales are by credit or debit cards. We also maintain certain personal information regarding our employees and confidential information about our customers, franchisees and suppliers. We segment our card data environment and employ a cybersecurity protection program, which is based upon proven industry frameworks. This program includes but is not limited to cybersecurity techniques, tactics and procedures including the deployment of a robust set of security controls, continuous monitoring and detection programs, network protections, stringent vendor selection criteria, secure software development programs and ongoing employee training, awareness and incident response preparedness. In addition, we continuously scan and improve our environment for any vulnerabilities, perform penetration testing and engage third parties to assure effectiveness of our security measures. However, there are no assurances that such programs will prevent or detect cyber security breaches.

Despite our security measures, our technology systems may be vulnerable to damage, disability or failures due to physical theft, fire, power loss, telecommunications failure or other catastrophic events, as well as from internal and external security breaches, employee error or malfeasance, denial of service attacks, viruses, worms and other disruptive problems. From time to time we have been, and likely will continue to be, the target of attempted cyber and other security threats. In recent years our reliance on technology has increased, and consequently so have the scope and severity of risks posed to our systems from cyber threats. Malicious attacks and intrusion efforts are continuous and evolving, and are perpetuated by many different parties with varying motives, including identity thieves, contractors, vendors, employees, competitors, prospective insider traders, so-called "hacktivists," terrorists and others. We continuously monitor and develop our information technology networks and infrastructure to prevent, detect, address and mitigate the risk of unauthorized access, misuse, computer viruses and other events that could have a security impact.

Our operations and corporate functions rely heavily on information systems, including point-of-sale processing in our restaurants, management of our supply chain, payment of obligations, collection of cash, data warehousing to support analytics, finance and accounting systems, mobile technologies to enhance the customer experience and other various processes and procedures, some of which are handled by third parties. Our ability to efficiently and effectively manage our business depends significantly on the reliability and capacity of these systems. The failure of these systems to operate effectively, system maintenance problems, upgrading or transitioning to new platforms, or any cyber incident relating to these systems could expose our systems or information to cyber threats, result in delays in consumer service, reduced efficiency in our operations or result in negative publicity. For example, a weakness in vendor's systems or software products may provide a mechanism for a cyber threat. In recent years, certain retailers have experienced security breaches in which customer information was stolen through vendor access channels. While we select our third-party suppliers carefully, cyber attacks and security breaches at a supplier could compromise confidential information or adversely affect our ability to deliver products and services to our customers. These problems could negatively affect our results of operations, and remediation could result in significant, unplanned capital investments.

As a merchant and service provider of point-of-sale related services, we are subject to the Payment Card Industry Data Security Standard ("PCI DSS"), issued by the Payment Card Industry Council. PCI DSS contains compliance guidelines and standards with regard to our security surrounding the physical and electronic storage, processing and transmission of individual cardholder data. Despite our information security measures and our efforts to comply with PCI DSS guidelines, we cannot be certain that all of our information technology systems are able to prevent, contain or detect any cyber incidents from known malware or malware that may be developed in the future.

We may in the future become subject to lawsuits or other proceedings for purportedly fraudulent transactions arising out of the actual or alleged theft of our consumers' credit or debit card information or if consumer or employee information is obtained by unauthorized persons or used inappropriately. Any such claim or proceeding, or any adverse publicity resulting from such an event, may have a material adverse effect on our business and the potential of incurring significant remediation costs.

We face a variety of risks associated with doing business in foreign markets that could have a negative impact on our financial performance.

We have a significant number of restaurants outside the United States, and we intend to continue our efforts to grow internationally. There is no assurance that international operations will be profitable or international growth will continue. In addition, if we have a significant concentration of restaurants in a foreign market the impact of any negative local conditions can have a sizable impact on our results.

Our foreign operations are subject to all of the same risks as our U.S. restaurants, as well as additional risks including, among others, international economic, political, social and legal conditions and the possibility of instability and unrest, differing cultures and consumer preferences, diverse government regulations and tax systems, corruption, anti-American sentiment, the ability to source high quality ingredients and other commodities in a cost-effective manner, uncertain or differing interpretations of rights and obligations in connection with international franchise agreements and the collection of ongoing royalties from international franchisees, the availability and costs of land, construction and financing, and the availability of experienced management, appropriate franchisees and area operating partners.

Currency regulations and fluctuations in exchange rates could also affect our performance. We have operations in many foreign countries, including direct investments in restaurants in Brazil, Hong Kong and China, as well as international franchises. Brazil is our largest international market and will continue to be our top international development priority. As a result, we may experience losses from fluctuations in foreign currency exchange rates or any hedging arrangements we enter into to offset such fluctuations, and such losses could adversely affect our overall sales and earnings.

We are subject to governmental regulation of our foreign operations, including antitrust and tax requirements, anti-boycott regulations, import/export/customs regulations and other international trade regulations, the USA Patriot Act and the Foreign Corrupt Practices Act. Any new regulatory or trade initiatives could impact our operations in certain countries. Failure to comply with any such legal requirements could subject us to monetary liabilities and other sanctions, which could harm our business, results of operations and financial condition.

Loss of key management personnel could hurt our business and inhibit our ability to operate and grow successfully.

Our success will continue to depend, to a significant extent, on our leadership team and other key management personnel. If we are unable to attract and retain sufficiently experienced and capable management personnel, our business and financial results may suffer.

Failure to recruit, train and retain high-quality restaurant management and team members may result in lower guest satisfaction and lower sales and profitability.

Our restaurant-level management and team members are largely responsible for the quality of our service. Our guests may be dissatisfied and our sales may decline if we fail to recruit, train and retain managers and team members that effectively implement our business strategy and provide high quality guest service. There is active competition for quality management personnel and hourly team members. If we experience high turnover, we may experience higher labor costs and have a shortage of adequate management personnel required for future growth.

Our success depends substantially on the value of our brands and our ability to execute innovative marketing and consumer relationship initiatives to maintain brand relevance and drive profitable sales growth.

Our success depends on our ability to preserve and grow our brands. Our brand value and reputation are especially important to differentiate our concepts in the highly competitive casual dining sector to achieve sustainable same-restaurant sales growth and warrant new unit growth. Brand value and reputation is based in large part on consumer perceptions, which are driven by both our actions and actions beyond our control, such as new brand strategies or their implementation, business incidents, ineffective advertising or marketing efforts, or unfavorable mainstream or social media publicity involving us, our industry, our franchisees, or our suppliers. A failure to innovate and extend our brands in ways that are relevant to consumers and occasions in order to generate sustainable same-restaurant traffic growth,

and produce non-traditional sales and earnings growth opportunities, could have an adverse effect on our results of operations. Additionally, insufficient focus on our competition or failure to adequately address declines in the casual dining industry, could adversely impact results of operations.

If our competitors increase their spending on advertising, promotions and loyalty programs, if our advertising, media or marketing expenses increase, or if our advertising, promotions and loyalty programs become less effective than those of our competitors, or if we do not adequately leverage technology and data analytic capabilities needed to generate concise competitive insight, we could experience a material adverse effect on our results of operations.

Our inability or failure to recognize, respond to and effectively manage the accelerated impact of social media could have a material adverse impact on our business.

There has been a marked increase in the use of social media platforms and similar devices that allow individuals to access a broad audience of consumers and other interested persons. The availability of information on social media platforms is virtually immediate as is its impact, and users can post information often without filters or checks on the accuracy of the content posted. Adverse or inaccurate information concerning our company or concepts may be posted on such platforms at any time, and such information can quickly reach a wide audience. The harm may be immediate without affording us an opportunity for redress or correction, and it is challenging to monitor and anticipate developments on social media in order to respond in an effective and timely manner. We could also be exposed to these risks if we fail to use social media responsibly in our marketing efforts. These factors could have a material adverse effect on our business. Regardless of its basis or validity, any unfavorable publicity could adversely affect public perception of our brands.

Although search engine marketing, social media and other new technological platforms offer great opportunities to increase awareness of and engagement with our brands, a failure to use social media responsibly in our marketing efforts may further expose us to these risks. Many of our competitors are expanding their use of social media and new social media platforms are rapidly being developed, potentially making more traditional social media platforms obsolete. As a result, we need to continuously innovate and develop our social media strategies in order to maintain broad appeal with guests and brand relevance. As part of our marketing efforts, we rely on search engine marketing and social media platforms to attract and retain guests. We also continue to invest in other digital marketing initiatives that allow us to reach our guests across multiple digital channels and build their awareness of, engagement with, and loyalty to our brands. These initiatives may not be successful, resulting in expenses incurred without the benefit of higher revenues, increased employee engagement or brand recognition. In addition, a variety of risks are associated with the use of social media, including the improper disclosure of proprietary information, negative comments about us, exposure of personally identifiable information, fraud, or out-of-date information. The inappropriate use of social media vehicles by our guests or employees could increase our costs, lead to litigation or result in negative publicity that could damage our reputation.

An impairment in the carrying value of our goodwill or other intangible or long-lived assets could adversely affect our financial condition and results of operations.

Along with other intangible assets, we test goodwill for impairment annually and whenever events or changes in circumstances indicate that its carrying value may not be recoverable. We also evaluate long-lived assets on a quarterly basis or whenever events or changes in circumstances indicate that the carrying value may not be recoverable. We cannot accurately predict the amount and timing of any impairment of assets. A significant amount of judgment is involved in determining if an indication of impairment exists. Should the value of goodwill or other intangible or long-lived assets become impaired, there could be an adverse effect on our financial condition and consolidated results of operations.

We have limited control with respect to the operations of our franchisees, which could have a negative impact on our business.

Our franchisees are contractually obligated to operate their restaurants in accordance with our standards and we provide training and support to franchisees. However, franchisees are independent third parties that we do not control, and these franchisees own, operate and oversee the daily operations of their restaurants. As a result, the ultimate success and quality of any franchise restaurant rests with the franchisee. If franchisees do not successfully operate restaurants in a manner consistent with our product and service quality standards and contractual requirements, our image and reputation could be harmed, which in turn could adversely affect our business and operating results.

We have a limited number of suppliers for our major products and rely on one custom distribution company for our national distribution programs in the U.S. and Brazil. If our suppliers or custom distributors are unable to fulfill their obligations under their contracts or we are unable to develop or maintain relationships with these or new suppliers or distributors, if needed, we could encounter supply shortages and incur higher costs.

We depend on frequent deliveries of fresh food products that meet our specifications, and we have a limited number of suppliers for our major products, such as beef. In 2017, we purchased: (i) more than 85% of our U.S. beef raw materials from four beef suppliers that represent more than 80% of the total beef marketplace in the U.S and (ii) more than 95% of our Brazil beef raw materials from one beef supplier that represents approximately 12% of the total Brazil beef marketplace. Due to the nature of our industry, we expect to continue to purchase a substantial amount of our beef from a small number of suppliers. We also primarily use one supplier in the U.S. and Brazil, respectively, to process beef raw materials to our specifications and we use one distribution company to provide distribution services in the U.S and Brazil, respectively. Although we have not experienced significant problems with our suppliers or distributors, if our suppliers or distributors are unable to fulfill their obligations under their contracts, we could encounter supply shortages and incur higher costs.

In addition, if we are unable to maintain current purchasing terms or ensure service availability with our suppliers and distributor, we may lose consumers and experience an increase in costs in seeking alternative supplier or distribution services. The failure to develop and maintain supplier and distributor relationships and any resulting disruptions to the provision of food and other supplies to our restaurant locations could adversely affect our operating results.

Failure to achieve our projected cost savings from our efficiency initiatives could adversely affect our results of operations and eliminate potential funding for growth opportunities.

In recent years, we have identified strategies and taken steps to reduce operating costs and free up resources to reinvest in our business. These strategies include improved supply chain management, implementing labor scheduling tools and integrating restaurant information systems across our brands. We continue to evaluate and implement further cost-saving initiatives. However, the ability to reduce our operating costs through these initiatives is subject to risks and uncertainties, such as our ability to obtain improved supply pricing and the reliability of any new suppliers or technology, and we cannot assure that these activities, or any other activities that we may undertake in the future, will achieve the desired cost savings and efficiencies. Failure to achieve such desired savings could adversely affect our results of operations and financial condition and curtail investment in growth opportunities.

There are risks and uncertainties associated with strategic actions and initiatives that we may implement.

From time to time, we consider various strategic actions and initiatives in order to grow and evolve our business and brands and improve our operating results. These actions and initiatives could include, among other things, acquisitions or dispositions of restaurants or brands, new joint ventures, new franchise arrangements, restaurant closures and changes to our operating model. For example, in 2017, we engaged in sale-leaseback transactions with respect to 31 restaurant properties, refranchised 54 restaurant locations, began to test our delivery model and opened our first two Express units. There can be no assurance that any such actions or initiatives will be successful or deliver their anticipated benefits. We may be exposed to new and unforeseen risks and challenges, particularly if we enter into markets or engage in activities with which we have no or limited prior experience, and it may be difficult to predict the success

of such endeavors. If we incur significant expenses or divert management, financial and other resources to a strategic initiative that is unsuccessful or does not meet our expectations, our results of operations and financial condition would be adversely affected. We may also incur significant asset impairment and other charges in connection with any such initiative. Regardless of the ultimate success of a strategic initiative, the implementation and integration of new business or operational processes could be disruptive to our current operations. Even if we test and evaluate an initiative on a limited basis, the diversion of management time and resources could have an adverse effect on our business.

Our business is subject to seasonal and periodic fluctuations, and past results are not indicative of future results.

Historically, consumer traffic patterns for our established restaurants are generally highest in the first quarter of the year and lowest in the third quarter of the year. Holidays may also affect sales volumes seasonally in some of the markets in which we operate. In addition, our quarterly results have been and will continue to be affected by the timing of new restaurant openings and their associated preopening costs, as well as restaurant closures and exit-related costs, debt extinguishment and modification costs and impairments of goodwill, intangible assets and property, fixtures and equipment. As a result of these and other factors, our financial results for any quarter may not be indicative of the results that may be achieved for a full year.

Significant adverse weather conditions and other disasters or unforeseen events could negatively impact our results of operations.

Adverse weather conditions and natural disasters and other unforeseen events, such as winter storms, severe temperatures, thunderstorms, floods, hurricanes and earthquakes, terror attacks, war and widespread/pandemic illness, and the effects of such events on economic conditions and consumer spending patterns, could negatively impact our results of operations. Temporary and prolonged restaurant closures may occur and consumer traffic may decline due to the actual or perceived effects from these events. For example, severe winter weather conditions and hurricanes have impacted our traffic, and that of our franchises, and results of operations in recent years.

Our failure or inability to enforce our trademarks or other proprietary rights could adversely affect our competitive position or the value of our brand.

Our trademarks, including Outback Steakhouse, Carrabba's Italian Grill, Bonefish Grill, Fleming's Prime Steakhouse & Wine Bar and Bloomin' Onion, and other proprietary rights are important to our success and our competitive position. The protective actions that we take may not be sufficient to prevent unauthorized usage or imitation by others, which could harm our image, brand or competitive position. Furthermore, our ability to protect trademarks and other proprietary rights may be more limited in certain international markets where we operate.

Litigation could have a material adverse impact on our business and our financial performance.

We are subject to lawsuits, administrative proceedings and claims that arise in the regular course of business. These matters typically involve claims by consumers and others regarding issues such as food borne illness, food safety, premises liability, "dram shop" statute liability, promotional advertising and other operational issues common to the food service industry, as well as contract disputes and intellectual property infringement matters. We are also subject to employee claims against us based, among other things, on discrimination, harassment, wrongful termination, disability, or violation of wage and labor laws. These claims may divert our financial and management resources that would otherwise be used to benefit our operations. The ongoing expense of any resulting lawsuits, and any substantial settlement payment or damage award against us, could adversely affect our business and results of operations. Significant legal fees and costs in complex class action litigation or an adverse judgment or settlement that is not insured or is in excess of insurance coverage could have a material adverse effect on our financial position and results of operations.

Our insurance policies may not provide adequate levels of coverage against all claims, and fluctuating insurance requirements and costs could negatively impact our profitability.

We carry insurance programs with specific retention levels or high per-claim deductibles for a significant portion of our risks and associated liabilities with respect to workers' compensation, general liability, liquor liability, employment practices liability, property, health benefits, cyber security and other insurable risks. However, there are types of losses we may incur that cannot be insured against or that we believe are not commercially reasonable to insure. These losses, if they occur, could have a material and adverse effect on our business and results of operations. Additionally, if our insurance costs increase, there can be no assurance that we will be able to successfully offset the effect of such increases and our results of operations may be adversely affected.

Failure to maintain effective systems of internal control over financial reporting and disclosure controls and procedures could adversely affect the trading price of our common stock.

Effective internal control over financial reporting is necessary for us to provide accurate financial information. If we are unable to adequately maintain effective internal control over financial reporting, we may not be able to accurately report our financial results, which could cause investors to lose confidence in our reported financial information and negatively affect the trading price of our common stock. Furthermore, we cannot be certain that our internal control over financial reporting and disclosure controls and procedures will prevent all possible error and fraud. Because of inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of error or fraud, if any, in our 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, which could have an adverse impact on our business.

Risks Related to Our Indebtedness

Our substantial leverage and our ability to refinance our indebtedness in the future could adversely affect our ability to raise additional capital to fund our operations, limit our ability to react to changes in the economy or our industry and expose us to interest rate risk in connection with our variable-rate debt.

We are highly leveraged. As of December 31, 2017, our total indebtedness was $1.1 billion and we had $377.3 million in available unused borrowing capacity under our revolving credit facility, net of undrawn letters of credit of $22.7 million.

Our high degree of leverage could have important consequences, including:

- making it more difficult for us to make payments on indebtedness;
- increasing our vulnerability to general economic, industry and competitive conditions and the various risks we face in our business;
- increasing our cost of borrowing;
- requiring a substantial portion of 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, dividend payments, share repurchases and future business opportunities;
- exposing us to the risk of increased interest rates because certain of our borrowings are 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, restaurant development, 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 may not be as highly leveraged.

We may incur substantial additional indebtedness in the future, subject to the restrictions contained in our senior secured credit facilities (the "Senior Secured Credit Facility"). If new indebtedness is added to our current debt levels, the related risks that we now face could increase.

We had $1.1 billion of variable-rate debt outstanding under our Senior Secured Credit Facility as of December 31, 2017. We also have variable-to-fixed interest rate swap agreements with eight counterparties to hedge a portion of the cash flows of our variable rate debt. The swap agreements have an aggregate notional amount of $400.0 million and mature on May 16, 2019. While these agreements limit our exposure to higher interest rates, an increase in the floating rate could nonetheless cause a material increase in our interest expense due to the total amount of our outstanding variable rate indebtedness.

We cannot be certain that our financial condition or credit and other market conditions will be favorable when our Senior Secured Credit Facility matures in 2022, or at any earlier time we may seek to refinance our debt. If we are unable to refinance our indebtedness on favorable terms, our financial condition and results of operations would be adversely affected.

Our debt agreements contain restrictions that limit our flexibility in operating our business.

Certain of our debt agreements limit our and our subsidiaries' ability to, among other things, incur or guarantee additional indebtedness, pay dividends on, redeem or repurchase our capital stock, make certain acquisitions or investments, incur or permit to exist certain liens, enter into transactions with affiliates or sell our assets to, merge or consolidate with or into, another company. Our debt agreements require us to satisfy certain financial tests and ratios. Our ability to satisfy such tests and ratios may be affected by events outside of our control.

If we breach the covenants under our debt agreements, the lenders could elect to declare all amounts outstanding under the agreements to be immediately due and payable and terminate all commitments to extend further credit. If we are unable to repay those amounts, the lenders could proceed against the collateral granted to them to secure that indebtedness. We have pledged substantially all of our assets as collateral under our debt agreement. If our lenders accelerate the repayment of borrowings, we cannot be certain that we will have sufficient assets to repay them.

We may not be able to generate sufficient cash to service all of our indebtedness and operating lease obligations, and we may be forced to take other actions to satisfy our obligations under our indebtedness and operating lease obligations, which may not be successful. If we fail to meet these obligations, we would be in default under our debt agreements and the lenders could elect to declare all amounts outstanding under them to be immediately due and payable and terminate all commitments to extend further credit.

Our ability to make scheduled payments on our debt obligations and to satisfy our operating lease obligations depends on our financial condition and operating performance, which is subject to prevailing economic and competitive conditions and to financial, business and other factors, many of which are beyond our control. We cannot be certain that we will maintain a level of cash flow from operating activities sufficient to permit us to pay the principal, premium, if any, and interest on our indebtedness, or to pay our operating lease obligations. If our cash flow and capital resources are insufficient to fund our debt service obligations and operating lease obligations, we may be forced to reduce or delay capital expenditures, sell assets, seek additional capital or restructure or refinance our indebtedness. These alternative measures may not be successful and may not permit us to meet our scheduled debt service obligations. In the absence of sufficient operating results and resources, we could face substantial liquidity problems and might be required to dispose of material assets or operations or take other actions to meet our debt service and other obligations. Our debt agreements restrict our ability to dispose of assets and how we may use the proceeds from the disposition. We may not be able to consummate those dispositions or to obtain the proceeds that we could otherwise realize from such dispositions and any such proceeds that are realized may not be adequate to meet any debt service obligations then due. The failure to meet our debt service obligations or the failure to remain in compliance with the financial covenants under our debt agreements would constitute an event of default under those agreements and the lenders could elect to declare all amounts outstanding under them to be immediately due and payable and terminate all commitments to extend further credit.

Risks Related to Our Common Stock

Our stock price is subject to volatility.

The stock market in general is highly volatile. As a result, the market price of our common stock is similarly volatile. The price of our common stock could be subject to wide fluctuations in response to a number of factors, some of which may be beyond our control. These factors include actual or anticipated fluctuations in our operating results, changes in, or our ability to achieve, estimates of our operating results by analysts, investors or management, analysts' recommendations regarding our stock or our competitors' stock, sales of substantial amounts of our common stock by our stockholders, actions or announcements by us or our competitors, the maintenance and growth of the value of our brands, litigation, legislation or other regulatory developments affecting us or our industry, natural disasters, terrorist acts, war or other calamities and changes in general market and economic conditions.

If we are unable to continue to pay dividends or repurchase our stock, your investment in our common stock may decline in value.

In 2015, we initiated a quarterly dividend program. Our Board of Directors has also authorized several stock repurchase programs commencing in late 2014 and we have repurchased a significant amount of our stock since that time. The continuation of these programs, at all or consistent with past levels, will require the generation of sufficient cash flows and the existence of surplus earnings. Any decisions to declare and pay dividends and continue stock repurchase programs in the future will be made at the discretion of our Board of Directors and will depend on, among other things, our results of operations, financial condition, cash requirements, borrowing capacity, contractual restrictions including debt covenants and other factors that our Board of Directors may deem relevant at the time.

If we discontinue our dividend or stock repurchase programs, or reduce the amount of the dividends we pay or stock that we repurchase, the price of our common stock may fall. As a result, you may not be able to resell your shares at or above the price you paid for them.

Provisions in our certificate of incorporation and bylaws, our Senior Secured Credit Facility and Delaware law may discourage, delay or prevent a change of control of our company or changes in our management and, therefore, may depress the trading price of our stock.

Our certificate of incorporation and bylaws include certain provisions that could have the effect of discouraging, delaying or preventing a change of control of our company or changes in our management.

In addition, our Senior Secured Credit Facility includes change of control provisions that require that no stockholder or "group" within the meaning of Sections 13(d) and 14(d) of the Exchange Act has obtained more than 40% of our voting power.

These provisions may discourage, delay or prevent a transaction involving a change in control of the Company that is in the best interests of our stockholders. Even in the absence of a takeover attempt, the existence of these provisions may adversely affect the prevailing market price of our common stock if they are viewed as discouraging future takeover attempts.

Section 203 of the Delaware General Corporation Law may affect the ability of an "interested stockholder" to engage in certain business combinations, including mergers, consolidations or acquisitions of additional shares, for a period of three years following the time that the stockholder becomes an "interested stockholder." An "interested stockholder" is defined to include persons owning directly or indirectly 15% or more of the outstanding voting stock of a corporation. Although we have elected in our certificate of incorporation not to be subject to Section 203 of the Delaware General Corporation Law our certificate of incorporation contains provisions that have the same effect as Section 203, except that they provide that our former private equity sponsors will not be deemed to be "interested stockholders," regardless of the percentage of our voting stock owned by them, and accordingly will not be subject to such restrictions.

Our ability to raise capital in the future may be limited, which could make us unable to fund our capital requirements.

Our business and operations may consume resources faster than we anticipate. In the future, we may need to raise additional funds through the issuance of new equity securities, debt or a combination of both. Additional financing 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 may 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.

Item 1B. Unresolved Staff Comments

Not applicable.

Item 2. Properties

During 2017 and 2016, we entered into sale-leaseback transactions with third-parties in which we sold 31 and 159 restaurant properties, respectively. As of December 31, 2017, we leased 95% of our restaurant sites from third parties and owned the remaining 5% of our restaurant sites. We had 1,489 system-wide restaurants located across the following states, territories or countries as of December 31, 2017:

COMPANY-OWNED

U.S.						INTERNATIONAL	
Alabama	19	Kentucky	17	Ohio	49	Brazil (1)	104
Arizona	13	Louisiana	23	Oklahoma	11	China (Mainland)	9
Arkansas	11	Maryland	40	Pennsylvania	46	Hong Kong	11
California	15	Massachusetts	17	Rhode Island	3		
Colorado	14	Michigan	34	South Carolina	37		
Connecticut	11	Minnesota	8	South Dakota	1		
Delaware	4	Mississippi	1	Tennessee	36		
Florida	219	Missouri	14	Texas	70		
Georgia	49	Nebraska	7	Utah	1		
Hawaii	6	Nevada	6	Vermont	1		
Illinois	25	New Hampshire	3	Virginia	60		
Indiana	23	New Jersey	39	West Virginia	8		
Iowa	7	New York	43	Wisconsin	12		
Kansas	7	North Carolina	65				
Total U.S. company-owned					1,075	Total International company-owned	124

FRANCHISE

U.S.				INTERNATIONAL			
Alabama	1	Nevada	10	Australia	8	Malaysia	2
Alaska	1	New Mexico	5	Bahamas	1	Mexico	5
Arizona	14	Ohio	1	Brazil	1	Philippines	4
California	59	Oregon	7	Canada	2	Puerto Rico	4
Colorado	16	South Dakota	1	Costa Rica	1	Qatar	1
Florida	1	Tennessee	3	Dominican Republic	2	Saudi Arabia	6
Georgia	1	Utah	5	Ecuador	1	Singapore	1
Idaho	6	Virginia	1	Guam	1	South Korea	72
Mississippi	7	Washington	21	Indonesia	3	Thailand	1
Montana	3	Wyoming	2	Japan	9		
Total U.S. franchise			165	Total International franchise			125

(1) The restaurant count for Brazil is reported as of November 2017 to correspond with the balance sheet date of this subsidiary.

Following is a summary of the location and leased square footage for our corporate offices as of December 31, 2017:

LOCATION (1)	USE	SQUARE FEET	LEASE EXPIRATION
Tampa, Florida	Corporate Headquarters	168,000	1/31/2025
São Paulo, Brazil	Brazil Operations Center	17,000	7/31/2021

(1) We also have other smaller office locations regionally in China (mainland) and Hong Kong.

Item 3. Legal Proceedings

For a description of our legal proceedings, see Note 19 - *Commitments and Contingencies*, of the Notes to our Consolidated Financial Statements of this Report.

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 AND DIVIDENDS

Our common stock is listed on the Nasdaq Global Select Market under the symbol "BLMN".

In 2014, our Board of Directors (our "Board") adopted a dividend policy under which it intends to declare quarterly cash dividends on shares of our common stock. Future dividend payments will depend on earnings, financial condition, capital expenditure requirements, surplus and other factors that our Board considers relevant. The terms of our debt agreements permit regular quarterly dividend payments, subject to certain restrictions. The following table sets forth for the periods indicated the high and low sales prices per share of our common stock as reported on Nasdaq and the dividends declared and paid during the periods indicated:

	SALES PRICE				DIVIDENDS DECLARED AND PAID (1)	
	2017		2016			
	HIGH	LOW	HIGH	LOW	2017	2016
First Quarter	$ 19.64	$ 16.58	$ 18.09	$ 14.91	$ 0.08	$ 0.07
Second Quarter	22.16	18.60	19.83	16.01	0.08	0.07
Third Quarter	21.70	16.11	19.89	17.21	0.08	0.07
Fourth Quarter	22.47	16.30	19.99	15.82	0.08	0.07

(1) See Part II, Item 7 "Management's Discussion and Analysis of Financial Condition and Results of Operations - DIVIDENDS AND SHARE REPURCHASES."

HOLDERS

As of February 23, 2018, there were 10 holders of record of our common stock. The number of registered holders does not include holders who are beneficial owners whose shares are held in street name by brokers and other nominees.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table presents the securities authorized for issuance under our equity compensation plans as of December 31, 2017:

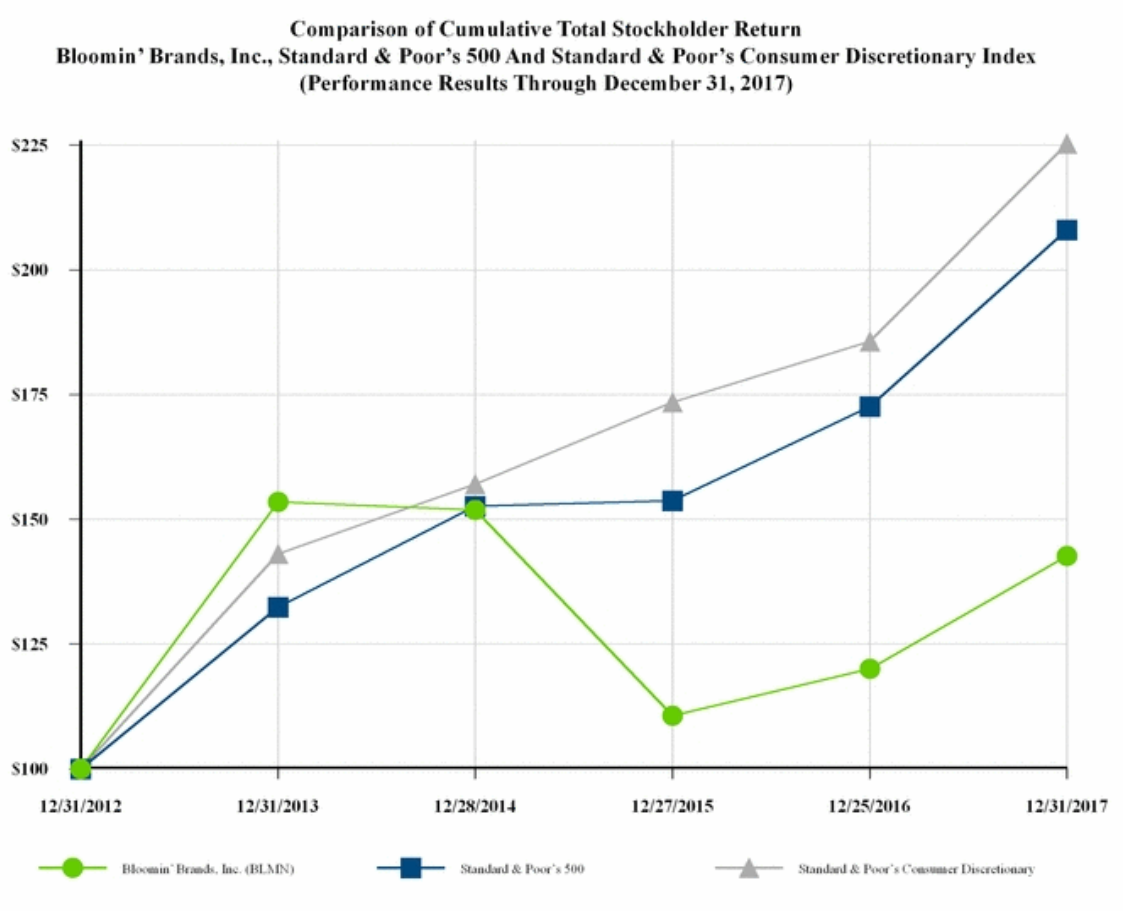
(shares in thousands)	(a)	(b)	(c)
PLAN CATEGORY	NUMBER OF SECURITIES TO BE ISSUED UPON EXERCISE OF OUTSTANDING OPTIONS, WARRANTS AND RIGHTS	WEIGHTED-AVERAGE EXERCISE PRICE OF OUTSTANDING OPTIONS, WARRANTS AND RIGHTS	NUMBER OF SECURITIES REMAINING AVAILABLE FOR FUTURE ISSUANCE UNDER EQUITY COMPENSATION PLANS (EXCLUDING SECURITIES REFLECTED IN COLUMN (a)) (1)
Equity compensation plans approved by security holders	10,051	$ 14.89	5,063

(1) The shares remaining available for issuance may be issued in the form of stock options, restricted stock, restricted stock units or other stock awards under the 2016 Omnibus Incentive Compensation Plan.

BLOOMIN' BRANDS, INC.

STOCK PERFORMANCE GRAPH

The following graph depicts total return to stockholders from December 31, 2012 through December 31, 2017, relative to the performance of the Standard & Poor's 500 Index and the Standard & Poor's 500 Consumer Discretionary Sector, a peer group. The graph assumes an investment of $100 in our common stock and each index on December 31, 2012 and the reinvestment of dividends paid since that date. The stock price performance shown in the graph is not necessarily indicative of future price performance.



	DECEMBER 31, 2012	DECEMBER 31, 2013	DECEMBER 28, 2014	DECEMBER 27, 2015	DECEMBER 25, 2016	DECEMBER 31, 2017
Bloomin' Brands, Inc. (BLMN)	$ 100.00	$ 153.52	$ 151.85	$ 110.60	$ 120.02	$ 142.69
Standard & Poor's 500	100.00	132.37	152.62	153.78	172.64	208.05
Standard & Poor's Consumer Discretionary	100.00	143.08	157.03	173.43	185.67	225.30

BLOOMIN' BRANDS, INC.

PURCHASES OF EQUITY SECURITIES BY THE ISSUER AND AFFILIATED PURCHASERS

The following table provides information regarding our purchases of common stock during the fourteen weeks ended December 31, 2017:

PERIOD	TOTAL NUMBER OF SHARES PURCHASED	AVERAGE PRICE PAID PER SHARE	TOTAL NUMBER OF SHARES PURCHASED AS PART OF PUBLICLY ANNOUNCED PLANS OR PROGRAMS	APPROXIMATE DOLLAR VALUE OF SHARES THAT MAY YET BE PURCHASED UNDER THE PLANS OR PROGRAMS (1)
September 25, 2017 through October 22, 2017	—	$ —	—	$ 55,000,223
October 23, 2017 through November 19, 2017	—	$ —	—	$ 55,000,223
November 20, 2017 through December 31, 2017	—	$ —	—	$ 55,000,223
Total	—		—	

(1) On April 21, 2017, the Board of Directors authorized the repurchase of $250.0 million of our outstanding common stock as announced in our press release issued on April 26, 2017 (the "2017 Share Repurchase Program"). On February 16, 2018, our Board of Directors canceled the remaining $55.0 million of authorization under the 2017 Share Repurchase Program and approved a new $150.0 million authorization (the "2018 Share Repurchase Program"), as announced in our press release issued on February 22, 2018. The 2018 Share Repurchase Program will expire on August 16, 2019.

Item 6. Selected Financial Data

(dollars in thousands, except per share data)	FISCAL YEAR 2017	2016	2015	2014	2013
Operating Results:					
Revenues					
Restaurant sales	$ 4,168,658	$ 4,226,057	$ 4,349,921	$ 4,415,783	$ 4,089,128
Franchise and other revenues	44,688	26,255	27,755	26,928	40,102
Total revenues (1)	$ 4,213,346	$ 4,252,312	$ 4,377,676	$ 4,442,711	$ 4,129,230
Income from operations (2)	$ 146,092	$ 127,606	$ 230,925	$ 191,964	$ 225,357
Net income including noncontrolling interests (2) (3)	$ 102,558	$ 46,347	$ 131,560	$ 95,926	$ 214,568
Net income attributable to Bloomin' Brands (2) (3)	$ 100,243	$ 41,748	$ 127,327	$ 91,090	$ 208,367
Basic earnings per share	$ 1.04	$ 0.37	$ 1.04	$ 0.73	$ 1.69
Diluted earnings per share (4)	$ 1.01	$ 0.37	$ 1.01	$ 0.71	$ 1.63
Cash dividends declared per common share	$ 0.32	$ 0.28	$ 0.24	$ —	$ —
Balance Sheet Data:					
Total assets	$ 2,572,907	$ 2,642,279	$ 3,032,569	$ 3,338,240	$ 3,267,421
Total debt, net	$ 1,118,104	$ 1,089,485	$ 1,316,864	$ 1,309,797	$ 1,408,088
Total stockholders' equity (5)	$ 49,471	$ 195,353	$ 421,900	$ 556,449	$ 482,709
Common stock outstanding (5)	91,913	103,922	119,215	125,950	124,784
Cash Flow Data:					
Investing activities:					
Capital expenditures	$ 260,589	$ 260,578	$ 210,263	$ 237,868	$ 237,214
Proceeds from sale-leaseback transactions, net	98,840	530,684	—	—	—
Financing activities:					
Repurchase of common stock (5)	$ 272,916	$ 310,334	$ 170,769	$ 930	$ 436

Note: This selected consolidated financial data should be read in conjunction with the consolidated financial statements and notes thereto, included in Item 8 of this Report and Management's Discussion and Analysis of Financial Condition and Results of Operations, included in Item 7 of this Report.

(1) There were 53 operating weeks in 2017, versus 52 operating weeks for the other periods presented. This additional week resulted in an increase in Total revenues of $80.4 million during 2017. Due to the change in our fiscal year end, Total revenues for 2015 includes $24.3 million of higher restaurant sales and Total revenues in 2014 includes $46.0 million of lower restaurant sales.

(2) 2017 includes: (i) $42.8 million of asset impairments and closing costs primarily related to certain approved closure and restructuring initiatives, the remeasurement of certain surplus properties and for our China subsidiary, (ii) $12.5 million of asset impairments and restaurant closing costs related to the relocation of certain restaurants and (iii) $11.0 million of severance expense incurred as a result a restructuring event. 2016 results include: (i) $51.4 million of asset impairments and closing costs related to certain approved closure and restructuring initiatives, (ii) $43.1 million of asset impairments related to the refranchising of Outback Steakhouse South Korea and for our Puerto Rico subsidiary, (iii) $7.2 million of asset impairments and restaurant closing costs related to the relocation of certain restaurants and (iv) $5.5 million of severance related to a restructuring event and the relocation of our Fleming's operations center to the corporate home office. 2015 results include $4.9 million of higher income from operations due to a change in our fiscal year end and $31.8 million of asset impairments and restaurant closing costs related to certain approved closure and restructuring initiatives. 2014 results include: (i) $9.2 million of lower income from operations due to a change in our fiscal year end, (ii) $26.8 million of asset impairments due to certain approved closure and restructuring initiatives, (iii) $24.0 million of asset impairments related to our Roy's concept and corporate airplanes and (iv) $9.0 million of severance related to our organizational realignment. 2013 includes $18.7 million of asset impairments due to certain approved closure and restructuring initiatives.

(3) Includes $27.0 million, $11.1 million and $14.6 million in 2016, 2014 and 2013, respectively, of loss on defeasance, extinguishment and modification of debt. Includes a $36.6 million gain on remeasurement of a previously held equity investment related to our Brazil acquisition and a $52.0 million income tax benefit for a U.S. valuation allowance release in 2013.

(4) Fiscal year 2017 includes $0.11 of additional diluted earnings per share from a 53rd operating week.

(5) During 2017, 2016 and 2015, we repurchased 13.8 million, 16.6 million and 7.6 million shares, respectively, of our outstanding common stock.

BLOOMIN' BRANDS, INC.
MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

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

Management's discussion and analysis of financial condition and results of operations should be read in conjunction with our consolidated financial statements and the related notes.

Overview

We are one of the largest casual dining restaurant companies in the world with a portfolio of leading, differentiated restaurant concepts. As of December 31, 2017, we owned and operated 1,199 restaurants and franchised 290 restaurants across 48 states, Puerto Rico, Guam and 19 countries. We have four founder-inspired concepts: Outback Steakhouse, Carrabba's Italian Grill, Bonefish Grill and Fleming's Prime Steakhouse & Wine Bar.

Executive Summary

Our 2017 financial results include:

- A decrease in total revenues of 0.9% to $4.2 billion in 2017 as compared to 2016, driven primarily by refranchising internationally and domestically. This decrease was partially offset by restaurant sales during the 53rd week of 2017, higher comparable restaurant sales and the effect of foreign currency translation.

- Income from operations increased to $146.1 million in 2017 as compared to $127.6 million in 2016, primarily due to lower impairment charges, the impact of the 53rd week in 2017, increases in franchise and other revenues and increases in average check per person. These increases were partially offset by higher general and administrative expense and labor costs.

Following is a summary of factors that impacted our operating results and liquidity in 2017 and significant actions we have taken during the year:

Refranchising and Sale Transactions - During 2017, we refranchised 54 and sold one of our U.S. Company-owned Outback Steakhouse and Carrabba's Italian Grill locations for aggregate cash proceeds of $46.1 million, net of certain closing adjustments. The transactions resulted in an aggregate net gain of $15.8 million within Other income (expense), net, in the Consolidated Statements of Operations and Other Comprehensive Income. See Note 3 - *Disposals* of our Notes to Consolidated Financial Statements for additional details.

New Credit Agreement - On November 30, 2017, we entered into a credit agreement, including OSI as co-borrower (the "Credit Agreement"), completing the refinancing of OSI's senior secured credit facility. The Credit Agreement provides for senior secured credit financing of up to $1.5 billion, consisting of a $500.0 million Term loan A and a $1.0 billion revolving credit facility, including letter of credit and swing line loan sub-facilities (the "Senior Secured Credit Facility"). The proceeds of the Senior Secured Credit Facility were used to pay down OSI's former credit facility (the "Former Credit Facility"). Our total indebtedness did not materially change as a result of the refinancing. See Note 12 - *Long-term Debt, Net* of the Notes to Consolidated Financial Statements for further information.

Sale-leaseback Transactions - During 2017, we entered into sale-leaseback transactions with third-parties in which we sold 31 restaurant properties at fair market value for gross proceeds of $108.0 million. With a portion of the proceeds from these transactions, we repaid our mortgage loan (the "PRP Mortgage Loan") in April 2017.

Share Repurchase Programs and Dividends - We repurchased 13.8 million shares of common stock during 2017 for a total of $272.7 million and paid $31.0 million of dividends. On February 16, 2018, our Board canceled the remaining $55.0 million of authorization under the 2017 Share Repurchase Program and approved a new $150.0 million authorization (the "2018 Share Repurchase Program"). The 2018 Share Repurchase Program will expire on August 16, 2019.

2017 Closure Initiative and Surplus Properties - On February 15, 2017, we decided to close 43 underperforming restaurants. Most of these restaurants were closed in 2017, with the balance closing as leases and certain operating covenants expire or are amended or waived. During 2017, we recognized impairment charges of $10.7 million in connection with the remeasurement of certain held and used surplus properties. See Note 4 - *Impairments and Exit Costs* of our Notes to Consolidated Financial Statements for additional details.

Express Concept - During 2017, we opened our first two Express units, which combine Outback Steakhouse and Carrabba's Italian Grill offerings in a delivery and take-out only format.

Casual Dining Industry Conditions

In 2017, the casual dining industry continued to experience considerable pressures driven by the changing landscape of the restaurant space. We believe casual dining traffic levels declined due to ongoing challenges including an oversupply of restaurants, the relative affordability and quality of prepared meals from supermarkets, and an increase in home delivery services. These changing industry dynamics have led to an increased emphasis on discounts and promotions to improve value. We expect these industry trends to continue in fiscal 2018.

Fiscal Year

We utilize a 52-53 week year ending on the last Sunday in December. In a 52 week fiscal year, each of our quarterly periods comprise 13 weeks. The additional operating week in a 53 week fiscal year is added to the fourth quarter. Fiscal year 2017 consisted of 53 weeks and fiscal years 2016 and 2015 consisted of 52 weeks. The additional operating week resulted in increases of $80.4 million in Total revenues and $0.11 of diluted earnings per share during fiscal year 2017.

Business Strategies

In 2018, our key business strategies include:

- *Elevate the 360-Degree Customer Experience.* We plan to continue to make investments to enhance our core guest experience, increase off-premise dining occasions, remodel and relocate restaurants, invest in digital marketing and data personalization and utilize the Dine Rewards loyalty program and multimedia marketing campaigns to drive traffic.

- *Optimize International Opportunities.* We continue to focus on existing geographic regions in South America, with strategic expansion in Brazil, and pursue franchise opportunities in Asia and the Middle East.

- *Engage with All Stakeholders Responsibly.* We take the responsibility to our people, customers and communities seriously and continue to invest in programs that support the wellbeing of those engaged with us.

- *Drive Long-Term Shareholder Value.* We plan to drive long-term shareholder value by reinvesting operational cash flow in our business, improving our credit profile and returning excess cash to shareholders through share repurchases and dividends.

We intend to fund our business strategies, in part, by utilizing productivity initiatives across our business. Productivity savings will be reinvested in the business to drive revenue growth and margin improvement.

Key Performance Indicators

Key measures that we use in evaluating our restaurants and assessing our business include the following:

- *Average restaurant unit volumes*—average sales per restaurant to measure changes in consumer traffic, pricing and development of the brand;

- *Comparable restaurant sales*—year-over-year comparison of sales volumes for Company-owned restaurants that are open 18 months or more in order to remove the impact of new restaurant openings in comparing the operations of existing restaurants;

- *System-wide sales*—total restaurant sales volume for all Company-owned, franchise and unconsolidated joint venture restaurants, regardless of ownership, to interpret the overall health of our brands;

- *Restaurant-level operating margin, Income from operations, Net income and Diluted earnings per share* — financial measures utilized to evaluate our operating performance.

  Restaurant-level operating margin is widely regarded in the industry as a useful metric to evaluate restaurant level operating efficiency and performance of ongoing restaurant-level operations, and we use it for these purposes, overall and particularly within our two segments. Our restaurant-level operating margin is expressed as the percentage of our Restaurant sales that Cost of sales, Labor and other related and Other restaurant operating (including advertising expenses) represent, in each case as such items are reflected in our Consolidated Statement of Operations. The following categories of our revenue and operating expenses are not included in restaurant-level operating margin because we do not consider them reflective of operating performance at the restaurant-level within a period:

  (i) Franchise and other revenues which are earned primarily from franchise royalties and other non-food and beverage revenue streams, such as rental and sublease income.
  (ii) Depreciation and amortization which, although substantially all is related to restaurant-level assets, represent historical sunk costs rather than cash outlays for the restaurants.
  (iii) General and administrative expense which includes primarily non-restaurant-level costs associated with support of the restaurants and other activities at our corporate offices.
  (iv) Asset impairment charges and restaurant closing costs which are not reflective of ongoing restaurant performance in a period.

  Restaurant-level operating margin excludes various expenses, as discussed above, that are essential to support the operations of our restaurants and may materially impact our Consolidated Statement of Operations. As a result, restaurant-level operating margin is not indicative of our consolidated results of operations and is presented exclusively as a supplement to, and not a substitute for, net income or income from operations. In addition, our presentation of restaurant operating margin may not be comparable to similarly titled measures used by other companies in our industry;

- *Adjusted restaurant-level operating margin, Adjusted income from operations, Adjusted net income, Adjusted diluted earnings per share*—non-GAAP financial measures utilized to evaluate our operating performance, which definitions, usefulness and reconciliations are described in more detail in the "Non-GAAP Financial Measures" section below; and

- *Consumer satisfaction scores*—measurement of our consumers' experiences in a variety of key areas.

Selected Operating Data

The table below presents the number of our restaurants in operation as of the end of the periods indicated:

	DECEMBER 31, 2017	DECEMBER 25, 2016	DECEMBER 27, 2015
Number of restaurants (at end of the period):			
U.S.			
Outback Steakhouse			
Company-owned (1)	585	650	650
Franchised (1)	155	105	105
Total	740	755	755
Carrabba's Italian Grill			
Company-owned (1)	225	242	244
Franchised (1)	3	2	3
Total	228	244	247
Bonefish Grill			
Company-owned	194	204	210
Franchised	7	6	5
Total	201	210	215
Fleming's Prime Steakhouse & Wine Bar			
Company-owned	69	68	66
Express			
Company-owned	2	—	—
U.S. Total	1,240	1,277	1,283
International			
Company-owned			
Outback Steakhouse - Brazil (2)	87	83	75
Outback Steakhouse - South Korea (3)	—	—	75
Other	37	29	16
Franchised			
Outback Steakhouse - South Korea (3)	72	73	—
Other	53	54	58
International Total	249	239	224
System-wide total	1,489	1,516	1,507

(1) In 2017, we sold 53 Outback Steakhouse restaurants and one Carrabba's Italian Grill restaurant, which are now operated as franchises.
(2) The restaurant counts for Brazil are reported as of November 30, 2017, 2016 and 2015, respectively, to correspond with the balance sheet dates of this subsidiary.
(3) In 2016, we sold our restaurant locations in South Korea, converting all restaurants in that market to franchised locations.

Results of Operations

The following table sets forth, for the periods indicated, the percentages of certain items in our Consolidated Statements of Operations and Comprehensive Income in relation to Total revenues or Restaurant sales, as indicated:

	FISCAL YEAR		
	2017	2016	2015
Revenues			
Restaurant sales	98.9 %	99.4 %	99.4 %
Franchise and other revenues	1.1	0.6	0.6
Total revenues	100.0	100.0	100.0
Costs and expenses			
Cost of sales (1)	31.6	32.1	32.6
Labor and other related (1)	29.3	28.7	27.7
Other restaurant operating (1)	23.5	23.5	23.1
Depreciation and amortization	4.6	4.6	4.3
General and administrative	7.3	6.3	6.6
Provision for impaired assets and restaurant closings	1.2	2.5	0.8
Total costs and expenses	96.5	97.0	94.7
Income from operations	3.5	3.0	5.3
Loss on defeasance, extinguishment and modification of debt	(*)	(0.6)	(0.1)
Other income (expense), net	0.4	*	(*)
Interest expense, net	(1.1)	(1.1)	(1.3)
Income before provision for income taxes	2.8	1.3	3.9
Provision for income taxes	0.4	0.2	0.9
Net income	2.4	1.1	3.0
Less: net income attributable to noncontrolling interests	0.1	0.1	0.1
Net income attributable to Bloomin' Brands	2.3 %	1.0 %	2.9 %

(1) As a percentage of Restaurant sales.
* Less than 1/10th of one percent of Total revenues.

Revenues

Restaurant sales - Following is a summary of the change in Restaurant sales:

	FISCAL YEAR	
(dollars in millions):	**2017 (1)**	**2016**
For fiscal years 2016 and 2015	$ 4,226.0	$ 4,349.9
Change from:		
Divestiture of restaurants through refranchising transactions (2)	(209.4)	(86.9)
Restaurant closings	(84.2)	(33.9)
Restaurant openings (3)	75.6	86.2
Comparable restaurant sales (3)	124.7	(57.7)
Effect of foreign currency translation	36.0	(31.6)
For fiscal years 2017 and 2016	$ 4,168.7	$ 4,226.0

(1) Includes $79.9 million of additional restaurant sales from the 53rd week of 2017.
(2) Includes $5.7 million related to divestiture of Roy's in 2016.
(3) Summation of quarterly changes for restaurant openings and comparable restaurant sales will not total to annual amounts as the restaurants that meet the definition of a comparable restaurant will differ each period based on when the restaurant opened.

The decrease in Restaurant sales in 2017 as compared to 2016 was primarily attributable to the refranchising internationally and domestically and the closing of 57 restaurants since December 27, 2015. The decrease in restaurant sales was partially offset by: (i) restaurant sales during the 53rd week of 2017, (ii) sales from 69 new restaurants not included in our comparable restaurant sales base, (iii) higher comparable restaurant sales and (iv) the effect of foreign currency translation, due to the appreciation of the Brazil Real.

The decrease in Restaurant sales in 2016 as compared to 2015 was primarily attributable to: (i) the refranchising of Outback Steakhouse South Korea restaurants in July 2016, (ii) lower U.S. comparable restaurant sales, (iii) the closing of 24 restaurants since December 28, 2014 and (iv) the effect of foreign currency translation, due to the depreciation of the Brazil Real. The decrease in restaurant sales was partially offset by sales from 92 new restaurants not included in our comparable restaurant sales base.

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Comparable Restaurant Sales and Average Check Per Person Increases (Decreases)

Following is a summary of comparable restaurant sales, traffic and average check per person increases (decreases):

	FISCAL YEAR		
	2017 (1)	2016	2015 (2)
Year over year percentage change:			
Comparable restaurant sales (stores open 18 months or more) (3):			
U.S.			
Outback Steakhouse	1.8 %	(2.3)%	1.8 %
Carrabba's Italian Grill	(1.2)%	(2.7)%	(0.7)%
Bonefish Grill	(1.7)%	(0.5)%	(3.3)%
Fleming's Prime Steakhouse & Wine Bar	(0.4)%	(0.2)%	1.3 %
Combined U.S.	0.5 %	(1.9)%	0.5 %
International			
Outback Steakhouse - Brazil (4)	6.3 %	6.7 %	6.3 %
Traffic:			
U.S.			
Outback Steakhouse	0.3 %	(5.7)%	(1.5)%
Carrabba's Italian Grill	(4.2)%	(2.7)%	(0.1)%
Bonefish Grill	(2.8)%	(3.7)%	(6.2)%
Fleming's Prime Steakhouse & Wine Bar	(5.5)%	(2.2)%	(0.2)%
Combined U.S.	(1.3)%	(4.7)%	(1.8)%
International			
Outback Steakhouse - Brazil	(0.2)%	0.2 %	0.5 %
Average check per person increases (decreases) (5):			
U.S.			
Outback Steakhouse	1.5 %	3.4 %	3.3 %
Carrabba's Italian Grill	3.0 %	— %	(0.6)%
Bonefish Grill	1.1 %	3.2 %	2.9 %
Fleming's Prime Steakhouse & Wine Bar	5.1 %	2.0 %	1.5 %
Combined U.S.	1.8 %	2.8 %	2.3 %
International			
Outback Steakhouse - Brazil	6.3 %	6.5 %	6.0 %

(1) For 2017, comparable restaurant sales compare the 53 weeks from December 26, 2016 through December 31, 2017 to the 53 weeks from December 28, 2015 through January 1, 2017.
(2) Includes $24.3 million higher restaurant sales recognized in 2015 due to a change in our fiscal year end.
(3) Comparable restaurant sales exclude the effect of fluctuations in foreign currency rates. Relocated international restaurants closed more than 30 days and relocated U.S. restaurants closed more than 60 days are excluded from comparable restaurant sales until at least 18 months after reopening.
(4) Includes trading day impact from calendar period reporting.
(5) Average check per person increases (decreases) includes the impact of menu pricing changes, product mix and discounts.

Average Restaurant Unit Volumes and Operating Weeks

Following is a summary of the average restaurant unit volumes and operating weeks:

	FISCAL YEAR		
(dollars in thousands)	**2017**	**2016**	**2015**
Average restaurant unit volumes:			
U.S.			
Outback Steakhouse	$ 3,542	$ 3,354	$ 3,430
Carrabba's Italian Grill	$ 2,960	$ 2,857	$ 2,954
Bonefish Grill	$ 3,079	$ 3,007	$ 3,019
Fleming's Prime Steakhouse & Wine Bar	$ 4,436	$ 4,277	$ 4,247
International			
Outback Steakhouse - Brazil (1)	$ 4,429	$ 3,856	$ 4,137
Operating weeks:			
U.S.			
Outback Steakhouse	31,969	33,812	33,758
Carrabba's Italian Grill	12,125	12,658	12,678
Bonefish Grill	10,411	10,667	10,731
Fleming's Prime Steakhouse & Wine Bar	3,585	3,469	3,432
International			
Outback Steakhouse - Brazil	4,441	4,096	3,563

(1) Translated at average exchange rates of 3.20, 3.50 and 3.19 for 2017, 2016 and 2015, respectively.

Franchise and other revenues

	FISCAL YEAR		
(dollars in millions)	**2017**	**2016**	**2015**
Franchise revenues (1)	$ 32.6	$ 19.8	$ 17.9
Other revenues	12.1	6.5	9.9
Franchise and other revenues	$ 44.7	$ 26.3	$ 27.8

(1) Represents franchise royalties and initial franchise fees.

COSTS AND EXPENSES

Cost of sales

	FISCAL YEAR			FISCAL YEAR		
(dollars in millions):	**2017**	**2016**	**Change**	**2016**	**2015**	**Change**
Cost of sales	$ 1,317.1	$ 1,354.9		$ 1,354.9	$ 1,419.7	
% of Restaurant sales	31.6%	32.1%	(0.5)%	32.1%	32.6%	(0.5)%

Cost of sales, consisting of food and beverage costs, decreased as a percentage of Restaurant sales in 2017 as compared to 2016. The decrease as a percentage of Restaurant sales was primarily due to: (i) 0.4% from increases in average check per person, (ii) 0.4% from lower beef costs and (iii) 0.3% from the impact of certain cost savings initiatives. These decreases were partially offset by increases as a percentage of Restaurant sales primarily due to 0.5% from higher other commodity costs.

The decrease as a percentage of Restaurant sales in 2016 as compared to 2015 was primarily due to: (i) 0.7% from the impact of certain cost savings initiatives and (ii) 0.4% from average check increases. These decreases were partially offset by increases as a percentage of Restaurant sales due to 0.5% from higher commodity costs.

In 2018, we expect commodity costs to increase 3.0% to 3.5%.

Labor and other related expenses

	FISCAL YEAR			FISCAL YEAR		
(dollars in millions):	2017	2016	Change	2016	2015	Change
Labor and other related	$ 1,219.6	$ 1,211.3		$ 1,211.3	$ 1,205.6	
% of Restaurant sales	29.3%	28.7%	0.6%	28.7%	27.7%	1.0%

Labor and other related expenses include all direct and indirect labor costs incurred in operations, including distribution expense to Restaurant Managing Partners, costs related to field deferred compensation plans and other field incentive compensation expenses. Labor and other related expenses increased as a percentage of Restaurant sales for 2017 as compared to 2016 primarily attributable to 1.5% of higher kitchen and service labor costs due to higher wage rates and investments in our service model. This was partially offset by a decrease as a percentage of Restaurant sales of 0.6% from increases in average check per person and 0.2% impact from the refranchising of Outback Steakhouse South Korea in 2016.

Labor and other related expenses increased as a percentage of Restaurant sales for 2016 as compared to 2015 due to 1.2% of higher kitchen and service labor costs due to higher wage rates and investments in our service model. This increase was partially offset by a decrease as a percentage of Restaurant sales due to 0.4% from increases in average check per person.

In 2018, we anticipate approximately 4.0% labor cost inflation.

Other restaurant operating expenses

	FISCAL YEAR			FISCAL YEAR		
(dollars in millions):	2017	2016	Change	2016	2015	Change
Other restaurant operating	$ 979.0	$ 992.2		$ 992.2	$ 1,006.8	
% of Restaurant sales	23.5%	23.5%	—%	23.5%	23.1%	0.4%

Other restaurant operating expenses include certain unit-level operating costs such as operating supplies, rent, repairs and maintenance, advertising expenses, utilities, pre-opening costs and other occupancy costs. A substantial portion of these expenses is fixed or indirectly variable. Other restaurant operating expenses was flat for 2017 as compared to 2016 and was the result of increases as a percentage of Restaurant sales primarily due to 0.5% from operating expense inflation and 0.3% from higher rent expense due to the sale-leaseback of certain properties. These increases were offset by a decrease as a percentage of Restaurant sales primarily due to 0.6% from lower advertising expenses in 2017 and 0.2% from the impact of certain cost savings initiatives.

The increase as a percentage of Restaurant sales for 2016 as compared to 2015 was primarily due to 0.4% from an increase in operating expenses due to inflation and timing and 0.3% from higher net rent expense due to the sale-leaseback of certain properties. These increases were partially offset by a decrease as a percentage of Restaurant sales primarily due to 0.3% from the impact of certain cost savings initiatives.

Depreciation and amortization

	FISCAL YEAR			FISCAL YEAR		
(dollars in millions):	2017	2016	Change	2016	2015	Change
Depreciation and amortization	$ 192.3	$ 193.8	$ (1.5)	$ 193.8	$ 190.4	$ 3.4

Depreciation and amortization decreased for 2017 as compared to 2016 primarily due to: (i) disposal of assets related to the sale-leaseback of certain properties, (ii) refranchising internationally and domestically and (iii) assets impaired in connection with the 2017 Closure Initiative, partially offset by additional depreciation expense related to the opening of new restaurants and the relocation or remodel of our existing restaurants.

Depreciation and amortization increased for 2016 as compared to 2015 primarily due to the opening of new restaurants and the remodeling of existing restaurants, partially offset by lower depreciation expense related to: (i) the refranchising of Outback South Korea, (ii) impairments related to the Bonefish Grill Restructuring and (iii) the effect of foreign currency translation.

General and administrative expenses

General and administrative expense includes salaries and benefits, management incentive programs, related payroll tax and benefits, other employee-related costs and professional services. Following is a summary of the changes in general and administrative expenses:

	FISCAL YEAR	
(dollars in millions):	2017	2016
For fiscal years 2016 and 2015	$ 268.0	$ 287.6
Change from:		
Incentive compensation (1)	23.0	(9.4)
Legal and professional fees	5.9	(5.2)
Severance	4.4	3.6
Life insurance and deferred compensation	2.8	(10.2)
Foreign currency exchange	2.6	(3.4)
Computer expense	1.7	1.0
Employee stock-based compensation	—	1.5
Compensation, benefits and payroll tax	(4.9)	—
Other	3.5	2.5
For fiscal years 2017 and 2016	$ 307.0	$ 268.0

(1) The increase in incentive compensation was driven by improved sales and profit performance against current year objectives.

Provision for impaired assets and restaurant closings

	FISCAL YEAR			FISCAL YEAR		
(dollars in millions):	2017	2016	Change	2016	2015	Change
Provision for impaired assets and restaurant closings	$ 52.3	$ 104.6	$ (52.3)	$ 104.6	$ 36.7	$ 67.9

Restructuring and Closure Initiatives - Following is a summary of expenses related to the 2017 Closure Initiative, Bonefish Restructuring and Pre-2015 Restaurant Closure Initiatives (the "Closure Initiatives") recognized in Provision for impaired assets and restaurant closings in our Consolidated Statements of Operations and Comprehensive Income for the periods indicated:

	FISCAL YEAR		
(dollars in millions)	**2017**	**2016**	**2015**
Impairment, facility closure and other expenses			
2017 Closure Initiative (1)	$ 20.4	$ 46.5	$ —
Bonefish Restructuring (2)	3.8	4.9	24.2
Pre-2015 Closure Initiatives (3)	—	—	7.6
Impairment, facility closure and other expenses for Closure Initiatives	$ 24.2	$ 51.4	$ 31.8

(1) On February 15, 2017 and August 28, 2017, we decided to close 43 underperforming restaurants in the U.S. and two Abbraccio restaurants outside of the core markets of São Paulo and Rio de Janeiro in Brazil (the "2017 Closure Initiative"). In connection with the 2017 Closure Initiative, we reassessed the future undiscounted cash flows of the impacted restaurants, and as a result, we recognized pre-tax asset impairments. We expect to incur additional charges of approximately $2.9 million to $3.8 million for the 2017 Closure Initiative over the next two years, including costs associated with lease obligations.

(2) In February 2016, we decided to close 14 Bonefish restaurants (the "Bonefish Restructuring"). We expect to substantially complete these restaurant closings through the first quarter of 2019 and we expect to incur additional charges of approximately $1.6 million to $2.3 million for the Bonefish Restructuring over the next two years, including costs associated with lease obligations.

(3) During 2014 and 2013, we decided to close 36 underperforming international locations, primarily in South Korea and 22 underperforming domestic locations (the "Pre-2015 Closure Initiatives").

Sale of Outback Steakhouse South Korea - On July 25, 2016, we completed the sale of Outback Steakhouse South Korea, converting all restaurants in that market to franchised locations. In connection with the decision to sell Outback Steakhouse South Korea, we recognized an impairment charge of $39.6 million during 2016.

Surplus Properties - During 2017, we recognized impairment charges of $10.7 million in connection with the remeasurement of certain held and used surplus properties.

Other Impairments - During the fourth quarter of 2017, we recognized asset impairment charges of $6.3 million for our China subsidiary. During 2016, we recognized impairment charges of $3.5 million for our Puerto Rico subsidiary.

The remaining restaurant impairment and closing charges resulted from: (i) the carrying value of a restaurant's assets exceeding its estimated fair market value, primarily due to locations identified for relocation, sale or closure and (ii) lease liabilities.

Income from operations

	FISCAL YEAR			FISCAL YEAR		
(dollars in millions):	**2017**	**2016**	**Change**	**2016**	**2015**	**Change**
Income from operations	$ 146.1	$ 127.6		$ 127.6	$ 230.9	
% of Total revenues	3.5%	3.0%	0.5%	3.0%	5.3%	(2.3)%

The increase in income from operations during 2017 as compared to 2016 was primarily due to lower impairment charges, primarily related to the 2017 Closure Initiative and refranchising of Outback Steakhouse South Korea in 2016, the impact of the 53rd week in 2017, increases in franchise and other revenues and increases in average check per person. These increases were partially offset by higher general and administrative expense and labor costs.

The decrease in income from operations during 2016 as compared to 2015 was primarily due to impairment charges incurred in connection with the 2017 Closure Initiative and the refranchising of Outback South Korea, higher labor

costs and commodity and operating expense inflation. These decreases were partially offset by lower general and administrative expense, the impact of certain cost saving initiatives and increases in average check per person.

Loss on defeasance, extinguishment and modification of debt

	FISCAL YEAR			FISCAL YEAR		
(dollars in millions)	2017	2016	Change	2016	2015	Change
Loss on defeasance, extinguishment and modification of debt	$ 1.1	$ 27.0	$ (25.9)	$ 27.0	$ 3.0	$ 24.0

We recognized a loss on defeasance, extinguishment and modification of debt in connection with the: (i) the defeasance of the 2012 CMBS loan and the amendment of the PRP Mortgage Loan in 2016 and (ii) the refinancing of our Senior Secured Credit Facility in 2017 and 2015.

Other income (expense), net

Other income (expense), net, includes items deemed to be non-operating based on management's assessment of the nature of the item in relation to our core operations:

	FISCAL YEAR			FISCAL YEAR		
(dollars in millions):	2017	2016	Change	2016	2015	Change
Other income (expense), net	$ 14.9	$ 1.6	$ 13.3	$ 1.6	$ (0.9)	$ 2.5

We recorded other income (expense) primarily in connection with: (i) gains on sale of 55 of our U.S. Company-owned locations during 2017, (ii) a gain on refranchising of Outback Steakhouse South Korea in 2016 and (iii) a loss on sale of our Roy's business during 2015.

Interest expense, net

	FISCAL YEAR			FISCAL YEAR		
(dollars in millions):	2017	2016	Change	2016	2015	Change
Interest expense, net	$ 41.4	$ 45.7	$ (4.3)	$ 45.7	$ 56.2	$ (10.5)

The decrease in interest expense, net in 2017 as compared to 2016 was primarily due to refinancing of the 2012 CMBS loan in February 2016 and subsequent repayment of the PRP Mortgage loan in April 2017, partially offset by additional draws on our revolving credit facility and increasing interest rates.

The decrease in interest expense, net in 2016 as compared to 2015 was primarily due to the refinancing of the 2012 CMBS loan in February 2016, partially offset by deferred financing fee amortization, additional draws on our revolving credit facility and expense related to the interest rate swaps.

Provision for income taxes

	FISCAL YEAR			FISCAL YEAR		
	2017	2016	Change	2016	2015	Change
Effective income tax rate	13.5%	18.0%	(4.5)%	18.0%	23.0%	(5.0)%

The net decrease in the effective income tax rate in 2017 as compared to 2016 was primarily due to impairment and additional tax liabilities recorded in connection with the refranchising of Outback Steakhouse South Korea in 2016. The remaining decrease was primarily due to a domestic manufacturing deduction and excess tax benefits from equity-

based compensation arrangements recorded in 2017. These decreases were mostly offset by employment-related credits being a lower percentage of net income in 2017 relative to 2016 and the impact of the Tax Act.

The net decrease in the effective income tax rate in 2016 as compared to 2015 was primarily due to benefits from employment-related credits being a higher percentage of net income in 2016 and a change in the amount and mix of income and losses across our domestic and international subsidiaries, partially offset by the refranchising of Outback Steakhouse South Korea.

The effective income tax rate for 2017, 2016 and 2015 was lower than the blended federal and state statutory rate of 39.0%, primarily due to the benefit of tax credits for FICA taxes on certain employees' tips.

We estimate our effective income tax rate for 2018 will be between 9% and 10%.

Segments

We have two reportable segments, U.S. and International, which reflects how we manage our business, review operating performance and allocate resources. The U.S. segment includes all brands operating in the U.S. while brands operating outside the U.S. are included in the International segment. Resources are allocated and performance is assessed by our Chief Executive Officer, whom we have determined to be our Chief Operating Decision Maker.

Revenues for both segments include only transactions with customers and excludes intersegment revenues. Excluded from income from operations for U.S. and International are legal and certain corporate costs not directly related to the performance of the segments, certain stock-based compensation expenses and certain bonus expense.

Following is a reconciliation of segment income (loss) from operations to the consolidated operating results:

	FISCAL YEAR		
(dollars in thousands)	2017	2016	2015
Segment income (loss) from operations			
U.S.	$ 297,260	$ 286,683	$ 348,731
International	28,916	(5,954)	34,597
Total segment income from operations	326,176	280,729	383,328
Unallocated corporate operating expense	(180,084)	(153,123)	(152,403)
Total income from operations	146,092	127,606	230,925
Loss on defeasance, extinguishment and modification of debt	(1,069)	(26,998)	(2,956)
Other income (expense), net	14,912	1,609	(939)
Interest expense, net	(41,392)	(45,726)	(56,176)
Income before Provision for income taxes	$ 118,543	$ 56,491	$ 170,854

U.S. Segment

(dollars in thousands)	FISCAL YEAR 2017	2016	2015
Revenues			
Restaurant sales	$ 3,718,261	$ 3,777,907	$ 3,857,162
Franchise and other revenues	32,698	19,402	22,581
Total revenues	$ 3,750,959	$ 3,797,309	$ 3,879,743
Restaurant-level operating margin	15.1%	15.4%	16.0%
Income from operations	297,260	286,683	348,731
Operating income margin	7.9%	7.5%	9.0%

Restaurant sales

Following is a summary of the change in U.S. segment Restaurant sales for 2017 and 2016:

(dollars in millions)	FISCAL YEAR 2017 (1)	2016
For fiscal years 2016 and 2015	$ 3,777.9	$ 3,857.2
Change from:		
Divestiture of restaurants through refranchising transactions (2)	(118.9)	(5.7)
Restaurant closings	(81.2)	(25.1)
Restaurant openings (3)	33.7	24.0
Comparable restaurant sales (3)	106.8	(72.5)
For fiscal years 2017 and 2016	$ 3,718.3	$ 3,777.9

(1) Includes $79.9 million of additional restaurant sales from the 53rd week of 2017.
(2) Fiscal year 2016 includes $5.7 million related to divestiture of Roy's.
(3) Summation of quarterly changes for restaurant openings and comparable restaurant sales will not total to annual amounts as the restaurants that meet the definition of a comparable restaurant will differ each period based on when the restaurant opened.

The decrease in U.S. Restaurant sales in 2017 was primarily attributable to the refranchising of certain Company-owned restaurants during the second quarter and the closing of 52 restaurants since December 27, 2015. The decrease in U.S. Restaurant sales was partially offset by: (i) restaurant sales during the 53rd week of 2017, (ii) sales from 21 new restaurants not included in our comparable restaurant sales base and (iii) an increase in comparable restaurant sales.

The decrease in U.S. Restaurant sales in 2016 as compared to 2015 was primarily attributable to: (i) lower comparable restaurant sales, (ii) the closing of 18 restaurants since December 28, 2014 and (iii) the sale of 20 Roy's restaurants in January 2015. The decrease in U.S. Restaurant sales was partially offset by sales from 38 new restaurants not included in our comparable restaurant sales base.

Restaurant-level operating margin

The decrease in U.S. restaurant-level operating margin in 2017 as compared to 2016 was primarily due to: (i) higher kitchen and service labor costs due to higher wage rates and investments in our service model, (ii) an increase in operating expenses due to inflation and timing and (iii) higher net rent expense due to the sale-leaseback of certain properties. These increases were partially offset by: (i) lower advertising expense, (ii) the impact of certain cost saving initiatives and (iii) increases in average check per person.

The decrease in U.S. restaurant-level operating margin in 2016 as compared to 2015 was primarily due to: (i) higher kitchen and service labor costs due to higher wage rates and investments in our service model, (ii) an increase in operating expenses due to inflation and timing and (iii) higher net rent expense due to the sale-leaseback of certain properties. These increases were partially offset by: (i) the impact of certain cost saving initiatives and (ii) increases in average check per person.

Income from operations

The increase in U.S. income from operations generated in 2017 as compared to 2016 was primarily due to: (i) lower impairment and restaurant closing costs, primarily related to the 2017 Closure Initiative in 2016 and (ii) increases in franchise and other revenues, partially offset by a decrease in operating margin at the restaurant-level.

The decrease in U.S. income from operations generated in 2016 as compared to 2015 was primarily due to: (i) higher impairment and restaurant closing costs, primarily related to the 2017 Closure Initiative and (ii) lower operating margin at the restaurant level, partially offset by lower general and administrative expense. General and administrative expense for the U.S. segment decreased primarily from lower deferred compensation expense due to the acquisition of a managing partner's interests in certain Outback Steakhouse restaurants.

International Segment

	FISCAL YEAR		
(dollars in thousands)	**2017**	**2016**	**2015**
Revenues			
Restaurant sales	$ 450,397	$ 448,150	$ 492,759
Franchise and other revenues	11,990	6,853	5,174
Total revenues	$ 462,387	$ 455,003	$ 497,933
Restaurant-level operating margin	20.6%	18.8 %	19.3%
Income (loss) from operations	28,916	(5,954)	34,597
Operating income (loss) margin	6.3%	(1.3)%	6.9%

Restaurant sales

Following is a summary of the change in International Segment Restaurant sales:

	FISCAL YEAR	
(dollars in millions)	**2017**	**2016**
For fiscal years 2016 and 2015	$ 448.2	$ 492.8
Change from:		
Restaurant openings (1)	41.9	62.2
Effect of foreign currency translation	36.0	(31.6)
Comparable restaurant sales (1)	17.9	14.8
Refranchising of Outback Steakhouse South Korea	(90.5)	(81.2)
Restaurant closings	(3.1)	(8.8)
For fiscal years 2017 and 2016	$ 450.4	$ 448.2

(1) Summation of quarterly changes for restaurant openings and comparable restaurant sales will not total to annual amounts as the restaurants that meet the definition of a comparable restaurant will differ each period based on when the restaurant opened.

The increase in Restaurant sales in 2017 was primarily attributable to: (i) sales from 48 new restaurants not included in our comparable restaurant sales base, (ii) the effect of foreign currency translation due to appreciation of the Brazilian

Real and (iii) an increase in comparable restaurant sales. The increase in restaurant sales was partially offset by the refranchising of 72 Outback Steakhouse South Korea restaurants in July 2016.

The decrease in Restaurant sales in 2016 as compared to 2015 was primarily attributable to: (i) the refranchising of 72 Outback Steakhouse South Korea restaurants in July 2016, (ii) the effect of foreign currency translation and (iii) the closing of six restaurants since December 28, 2014. The decrease in restaurant sales was partially offset by: (i) sales from 54 new restaurants not included in our comparable restaurant sales base and (ii) an increase in comparable restaurant sales.

Restaurant-level operating margin

The increase in International restaurant-level operating margin in 2017 as compared to 2016 was primarily due to: (i) increases in average check per person, (ii) the impact of the refranchising of Outback Steakhouse South Korea in 2016 and (iii) the impact of certain cost saving initiatives. The increase was partially offset by labor, commodity and operating expense inflation.

The decrease in International restaurant-level operating margin in 2016 as compared to 2015 was primarily due to: (i) higher commodity and labor inflation and (ii) higher operating expenses due to inflation. The decrease was partially offset by: (i) increases in average check per person and (ii) the impact of certain cost saving initiatives.

Income (loss) from operations

The increase in International income from operations in 2017 as compared to 2016 was primarily due to: (i) lower impairment charges, primarily related to the refranchising of Outback Steakhouse South Korea in 2016, (ii) higher operating margin at the restaurant-level and (iii) increases in franchise and other revenues, partially offset by higher general and administrative expense. General and administrative expense for the International segment increased primarily from the effects of foreign currency translation.

The decrease in International income from operations in 2016 as compared to 2015 was primarily due to higher impairment charges related to the refranchising of Outback Steakhouse South Korea and lower operating margin at the restaurant-level, partially offset by lower general and administrative expense.

Non-GAAP Financial Measures

In addition to the results provided in accordance with U.S. GAAP, we provide certain non-GAAP measures, which present operating results on an adjusted basis. These are supplemental measures of performance that are not required by or presented in accordance with U.S. GAAP and include the following: (i) system-wide sales, (ii) Adjusted restaurant-level operating margins, (iii) Adjusted income from operations and the corresponding margins, (iv) Adjusted net income and (v) Adjusted diluted earnings per share.

We believe that our use of non-GAAP financial measures permits investors to assess the operating performance of our business relative to our performance based on U.S. GAAP results and relative to other companies within the restaurant industry by isolating the effects of certain items that may vary from period to period without correlation to core operating performance or that vary widely among similar companies. However, our inclusion of these adjusted measures should not be construed as an indication that our future results will be unaffected by unusual or infrequent items or that the items for which we have made adjustments are unusual or infrequent or will not recur. We believe that the disclosure of these non-GAAP measures is useful to investors as they form part of the basis for how our management team and Board of Directors evaluate our operating performance, allocate resources and establish employee incentive plans.

These non-GAAP financial measures are not intended to replace U.S. GAAP financial measures, and they are not necessarily standardized or comparable to similarly titled measures used by other companies. We maintain internal

guidelines with respect to the types of adjustments we include in our non-GAAP measures. These guidelines endeavor to differentiate between types of gains and expenses that are reflective of our core operations in a period, and those that may vary from period to period without correlation to our core performance in that period. However, implementation of these guidelines necessarily involves the application of judgment, and the treatment of any items not directly addressed by, or changes to, our guidelines will be considered by our disclosure committee. Refer to the reconciliations of non-GAAP measures for descriptions of the actual adjustments made in the current period and the corresponding prior period.

As previously announced, based on a review of our non-GAAP presentations, we determined that, commencing with our results for the first fiscal quarter of 2017, when presenting the non-GAAP measures Adjusted income from operations and the corresponding margins, Adjusted net income and Adjusted diluted earnings per share, we no longer adjust for expenses incurred in connection with our remodel program or intangible amortization recorded as a result of the acquisition of our Brazil operations. We recast the historical comparable periods to conform to the revised presentation.

System-Wide Sales

System-wide sales is a non-GAAP financial measure that includes sales of all restaurants operating under our brand names, whether we own them or not. Management uses this information to make decisions about future plans for the development of additional restaurants and new concepts, as well as evaluation of current operations. System-wide sales comprise sales of Company-owned and franchised restaurants.

Following is a summary of sales of Company-owned restaurants:

	FISCAL YEAR		
COMPANY-OWNED RESTAURANT SALES (dollars in millions):	**2017**	**2016**	**2015**
U.S.			
Outback Steakhouse (1)	$ 2,136	$ 2,180	$ 2,226
Carrabba's Italian Grill (1)	677	696	720
Bonefish Grill	605	617	623
Fleming's Prime Steakhouse & Wine Bar	300	285	280
Other	1	—	8
U.S. Total	3,719	3,778	3,857
International			
Outback Steakhouse-Brazil	377	303	283
Outback Steakhouse-South Korea (2)	—	90	172
Other	73	55	38
International Total	450	448	493
Total Company-owned restaurant sales	$ 4,169	$ 4,226	$ 4,350

(1) In 2017, we sold 53 Outback Steakhouse restaurants and one Carrabba's Italian Grill restaurant, which are now operated as franchises.
(2) On July 25, 2016, we sold our restaurant locations in South Korea, converting all restaurants in that market to franchised locations.

The following table provides a summary of sales of franchised restaurants, which are not included in our consolidated financial results, and our income from the royalties and/or service fees that franchisees pay us based generally on a percentage of sales. The following table does not represent our sales and is presented only as an indicator of changes in the restaurant system, which management believes is important information regarding the health of our restaurant concepts and in determining our royalties and/or service fees.

	FISCAL YEAR		
FRANCHISE SALES (dollars in millions): (1)	**2017**	**2016**	**2015**
U.S.			
Outback Steakhouse (2)	$ 459	$ 334	$ 340
Carrabba's Italian Grill (2)	10	11	9
Bonefish Grill	14	13	12
U.S. Total	483	358	361
International			
Outback Steakhouse-South Korea (3)	186	74	—
Other	115	111	115
International Total	301	185	115
Total franchise sales (1)	$ 784	$ 543	$ 476
Income from franchises (4)	$ 33	$ 20	$ 18

(1) Franchise sales are not included in Total revenues in the Consolidated Statements of Operations and Comprehensive Income.
(2) In 2017, we sold 53 Outback Steakhouse restaurants and one Carrabba's Italian Grill restaurant, which are now operated as franchises.
(3) On July 25, 2016, we sold our restaurant locations in South Korea, converting all restaurants in that market to franchised locations.
(4) Represents the franchise royalty income and initial franchise fees included in the Consolidated Statements of Operations and Comprehensive Income in Franchise and other revenues.

Adjusted restaurant-level operating margin

Restaurant-level operating margin is calculated as Restaurant sales after deduction of the main restaurant-level operating costs, which includes Cost of sales, Labor and other related and Other restaurant operating expenses. Adjusted restaurant-level operating margin is Restaurant-level operating margin adjusted for certain items, as noted below. The following tables show the percentages of certain operating cost financial statement line items in relation to Restaurant sales on both a U.S. GAAP basis and an adjusted basis, as indicated:

	FISCAL YEAR					
	2017		**2016**		**2015**	
	U.S. GAAP	**ADJUSTED (1)**	**U.S. GAAP**	**ADJUSTED (2)**	**U.S. GAAP**	**ADJUSTED (3)**
Restaurant sales	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Cost of sales	31.6%	31.6%	32.1%	32.1%	32.6%	32.6%
Labor and other related	29.3%	29.3%	28.7%	28.7%	27.7%	27.8%
Other restaurant operating	23.5%	23.6%	23.5%	23.6%	23.1%	23.1%
Restaurant-level operating margin	15.7%	15.5%	15.8%	15.7%	16.5%	16.5%

(1) Includes adjustments for the write-off of $5.7 million of deferred rent liabilities associated with approved closure and restructuring initiatives and our relocation program, recorded in Other restaurant operating.
(2) Includes adjustments for the write-off of $5.9 million of deferred rent liabilities, primarily related to approved closure and restructuring initiatives, partially offset by $2.3 million of legal settlement costs related to the Sears matter. The reversal of the deferred rent liabilities and the legal settlement were recorded in Other restaurant operating.
(3) Includes adjustments for the favorable resolution of payroll tax audit contingencies of $5.6 million, partially offset by legal settlement costs of $4.0 million, primarily related to the Cordoza litigation. The payroll audit adjustment was recorded in Labor and other related and the legal settlement was recorded in Other restaurant operating.

BLOOMIN' BRANDS, INC.
MANAGEMENT'S DISCUSSION AND ANALYSIS OF
FINANCIAL CONDITION AND RESULTS OF OPERATIONS - Continued

Adjusted income from operations, Adjusted net income and Adjusted diluted earnings per share

The following table reconciles Adjusted income from operations and the corresponding margins, Adjusted net income and Adjusted diluted earnings per share to their respective most comparable U.S. GAAP measures:

	FISCAL YEAR		
(dollars in thousands, except per share amounts)	**2017**	**2016**	**2015**
Income from operations	$ 146,092	$ 127,606	$ 230,925
Operating income margin	3.5%	3.0%	5.3%
Adjustments:			
Restaurant impairments and closing costs (1)	23,770	45,806	33,507
Asset impairments and related costs (2)	18,997	44,680	746
Restaurant relocations and related costs (3)	12,539	8,971	3,185
Severance (4)	11,006	5,463	—
Transaction-related expenses (5)	1,447	1,910	1,294
Legal and contingent matters (6)	553	2,340	5,843
Payroll tax audit contingency (7)	—	—	(5,587)
Total income from operations adjustments	$ 68,312	$ 109,170	$ 38,988
Adjusted income from operations	$ 214,404	$ 236,776	$ 269,913
Adjusted operating income margin	5.1%	5.6%	6.2%
Net income attributable to Bloomin' Brands	$ 100,243	$ 41,748	$ 127,327
Adjustments:			
Income from operations adjustments	68,312	109,170	38,988
Loss on defeasance, extinguishment and modification of debt (8)	1,069	26,998	2,956
Gain on disposal of business and other costs (9)	(14,854)	(1,632)	1,328
Total adjustments, before income taxes	54,527	134,536	43,272
Adjustment to provision for income taxes (7) (10)	(18,885)	(33,100)	(13,669)
Net adjustments	35,642	101,436	29,603
Adjusted net income	$ 135,885	$ 143,184	$ 156,930
Diluted earnings per share	$ 1.01	$ 0.37	$ 1.01
Adjusted diluted earnings per share	$ 1.36	$ 1.25	$ 1.25
Diluted weighted average common shares outstanding	99,707	114,311	125,585

(1) Represents expenses incurred primarily for approved closure and restructuring initiatives.
(2) Represents asset impairment charges and related costs primarily associated with: (i) the remeasurement of certain surplus properties in 2017, (ii) our China subsidiary in 2017, (iii) our Puerto Rico subsidiary in 2016, (iv) the decision to sell Outback Steakhouse South Korea in 2016 and (v) the sale of corporate aircraft in 2015.
(3) Represents asset impairment charges and accelerated depreciation incurred in connection with our relocation program.
(4) Relates to severance expense incurred as a result of: (i) restructuring events in 2017 and 2016 and (ii) the relocation of our Fleming's operations center to the corporate home office in 2016.
(5) Relates primarily to the following: (i) professional fees related to certain income tax items in which the associated tax benefit is adjusted in Adjustments to provision for income taxes in 2017, as described in footnote 10 to this table and (ii) costs incurred in connection with our sale-leaseback initiative.
(6) Represents fees and expenses related to certain legal and contingent matters, including the Sears litigation in 2016 and the Cardoza litigation in 2015.
(7) Relates to a payroll tax audit contingency adjustment for the employer's share of FICA taxes related to cash tips allegedly received and unreported by our employees during calendar year 2011, which is recorded in Labor and other related. In addition, a deferred income tax adjustment has been recorded for the allowable income tax credits for the employer's share expected to be paid, included in Provision for income taxes and offsets the adjustment to Labor and other related expenses. As a result, there is no impact to Net income from this adjustment.

(8) Relates to: (i) refinancing of our Senior Secured Credit Facility in 2017 and 2015, (ii) modification of our Credit Agreement in 2017 and (iii) amendment of the PRP Mortgage loan and defeasance of the 2012 CMBS loan in 2016.

(9) Primarily relates to: (i) gains on the sale of 55 U.S. Company-owned restaurants in 2017, (ii) expenses related to certain surplus properties in 2017 and (iii) a gain on the refranchising of Outback Steakhouse South Korea during 2016.

(10) Includes the impact of the Tax Act ($1.9 million), other discretionary tax adjustments, including the allowable income tax credits in 2015 for the employer's share of FICA taxes discussed in footnote 7 above, and the income tax effect of non-GAAP adjustments.

Liquidity and Capital Resources

LIQUIDITY

Our liquidity sources consist of cash flow from our operations, cash and cash equivalents and credit capacity under our credit facilities. We expect to use cash primarily for general operating expenses, share repurchases and dividend payments, remodeling or relocating older restaurants, principal and interest payments on our debt, development of new restaurants and new markets, obligations related to our deferred compensation plans and investments in technology.

We believe that our expected liquidity sources are adequate to fund debt service requirements, lease obligations, capital expenditures and working capital obligations for the 12 months following this filing. However, our ability to continue to meet these requirements and obligations will depend on, among other things, our ability to achieve anticipated levels of revenue and cash flow and our ability to manage costs and working capital successfully.

Cash and Cash Equivalents - As of December 31, 2017, we had $128.3 million in cash and cash equivalents, of which $38.2 million was held by foreign affiliates. The international jurisdictions in which we have significant cash do not have any known restrictions that would prohibit the repatriation of cash and cash equivalents.

We previously considered the earnings in our non-U.S. subsidiaries to be indefinitely reinvested and, accordingly, recorded no deferred income taxes. Given the Tax Act's significant changes and potential opportunities to repatriate cash free of U.S. federal tax, we are in the process of evaluating our current permanent reinvestment assertions. This evaluation includes the repatriation of historical earnings (2017 and prior) that have been previously taxed under the Tax Act. See Note 18 - *Income Taxes* of the Notes to Consolidated Financial Statements for further information regarding the Tax Act.

As of December 31, 2017, we had aggregate undistributed untaxed accumulated and current earnings and profits ('E&P") from foreign subsidiaries of approximately $136.0 million, which is considered previously taxed income ("PTI") subsequent to the Tax Act. We recorded $0.1 million in provisional Transition Tax in connection with this E&P. Due to the ability to utilize foreign tax credits in the calculation of the Transition Tax, the obligation primarily related to the estimated state impacts. Additionally, we have recorded a deferred tax liability of $0.2 million as of December 31, 2017 for certain state income taxes on the potential future repatriation of PTI as a result of this assertion. We currently consider the remaining financial statement carrying amounts over the tax basis of our investments in our foreign subsidiaries to be indefinitely reinvested, and have not recorded a deferred tax liability. The determination of any unrecorded deferred tax liability on this amount is not practicable due to the uncertainty of how these investments would be recovered.

Restructuring - Total aggregate future undiscounted cash expenditures of $31.9 million to $38.7 million for the 2017 Closure Initiative and Bonefish Restructuring, primarily related to lease liabilities, are expected to occur over the remaining lease terms with the final term ending in January 2029.

Capital Expenditures - We estimate that our capital expenditures will total approximately $200.0 million in 2018. The amount of actual capital expenditures may be affected by general economic, financial, competitive, legislative and regulatory factors, among other things, including restrictions imposed by our borrowing arrangements.

Refranchising and Sale Transactions - During 2017, we refranchised 54 and sold one of our U.S. Company-owned Outback Steakhouse and Carrabba's Italian Grill locations for aggregate cash proceeds of $46.1 million, net of certain closing adjustments.

On July 25, 2016, we sold Outback Steakhouse South Korea for a purchase price of $50.0 million, converting all restaurants in that market to franchised locations.

Sale-Leaseback Transactions - During 2017 and 2016, we entered into sale-leaseback transactions with third-parties in which we sold 31 and 159 restaurant properties at fair market value for gross proceeds of $108.0 million and $560.4 million, respectively. With the proceeds from these transactions, we repaid our PRP Mortgage Loan in full.

Credit Facilities - As of December 31, 2017, we had $1.1 billion of outstanding borrowings under our Senior Secured Credit Facility. See Note 12 - *Long-term Debt, Net* of the Notes to Consolidated Financial Statements for further information. Following is a summary of principal payments and debt issuance:

	FORMER CREDIT FACILITY		SENIOR SECURED CREDIT FACILITY				
(dollars in thousands)	TERM LOANS	REVOLVING FACILITY	TERM LOAN A	REVOLVING FACILITY	2012 CMBS LOAN	PRP MORTGAGE LOAN	TOTAL CREDIT FACILITIES
Balance as of December 27, 2015	$ 427,500	$ 432,000	$ —	$ —	$ 458,969	$ —	$ 1,318,469
2016 new debt (1)	—	729,500	—	—	—	369,512	1,099,012
2016 payments (1)	(28,125)	(539,500)	—	—	(458,969)	(322,310)	(1,348,904)
Balance as of December 25, 2016	399,375	622,000	—	—	—	47,202	1,068,577
2017 new debt (2)	125,000	654,500	500,000	697,000	—	—	1,976,500
2017 payments (2)	(524,375)	(1,276,500)	—	(97,000)	—	(47,202)	(1,945,077)
Balance as of December 31, 2017	$ —	$ —	$ 500,000	$ 600,000	$ —	$ —	$ 1,100,000

(1) In February 2016, we drew $185.0 million on our revolving credit facility. The drawdowns, together with the proceeds from the PRP Mortgage Loan, were used to prepay a portion, and fully defease the remainder, of the 2012 CMBS loan.

(2) In May 2017, OSI amended its Credit Agreement, which provided an incremental Term loan A-2 in an aggregate principal amount of $125.0 million. A portion of the proceeds were used to repay $25.0 million of our outstanding revolving credit facility. Also includes $1.2 billion related to a refinancing of our Former Credit Facility, which did not materially increase total indebtedness.

Following is a summary of our outstanding credit facilities:

				OUTSTANDING	
(dollars in thousands)	INTEREST RATE DECEMBER 31, 2017 (1)	ORIGINAL FACILITY	PRINCIPAL MATURITY DATE	DECEMBER 31, 2017	DECEMBER 25, 2016
Term loan A	3.27%	$ 500,000	November 2022	$ 500,000	$ —
Revolving credit facility	3.26%	1,000,000	November 2022	600,000	—
Total Senior secured credit facility		1,500,000		1,100,000	—
Term loan A	—%	300,000	May 2019	—	258,750
Term loan A-1	—%	150,000	May 2019	—	140,625
Term loan A-2	—%	125,000	May 2019	—	—
Revolving credit facility	—%	825,000	May 2019	—	622,000
Total Former Credit Facility		1,400,000		—	1,021,375
PRP Mortgage Loan	—%	369,512	February 2018	—	47,202
Total credit facilities		$ 3,269,512		$ 1,100,000	$ 1,068,577

(1) Represents the weighted-average interest rate.

New Credit Agreement - On November 30, 2017, we entered into a Credit Agreement, including OSI as co-borrower, with a syndicate of institutional lenders, providing for senior secured financing of up to $1.5 billion, consisting of a $500.0 million Term loan A and a $1.0 billion revolving credit facility, including letter of credit and swing line loan sub-facilities. The Senior Secured Credit Facility matures on November 30, 2022.

At closing, $697.0 million was drawn under the revolving credit facility. The proceeds of the Credit Agreement were used to repay OSI's Former Credit Facility. Our total indebtedness did not materially change as a result of the refinancing.

As of December 31, 2017, we had $377.3 million in available unused borrowing capacity under our revolving credit facility, net of letters of credit of $22.7 million.

The Credit Agreement contains mandatory prepayment requirements for the term loans. We are required to prepay outstanding amounts with 50% of our annual excess cash flow, as defined in the Credit Agreement. The amount of outstanding term loans required to be prepaid may vary based on our leverage ratio and year end results. Other than the required minimum amortization premiums of $25.0 million, we do not anticipate any other payments will be required through December 30, 2018.

See Note 12 - *Long-term Debt, Net* of the Notes to Consolidated Financial Statements for further information regarding the Credit Agreement and Senior Secured Credit Facility.

Debt Covenants - Our Credit Agreement contains various financial and non-financial covenants. A violation of these covenants could negatively impact our liquidity by restricting our ability to borrow under the revolving credit facility and cause an acceleration of the amounts due under the credit facilities. See Note 12 - *Long-term Debt, Net* of the Notes to our Consolidated Financial Statements for further information.

As of December 31, 2017 and December 25, 2016, we were in compliance with our debt covenants. We believe that we will remain in compliance with our debt covenants during the next 12 months.

Cash Flow Hedges of Interest Rate Risk - We have variable-to-fixed interest rate swap agreements with eight counterparties to hedge a portion of the cash flows of our variable rate debt. The swap agreements have an aggregate notional amount of $400.0 million and mature on May 16, 2019. We pay a weighted-average fixed rate of 2.02% on the $400.0 million notional amount and receive payments from the counterparty based on the 30-day LIBOR rate. We estimate $1.0 million will be reclassified to interest expense over the next twelve months. See Note 16 - *Derivative Instruments and Hedging Activities* of the Notes to Consolidated Financial Statements for further information.

SUMMARY OF CASH FLOWS

The following table presents a summary of our cash flows provided by (used in) operating, investing and financing activities for the periods indicated:

	FISCAL YEAR		
(dollars in thousands)	**2017**	**2016**	**2015**
Net cash provided by operating activities	$ 409,002	$ 340,587	$ 395,139
Net cash (used in) provided by investing activities	(123,115)	295,248	(187,595)
Net cash used in financing activities	(293,505)	(657,978)	(241,001)
Effect of exchange rate changes on cash and cash equivalents	975	2,955	(9,193)
Net decrease in cash, cash equivalents and restricted cash	$ (6,643)	$ (19,188)	$ (42,650)

Operating activities - Net cash provided by operating activities increased in 2017 as compared to 2016 primarily as a result of the following: (i) lower income tax payments and (ii) the timing of collections of holiday gift card sales from third party vendors. These increases were partially offset by: (i) lower gift card sales and (ii) the timing of purchases of inventory.

Net cash provided by operating activities decreased in 2016 as compared to 2015 primarily as a result of the following: (i) higher income tax payments primarily due to sale-leaseback transactions and (ii) the timing of rent payments. These decreases were partially offset by: (i) utilization of inventory on hand and (ii) lower cash interest payments.

Investing activities - Net cash used in investing activities during 2017 consisted primarily of capital expenditures, partially offset by: (i) proceeds from sale-leaseback transactions and (ii) proceeds from refranchising transactions.

Net cash provided by investing activities during 2016 consisted primarily of: (i) proceeds from sale-leaseback transactions and (ii) proceeds from the refranchising of Outback Steakhouse South Korea.
Net cash used in investing activities during 2015 consisted primarily of capital expenditures. Net cash used in investing activities was partially offset by the following: (i) proceeds from other investments, net, (ii) proceeds from the sale of Roy's and (iii) proceeds from the disposal of property, fixtures and equipment.

Financing activities - Net cash used in financing activities during 2017 was primarily attributable to the following: (i) repayments due to the refinancing of our Former Credit Facility in December 2017, (ii) repayment of our PRP Mortgage Loan, (iii) voluntary repayments of our revolving credit facility, net of drawdowns and (iv) the repurchase of common stock. Net cash used in financing activities was partially offset by proceeds from our new Senior Secured Credit Facility.

Net cash used in financing activities during 2016 was primarily attributable to the following: (i) the defeasance of the 2012 CMBS loan and payments on our PRP Mortgage Loan, (ii) the repurchase of common stock, (iii) the purchase of outstanding noncontrolling interests and limited partnership interests in certain restaurants, (iv) payment of cash dividends on our common stock and (v) repayments of partner deposits and accrued partner obligations. Net cash used in financing activities was partially offset by the following: (i) proceeds from the PRP Mortgage Loan, (ii) drawdowns on our revolving credit facility, net of repayments and (iii) proceeds from the sale of certain properties, which are considered financing obligations.

Net cash used in financing activities during 2015 was primarily attributable to the following: (i) repayments of the Term loan B due to the Senior Secured Credit Facility refinancing in March 2015 and voluntary prepayments, (ii) the repurchase of common stock, (iii) repayments of partner deposits and accrued partner obligations and (iv) payment of cash dividends on our common stock. Net cash used in financing activities was partially offset by the following: (i) proceeds from the incremental Term loan A-1, net of financing fees, (ii) drawdowns on the revolving credit facility, net of repayments, and (iii) proceeds from the exercise of stock options.

FINANCIAL CONDITION

Following is a summary of our current assets, current liabilities and working capital:

(dollars in thousands)	DECEMBER 31, 2017	DECEMBER 25, 2016
Current assets	$ 360,209	$ 390,519
Current liabilities	860,863	823,408
Working capital (deficit)	$ (500,654)	$ (432,889)

Working capital (deficit) included Unearned revenue from unredeemed gift cards and loyalty program rewards of $378.2 million and $388.5 million as of December 31, 2017 and December 25, 2016, respectively. We have, and in the future may continue to have, negative working capital balances (as is common for many restaurant companies). We operate successfully with negative working capital because cash collected on restaurant sales is typically received before payment is due on our current liabilities, and our inventory turnover rates require relatively low investment in inventories. Additionally, ongoing cash flows from restaurant operations and gift card sales are used to service debt obligations and make capital expenditures.

Deferred Compensation Programs - The deferred compensation obligation due to managing and chef partners was $96.3 million and $113.0 million as of December 31, 2017 and December 25, 2016, respectively. We invest in various corporate-owned life insurance policies, which are held within an irrevocable grantor or "rabbi" trust account for settlement of our obligations under the deferred compensation plans. The rabbi trust is funded through our voluntary contributions. The unfunded obligation for managing and chef partners' deferred compensation is $36.6 million and $50.6 million as of December 31, 2017 and December 25, 2016, respectively.

We use capital to fund the deferred compensation plans and currently expect annual cash funding of $18.0 million to $20.0 million. Actual funding of the deferred compensation obligations and future funding requirements may vary significantly depending on the actual performance compared to targets, timing of deferred payments of partner contracts, forfeiture rates, number of partner participants, growth of partner investments and our funding strategy.

DIVIDENDS AND SHARE REPURCHASES

Dividends - In 2017, 2016 and 2015, we declared and paid quarterly cash dividends of $0.08, $0.07 and $0.06 per share, respectively.

In February 2018, the Board declared a quarterly cash dividend of $0.09 per share, payable on March 14, 2018. Future dividend payments are dependent on our earnings, financial condition, capital expenditure requirements, surplus and other factors that our Board considers relevant.

Share Repurchases - On February 16, 2018, our Board canceled the remaining $55.0 million of authorization under the 2017 Share Repurchase Program and approved a new $150.0 million authorization. The 2018 Share Repurchase Program will expire on August 16, 2019. Following is a summary of our share repurchase programs as of December 31, 2017 (dollars in thousands):

SHARE REPURCHASE PROGRAM	BOARD APPROVAL DATE	AUTHORIZED	REPURCHASED	CANCELED	REMAINING
2014	December 12, 2014	$ 100,000	$ 100,000	$ —	$ —
2015	August 3, 2015	100,000	69,999	30,001	—
2016	February 12, 2016	250,000	139,892	110,108	—
July 2016	July 26, 2016	300,000	247,731	52,269	—
2017	April 21, 2017	250,000	195,000	—	55,000

The following table presents our dividends and share repurchases:

(dollars in thousands)	DIVIDENDS PAID	SHARE REPURCHASES: REPURCHASE PROGRAMS	SHARE REPURCHASES: SETTLEMENT OF TAXES RELATED TO EQUITY AWARDS	TOTAL
Fiscal year 2017	$ 30,988	$ 272,736	$ 180	$ 303,904
Fiscal year 2016	31,379	309,887	447	341,713
Fiscal year 2015	29,332	169,999	770	200,101
Total	$ 91,699	$ 752,622	$ 1,397	$ 845,718

Our ability to pay dividends and make share repurchases is dependent on our ability to obtain funds from our subsidiaries, have access to our revolving credit facility and the existence of surplus. Based on our Credit Agreement, restricted dividend payments can be made on an unlimited basis provided we are compliant with our debt covenants.

OFF-BALANCE SHEET ARRANGEMENTS

None.

OTHER MATERIAL COMMITMENTS

Our contractual obligations, debt obligations and commitments as of December 31, 2017 are summarized in the table below:

	PAYMENTS DUE BY PERIOD				
(dollars in thousands)	TOTAL	LESS THAN 1 YEAR	1-3 YEARS	3-5 YEARS	MORE THAN 5 YEARS
Recorded Contractual Obligations					
Long-term debt (1)	$ 1,118,104	$ 26,335	$ 51,030	$ 1,021,276	$ 19,463
Deferred compensation and other partner obligations (2)	106,551	25,469	43,844	24,283	12,955
Other recorded contractual obligations (3)	42,262	10,206	12,004	6,421	13,631
Unrecorded Contractual Obligations					
Interest (4)	202,995	40,419	74,422	67,143	21,011
Operating leases	1,697,668	185,183	335,627	274,101	902,757
Purchase obligations (5)	445,955	276,706	89,136	42,246	37,867
Total contractual obligations	$ 3,613,535	$ 564,318	$ 606,063	$ 1,435,470	$ 1,007,684

(1) Includes capital lease obligations. Excludes unamortized debt issuance costs and discount of $4.4 million.
(2) Includes deferred compensation obligations, deposits and other accrued obligations due to our restaurant partners. Timing and amounts of payments may vary significantly based on employee turnover, return of deposits and changes to buyout values.
(3) Includes other long-term liabilities, primarily consisting of non-partner deferred compensation obligations and restaurant closing cost liabilities. As of December 31, 2017, unrecognized tax benefits of $23.7 million were excluded from the table since it is not possible to estimate when these future payments will occur.
(4) Projected future interest payments on long-term debt are based on interest rates in effect as of December 31, 2017 and assume only scheduled principal payments. Estimated interest expense includes the impact of financing obligations and our variable-to-fixed interest rate swap agreements.
(5) Purchase obligations include agreements to purchase goods or services that are enforceable, are legally binding and specify all significant terms, including fixed or minimum quantities to be purchased; fixed, minimum or variable price provisions; and the approximate timing of the transaction. We have purchase obligations with various vendors that consist primarily of inventory, restaurant level service contracts, advertising and technology.

Critical Accounting Policies and Estimates

Our discussion and analysis of our financial condition and results of operations are based upon our consolidated financial statements, which have been prepared in accordance with U.S. GAAP. The preparation of these accompanying consolidated financial statements requires us to make estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses, and related disclosure of contingent assets and liabilities during the reporting period. We base our estimates on historical experience and on various other assumptions that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying value of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions. We consider an accounting estimate to be critical if it requires assumptions to be made and changes in these assumptions could have a material impact on our consolidated financial condition or results of operations.

Impairment or Disposal of Long-Lived Assets - Long-lived assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying value may not be recoverable. The evaluation is performed at the lowest level of identifiable cash flows independent of other assets. For long-lived assets deployed at our restaurants, we review for impairment at the individual restaurant level.

When evaluating for impairment, the total future undiscounted cash flows expected to be generated by the assets are compared to the carrying amount. If the total future undiscounted cash flows expected to be generated by the assets are less than the carrying amount, this may be an indicator of impairment. An impairment loss is recognized in earnings

when the asset's carrying value exceeds its estimated fair value. Fair value is generally estimated using a discounted cash flow model. The key estimates and assumptions used in this model are future cash flow estimates, with material changes generally driven by changes in expected use, and the discount rate.

Goodwill and Indefinite-Lived Intangible Assets - Goodwill and indefinite-lived intangible assets are tested for impairment annually in the second fiscal quarter, or whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

We may elect to perform a qualitative assessment to determine whether it is more likely than not that a reporting unit is impaired. In considering the qualitative approach, we evaluate factors including, but not limited to, macro-economic conditions, market and industry conditions, commodity cost fluctuations, competitive environment, share price performance, results of prior impairment tests, operational stability and the overall financial performance of the reporting units.

If the qualitative assessment is not performed or if we determine that it is not more likely than not that the fair value of the reporting unit exceeds the carrying value, the fair value of the reporting unit is calculated. Fair value of a reporting unit is the price a willing buyer would pay for the reporting unit and is estimated using a discounted cash flow model. The key estimates and assumptions used in this model are future cash flow estimates, which are heavily influenced by growth rates, and the discount rate. The fair value of the trade name is determined through a relief from royalty method.

The carrying value of the reporting unit is compared to its estimated fair value, with any excess of carrying value over fair value deemed to be an indicator of potential impairment, in which case a second step is performed comparing the recorded amount of goodwill or indefinite-lived intangible assets to the implied fair value.

The carrying value of goodwill as of December 31, 2017 was $310.2 million, which related to our U.S. and International reporting units. Based on our annual impairment test, none of our reporting units with remaining goodwill were at risk for impairment.

Sales declines at our restaurants, unplanned increases in commodity or labor costs, deterioration in overall economic conditions and challenges in the restaurant industry may result in future impairment charges. It is possible that changes in circumstances or changes in our judgments, assumptions and estimates could result in an impairment charge of a portion or all of our goodwill or other intangible assets.

Insurance Reserves - We carry insurance programs with specific retention levels or high per-claim deductibles for a significant portion of expected losses under our workers' compensation, general or liquor liability, health, property and management liability insurance programs. For some programs, we maintain stop-loss coverage to limit the exposure relating to certain risks.

We record a liability for all unresolved claims and for an estimate of incurred but not reported claims at the anticipated cost that falls below our specified retention levels or per-claim deductible amounts. Our liability for insurance claims was $59.4 million and $62.8 million as of December 31, 2017 and December 25, 2016, respectively. In establishing our reserves, we consider certain actuarial assumptions and judgments regarding economic conditions, the frequency and severity of claims and claim development history and settlement practices. Reserves recorded for workers' compensation and general or liquor liability claims are discounted using the average of the one-year and five-year risk free rate of monetary assets that have comparable maturities.

We do not believe there is a reasonable likelihood that there will be a material change in the estimates or assumptions used to calculate our insurance claim liabilities. However, if actual results are not consistent with our estimates or assumptions, we may be exposed to losses or gains that could be material. A 50 basis point change in the discount rate in our insurance claim liabilities as of December 31, 2017, would have affected net earnings by $0.8 million in 2017.

Stock-Based Compensation - We have a stock-based compensation plan that permits the grant of stock options, stock appreciation rights, restricted stock, restricted stock units, performance awards and other stock-based awards to our management and other key employees. We account for our stock-based employee compensation using a fair value-based method of accounting.

We use the Black-Scholes option pricing model to estimate the weighted-average grant date fair value of stock options granted. Expected volatility is based on historical volatility of our stock. The expected term of options granted represents the period of time that options granted are expected to be outstanding. The simplified method of estimating expected term is used since we do not have significant historical exercise experience for our stock options. Dividend yield is the level of dividends expected to be paid on our common stock over the expected term of our options. The risk-free rate for periods within the expected life of the option is based on the U.S. Treasury yield curve in effect as of the grant date. Forfeitures of share-based compensation awards are recognized as they occur.

Our performance-based share units ("PSUs") require assumptions regarding the likelihood of achieving certain Company performance criteria set forth in the award agreements. Assumptions used in our assessment are consistent with our internal forecasts and operating plans.

Estimates and assumptions are based upon information currently available, including historical experience and current business and economic conditions. A simultaneous 10% change in our volatility, forfeiture rate, weighted-average risk-free interest rate, dividend rate and term of grant in our stock option pricing model for 2017 would not have a material effect on net income.

If we assumed that the PSU performance conditions for stock-based awards were not met, stock-based compensation expense would have decreased by $2.2 million for 2017. If we assumed that PSU share awards met their maximum threshold, expense would have increased by $2.5 million for 2017.

Income Taxes - Deferred tax assets and liabilities are recognized based on the differences between the financial statement carrying amounts of assets and liabilities and their respective tax basis. Deferred tax assets and liabilities are measured using the tax rates, based on certain judgments regarding enacted tax laws and published guidance, in effect in the years in which we expect those temporary differences to reverse. As of December 31, 2017, tax loss carryforwards and credit carryforwards that do not have a valuation allowance are expected to be recoverable within the applicable statutory expiration periods. A valuation allowance is established against the deferred tax assets when it is more likely than not that some portion or all of the deferred taxes may not be realized. Changes in assumptions regarding our level and composition of earnings, tax laws or the deferred tax valuation allowance and the results of tax audits, may materially impact the effective income tax rate.

As a result of the enactment of the Tax Act, we have reflected our best provisional estimates and assumptions including, but not limited to: (i) the value of deferred income tax assets and liabilities based on the enacted corporate federal tax rate of 21%, (ii) the value of foreign tax credit carryforwards based on our ability to utilize foreign tax credits to offset future income tax liabilities and (iii) the accounting impact of the Deemed Repatriation Transition Tax. These provisional estimates are based on the information available and our current interpretation of the Tax Act, and may change due to changes in interpretations and assumptions we make and additional guidance or context from the Internal Revenue Service, the U.S. Treasury Department, the Financial Accounting Standards Board or others regarding the Tax Act. As our understanding of the application of certain rules under the Tax Act becomes clarified, we may further refine our estimates throughout 2018. See Note 18 - *Income Taxes* of the Notes to Consolidated Financial Statements for further information regarding the Tax Act.

Our income tax returns, like those of most companies, are periodically audited by U.S. and foreign tax authorities. In determining taxable income, income or loss before taxes is adjusted for differences between local tax laws and generally accepted accounting principles. A tax benefit from an uncertain position is recognized only if it is more likely than not that the position is sustainable based on its technical merits. For uncertain tax positions that do not meet this threshold,

we recognize a liability. The liability for unrecognized tax benefits requires significant management judgment regarding exposures about our various tax positions. These assumptions and probabilities are periodically reviewed and updated based upon new information. An unfavorable tax settlement generally requires the use of cash and an increase in the amount of income tax expense we recognize.

Revenue Recognition - We sell gift cards to customers in our restaurants, through our websites and through select third parties. A liability is initially established for the value of the gift card when sold. We recognize revenue from gift cards when the card is redeemed by the customer. There is uncertainty when calculating gift card breakage because management is required to make assumptions and to apply judgment regarding the effects of future events. We currently recognize gift card breakage revenue for gift cards when the likelihood of redemption by the customer is remote.

Upon the adoption of ASU No. 2014-09 "Revenue Recognition (Topic 606), Revenue from Contracts with Customers", we expect to recognize breakage proportional to actual gift card redemptions. See Note 2 - *Summary of Significant Accounting Policies* of our Notes to Consolidated Financial Statements in Part II, Item 8 for further information.

Recently Issued Financial Accounting Standards

For a description of recently issued Financial Accounting Standards that we adopted in 2017 and that are applicable to us but have not yet been adopted, see Note 2 - *Summary of Significant Accounting Policies* of the Notes to the Consolidated Financial Statements of this Report.

Item 7A. Quantitative and Qualitative Disclosures about Market Risk

We are exposed to market risk from changes in interest rates on debt, changes in foreign currency exchange rates and changes in commodity prices.

Interest Rate Risk

We are exposed to market risk from fluctuations in interest rates, which could affect our consolidated balance sheet, earnings and cash flows. Stockholders' equity can be adversely affected by changing interest rates, as after-tax changes in the fair value of interest rate swaps designated as cash flow hedges are reflected as increases and decreases to a component of stockholders' equity.

We manage our exposure to market risk through regular operating and financing activities and when deemed appropriate, through the use of derivative financial instruments. We use derivative financial instruments as risk management tools and not for speculative purposes. See Note 16 - *Derivative Instruments and Hedging Activities* of the Notes to our Consolidated Financial Statements for further information.

As of December 31, 2017, our interest rate risk was primarily from variable interest rate changes on our Senior Secured Credit Facility. To manage the risk of fluctuations in variable interest rate debt, we have interest rate swaps for an aggregate notional amount of $400.0 million that mature on May 16, 2019.

We utilize valuation models to estimate the effects of changing interest rates. The following table summarizes the changes to fair value and interest expense under a shock scenario. This analysis assumes that interest rates change suddenly, as an interest rate "shock" and continue to increase or decrease at a consistent level above or below the LIBOR curve.

	DECEMBER 31, 2017	
(dollars in thousands)	INCREASE (1)	DECREASE
Change in fair value:		
Interest rate swap	$ 4,145	$ (6,151)
Change in annual interest expense (2):		
Variable rate debt	$ 6,906	$ (6,906)

(1) The potential change from a hypothetical 100 basis point increase in short-term interest rates.
(2) The potential change from a hypothetical basis point increase (decrease) in short-term interest rates based on the LIBOR curve with a floor of zero. The curve ranges from our current interest rate of 155 basis points to 198 basis points.

Foreign Currency Exchange Rate Risk

We are subject to foreign currency exchange risk for our restaurants operating in foreign countries. Our exposure to foreign currency exchange risk is primarily related to fluctuations in the Brazil Real relative to the U.S. dollar. Our operations in other markets consist of Company-owned restaurants on a smaller scale than Brazil. If foreign currency exchange rates depreciate in the countries in which we operate, we may experience declines in our operating results.

For 2017, 11.0% of our revenue was generated in foreign currencies. A 10% change in average foreign currency rates against the U.S. dollar would have increased or decreased our Total revenues and Net income for our foreign entities by $50.1 million and $1.6 million, respectively.

Commodity Pricing Risk

Many of the ingredients used in the products sold in our restaurants are commodities that are subject to unpredictable price volatility. Although we attempt to minimize the effect of price volatility by negotiating fixed price contracts for the supply of key ingredients, there are no established fixed price markets for certain commodities such as produce and wild fish, and we are subject to prevailing market conditions when purchasing those types of commodities. Other commodities are purchased based upon negotiated price ranges established with vendors with reference to the fluctuating market prices. The related agreements may contain contractual features that limit the price paid by establishing certain price floors and caps. Extreme changes in commodity prices or long-term changes could affect our financial results adversely. We expect that in most cases increased commodity prices could be passed through to our customers through increases in menu prices. However, if there is a time lag between the increasing commodity prices and our ability to increase menu prices, or if we believe the commodity price increase to be short in duration and we choose not to pass on the cost increases, our short-term financial results could be negatively affected. Additionally, from time to time, competitive circumstances could limit menu price flexibility, and in those cases margins would be negatively impacted by increased commodity prices.

Our restaurants are dependent upon energy to operate and are impacted by changes in energy prices, including natural gas. We utilize derivative instruments to mitigate some of our overall exposure to material increases in natural gas prices. Mark-to-market changes in the fair value of our natural gas derivative instruments recorded in earnings and the related assets and liabilities were not material for 2017, 2016, and 2015, respectively.

In addition to the market risks identified above, we are subject to business risk as our U.S. beef supply is highly dependent upon a limited number of vendors. If these vendors were unable to fulfill their obligations under their contracts, we could encounter supply shortages and incur higher costs to secure adequate supplies. See Note 19 - *Commitments and Contingencies* of the Notes to Consolidated Financial Statements for further details.

This market risk discussion contains forward-looking statements. Actual results may differ materially from the discussion based upon general market conditions and changes in U.S. and global financial markets.

BLOOMIN' BRANDS, INC.

Item 8. Financial Statements and Supplementary Data

INDEX TO FINANCIAL INFORMATION

BLOOMIN' BRANDS, INC.

Management's Annual Report on Internal Control over Financial Reporting

Management is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Exchange Act Rule 13a-15(f). The Company's internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and dispositions of the assets of the Company; (ii) 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 (iii) 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.

Internal control over financial reporting is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements prepared for external purposes in accordance with generally accepted accounting principles. 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.

On May 14, 2013, the Committee of Sponsoring Organizations of the Treadway Commission ("COSO") issued an updated version of its *Internal Control—Integrated Framework* ("2013 Framework"). Under the supervision and with the participation of management, including our Chief Executive Officer and Chief Financial and Administrative Officer, we carried out an evaluation of the effectiveness of our internal control over financial reporting as of December 31, 2017 using the 2013 Framework. Based upon our evaluation, management concluded that our internal control over financial reporting was effective as of December 31, 2017.

The effectiveness of our internal control over financial reporting as of December 31, 2017 has been audited by PricewaterhouseCoopers LLP, an independent registered certified public accounting firm, as stated in their report which is included herein.

BLOOMIN' BRANDS, INC.

Report of Independent Registered Public Accounting Firm

To the Board of Directors and Stockholders of Bloomin' Brands, Inc.

Opinions on the Financial Statements and Internal Control over Financial Reporting

We have audited the accompanying consolidated balance sheets of Bloomin' Brands, Inc. and its subsidiaries as of December 31, 2017 and December 25, 2016, and the related consolidated statements of operations and comprehensive income, of changes in stockholders' equity and cash flows for each of the three years in the period ended December 31, 2017, including the related notes (collectively referred to as the "consolidated financial statements"). We also have audited the Company's internal control over financial reporting as of December 31, 2017, 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 consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2017 and December 25, 2016, and the results of their operations and their cash flows for each of the three years in the period ended December 31, 2017 in conformity with accounting principles generally accepted in the United States of America. Also in our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2017, based on criteria established in *Internal Control - Integrated Framework* (2013) issued by the COSO.

Basis for Opinions

The Company's management is responsible for these consolidated financial statements, 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 Annual Report on Internal Control over Financial Reporting. Our responsibility is to express opinions on the Company's consolidated financial statements and on the Company's internal control over financial reporting based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("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 audits to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud, and whether effective internal control over financial reporting was maintained in all material respects.

Our audits of the consolidated financial statements included performing procedures to assess the risks of material misstatement of the consolidated 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 consolidated 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 consolidated financial statements. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

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 (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) 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 (iii) 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/ PricewaterhouseCoopers LLP

Certified Public Accountants
Tampa, Florida
February 28, 2018

We have served as the Company's auditor since 1998.

BLOOMIN' BRANDS, INC.
CONSOLIDATED BALANCE SHEETS
(IN THOUSANDS, EXCEPT SHARE AND PER SHARE DATA)

	DECEMBER 31, 2017	DECEMBER 25, 2016
ASSETS		
Current Assets		
Cash and cash equivalents	$ 128,263	$ 127,176
Current portion of restricted cash and cash equivalents	1,280	7,886
Inventories	51,264	65,231
Other current assets, net	179,402	190,226
Total current assets	360,209	390,519
Restricted cash	—	1,124
Property, fixtures and equipment, net	1,173,414	1,237,148
Goodwill	310,234	310,055
Intangible assets, net	522,290	535,523
Deferred income tax assets, net	71,499	38,764
Other assets, net	135,261	129,146
Total assets	$ 2,572,907	$ 2,642,279
LIABILITIES, MEZZANINE EQUITY AND STOCKHOLDERS' EQUITY		
Current Liabilities		
Accounts payable	$ 185,461	$ 195,371
Accrued and other current liabilities	270,840	204,415
Unearned revenue	378,227	388,543
Current portion of long-term debt	26,335	35,079
Total current liabilities	860,863	823,408
Deferred rent	160,047	151,130
Deferred income tax liabilities	16,926	16,709
Long-term debt, net	1,091,769	1,054,406
Deferred gain on sale-leaseback transactions, net	188,086	181,696
Other long-term liabilities, net	205,745	219,030
Total liabilities	2,523,436	2,446,379
Commitments and contingencies (Note 19)		
Mezzanine Equity		
Redeemable noncontrolling interests	—	547
Stockholders' Equity		
Bloomin' Brands Stockholders' Equity		
Preferred stock, $0.01 par value, 25,000,000 shares authorized; no shares issued and outstanding as of December 31, 2017 and December 25, 2016	—	—
Common stock, $0.01 par value, 475,000,000 shares authorized; 91,912,546 and 103,922,110 shares issued and outstanding as of December 31, 2017 and December 25, 2016, respectively	919	1,039
Additional paid-in capital	1,081,813	1,079,583
Accumulated deficit	(944,951)	(786,780)
Accumulated other comprehensive loss	(99,199)	(111,143)
Total Bloomin' Brands stockholders' equity	38,582	182,699
Noncontrolling interests	10,889	12,654
Total stockholders' equity	49,471	195,353
Total liabilities, mezzanine equity and stockholders' equity	$ 2,572,907	$ 2,642,279

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

BLOOMIN' BRANDS, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME
(IN THOUSANDS, EXCEPT PER SHARE DATA)

	FISCAL YEAR		
	2017	2016	2015
Revenues			
Restaurant sales	$ 4,168,658	$ 4,226,057	$ 4,349,921
Franchise and other revenues	44,688	26,255	27,755
Total revenues	4,213,346	4,252,312	4,377,676
Costs and expenses			
Cost of sales	1,317,110	1,354,853	1,419,689
Labor and other related	1,219,593	1,211,250	1,205,610
Other restaurant operating	978,984	992,157	1,006,772
Depreciation and amortization	192,282	193,838	190,399
General and administrative	306,956	267,981	287,614
Provision for impaired assets and restaurant closings	52,329	104,627	36,667
Total costs and expenses	4,067,254	4,124,706	4,146,751
Income from operations	146,092	127,606	230,925
Loss on defeasance, extinguishment and modification of debt	(1,069)	(26,998)	(2,956)
Other income (expense), net	14,912	1,609	(939)
Interest expense, net	(41,392)	(45,726)	(56,176)
Income before provision for income taxes	118,543	56,491	170,854
Provision for income taxes	15,985	10,144	39,294
Net income	102,558	46,347	131,560
Less: net income attributable to noncontrolling interests	2,315	4,599	4,233
Net income attributable to Bloomin' Brands	$ 100,243	$ 41,748	$ 127,327
Net income	$ 102,558	$ 46,347	$ 131,560
Other comprehensive income:			
Foreign currency translation adjustment	8,959	37,075	(96,194)
Unrealized gain (loss) on derivatives, net of tax	627	(1,250)	(6,033)
Reclassification of adjustment for loss on derivatives included in Net income, net of tax	2,381	3,807	2,235
Comprehensive income	114,525	85,979	31,568
Less: comprehensive income (loss) attributable to noncontrolling interests	2,338	8,008	(8,934)
Comprehensive income attributable to Bloomin' Brands	$ 112,187	$ 77,971	$ 40,502
Earnings per share:			
Basic	$ 1.04	$ 0.37	$ 1.04
Diluted	$ 1.01	$ 0.37	$ 1.01
Weighted average common shares outstanding:			
Basic	96,365	111,381	122,352
Diluted	99,707	114,311	125,585
Cash dividends declared per common share	$ 0.32	$ 0.28	$ 0.24

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

BLOOMIN' BRANDS, INC.
CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY
(IN THOUSANDS, EXCEPT PER SHARE DATA)

	BLOOMIN' BRANDS						
	COMMON STOCK		ADDITIONAL PAID-IN CAPITAL	ACCUM-ULATED DEFICIT	ACCUMULATED OTHER COMPREHENSIVE LOSS	NON-CONTROLLING INTERESTS	TOTAL
	SHARES	AMOUNT					
Balance, December 28, 2014	125,950	$ 1,259	$ 1,085,627	$ (474,994)	$ (60,542)	$ 5,099	$ 556,449
Net income	—	—	—	127,327	—	3,228	130,555
Other comprehensive (loss) income, net of tax	—	—	—	—	(86,825)	9	(86,816)
Cash dividends declared, $0.24 per common share	—	—	(29,332)	—	—	—	(29,332)
Repurchase and retirement of common stock	(7,645)	(76)		(169,923)	—	—	(169,999)
Stock-based compensation	—	—	21,672	—	—	—	21,672
Excess tax benefit on stock-based compensation	—	—	733	—	—	—	733
Common stock issued under stock plans (1)	910	9	6,015	(770)	—	—	5,254
Purchase of noncontrolling interests	—	—	(306)	—	—	—	(306)
Change in the redemption value of redeemable interests	—	—	(11,548)	—	—	—	(11,548)
Distributions to noncontrolling interests	—	—	—	—	—	(4,761)	(4,761)
Contributions from noncontrolling interests	—	—	—	—	—	3,635	3,635
Conversion of accrued partner obligations to noncontrolling interests	—	—	—	—	—	6,364	6,364
Balance, December 27, 2015	119,215	$ 1,192	$ 1,072,861	$ (518,360)	$ (147,367)	$ 13,574	$ 421,900
Net income	—	—	—	41,748	—	3,622	45,370
Other comprehensive income (loss), net of tax	—	—	—	—	36,224	(43)	36,181
Cash dividends declared, $0.28 per common share	—	—	(31,379)	—	—	—	(31,379)
Repurchase and retirement of common stock	(16,647)	(166)	—	(309,721)	—	—	(309,887)
Stock-based compensation	—		23,539	—	—	—	23,539
Excess tax benefit from stock-based compensation	—	—	454	—	—	—	454
Common stock issued under stock plans (1)	1,354	13	6,831	(447)	—	—	6,397
Purchase of noncontrolling interests, net of tax of $1,504	—	—	9,301	—	—	581	9,882
Change in the redemption value of redeemable interests	—	—	(2,024)	—	—	—	(2,024)
Distributions to noncontrolling interests	—	—	—	—	—	(5,818)	(5,818)
Contributions from noncontrolling interests	—	—	—	—	—	738	738
Balance, December 25, 2016	103,922	$ 1,039	$ 1,079,583	$ (786,780)	$ (111,143)	$ 12,654	$ 195,353

(CONTINUED...)

BLOOMIN' BRANDS, INC.
CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY
(IN THOUSANDS, EXCEPT PER SHARE DATA)

	BLOOMIN' BRANDS						
	COMMON STOCK						
	SHARES	AMOUNT	ADDITIONAL PAID-IN CAPITAL	ACCUM-ULATED DEFICIT	ACCUMULATED OTHER COMPREHENSIVE LOSS	NON-CONTROLLING INTERESTS	TOTAL
Balance, December 25, 2016	103,922	$ 1,039	$ 1,079,583	$ (786,780)	$ (111,143)	$ 12,654	$ 195,353
Net income	—	—	—	100,243	—	3,099	103,342
Other comprehensive income (loss), net of tax	—	—	—	—	11,944	(3)	11,941
Cash dividends declared, $0.32 per common share	—	—	(30,988)	—	—	—	(30,988)
Repurchase and retirement of common stock	(13,807)	(138)	—	(272,598)	—	—	(272,736)
Stock-based compensation	—	—	23,721	—	—	—	23,721
Common stock issued under stock plans (1)	1,798	18	10,421	(180)	—	—	10,259
Purchase of noncontrolling interests, net of tax of $45	—	—	(713)	—	—	(180)	(893)
Change in the redemption value of redeemable interests	—	—	(211)	—	—	—	(211)
Distributions to noncontrolling interests	—	—	—	—	—	(5,973)	(5,973)
Contributions from noncontrolling interests	—	—	—	—	—	873	873
Cumulative-effect from a change in accounting principle	—	—	—	14,364	—	—	14,364
Other	—	—	—	—	—	419	419
Balance, December 31, 2017	91,913	$ 919	$ 1,081,813	$ (944,951)	$ (99,199)	$ 10,889	$ 49,471

(1) Net of forfeitures and shares withheld for employee taxes.

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

BLOOMIN' BRANDS, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(IN THOUSANDS)

	FISCAL YEAR		
	2017	2016	2015
Cash flows provided by operating activities:			
Net income	$ 102,558	$ 46,347	$ 131,560
Adjustments to reconcile net income to cash provided by operating activities:			
Depreciation and amortization	192,282	193,838	190,399
Amortization of deferred discounts and issuance costs	2,868	7,857	4,722
Amortization of deferred gift card sales commissions	26,751	28,045	28,205
Provision for impaired assets and restaurant closings	52,329	104,627	36,667
Stock-based and other non-cash compensation expense	25,938	21,522	22,725
Deferred income tax (benefit) expense	(19,595)	(75,349)	3,996
Loss on defeasance, extinguishment and modification of debt	1,069	26,998	2,956
(Gain) loss on sale of a business or subsidiary	(15,632)	(1,633)	1,182
Recognition of deferred gain on sale-leaseback transactions	(11,872)	(5,981)	(2,121)
Excess tax benefit from stock-based compensation	—	(2,252)	(733)
Other non-cash items, net	5,412	830	(2,253)
Change in assets and liabilities:			
Decrease (increase) in inventories	11,065	15,053	(3,831)
Increase in other current assets	(12,262)	(22,778)	(43,727)
(Increase) decrease in other assets	(1,585)	5,752	16,969
Increase (decrease) in accounts payable and accrued and other current liabilities	53,880	(8,222)	(9,141)
Increase in deferred rent	12,079	12,426	17,983
(Decrease) increase in unearned revenue	(10,450)	7,812	6,106
Decrease in other long-term liabilities	(5,833)	(14,305)	(6,525)
Net cash provided by operating activities	409,002	340,587	395,139
Cash flows (used in) provided by investing activities:			
Proceeds from sale-leaseback transactions, net	98,840	530,684	—
Proceeds from sale of a business, net of cash divested	39,196	28,635	7,798
Capital expenditures	(260,589)	(260,578)	(210,263)
Other investments, net	(562)	(3,493)	14,870
Net cash (used in) provided by investing activities	$ (123,115)	$ 295,248	$ (187,595)

(CONTINUED...)

BLOOMIN' BRANDS, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(IN THOUSANDS)

	FISCAL YEAR		
	2017	2016	2015
Cash flows used in financing activities:			
Proceeds from issuance of long-term debt, net	$ 621,603	$ 364,211	$ 149,250
Defeasance, extinguishment and modification of debt	(1,193,719)	(478,906)	(215,000)
Repayments of long-term debt	(75,528)	(355,616)	(43,076)
Proceeds from borrowings on revolving credit facilities, net	1,345,761	729,500	564,040
Repayments of borrowings on revolving credit facilities	(676,500)	(539,500)	(458,300)
Proceeds from failed sale-leaseback transactions, net	5,942	18,246	—
Proceeds from the exercise of share-based compensation	10,439	6,843	6,024
Distributions to noncontrolling interests	(5,973)	(5,818)	(4,761)
Contributions from noncontrolling interests	873	738	3,635
Purchase of limited partnership and noncontrolling interests	(5,713)	(39,476)	(890)
Repayments of partner deposits and accrued partner obligations	(16,786)	(18,739)	(42,555)
Repurchase of common stock	(272,916)	(310,334)	(170,769)
Excess tax benefit from stock-based compensation	—	2,252	733
Cash dividends paid on common stock	(30,988)	(31,379)	(29,332)
Net cash used in financing activities	(293,505)	(657,978)	(241,001)
Effect of exchange rate changes on cash and cash equivalents	975	2,955	(9,193)
Net decrease in cash, cash equivalents and restricted cash	(6,643)	(19,188)	(42,650)
Cash, cash equivalents and restricted cash as of the beginning of the period	136,186	155,374	198,024
Cash, cash equivalents and restricted cash as of the end of the period	$ 129,543	$ 136,186	$ 155,374
Supplemental disclosures of cash flow information:			
Cash paid for interest	$ 40,475	$ 41,645	$ 53,971
Cash paid for income taxes, net of refunds	33,392	88,823	31,552
Supplemental disclosures of non-cash investing and financing activities:			
Purchase of noncontrolling interest included in accrued and other current liabilities	$ —	$ 1,414	$ —
(Decrease) increase in liabilities from the acquisition of property, fixtures and equipment or capital leases	(4,747)	9,610	3,396
Deferred tax effect of purchase of noncontrolling interests	—	1,504	—
Conversion of accrued partner obligations to noncontrolling interests	—	—	6,364

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

BLOOMIN' BRANDS, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. Description of Business

Bloomin' Brands, Inc. ("Bloomin' Brands" or the "Company") is one of the largest casual dining restaurant companies in the world, with a portfolio of leading, differentiated restaurant concepts. OSI Restaurant Partners, LLC ("OSI") is the Company's primary operating entity.

The Company owns and operates casual, upscale casual and fine dining restaurants. The Company's restaurant portfolio has four concepts: Outback Steakhouse, Carrabba's Italian Grill, Bonefish Grill and Fleming's Prime Steakhouse & Wine Bar. Additional Outback Steakhouse, Carrabba's Italian Grill and Bonefish Grill restaurants in which the Company has no direct investment are operated under franchise agreements.

2. Summary of Significant Accounting Policies

Basis of Presentation - The Company's consolidated financial statements include the accounts and operations of Bloomin' Brands and its subsidiaries.

To ensure timely reporting, the Company consolidates the results of its Brazil operations on a one-month calendar lag. There were no intervening events that would materially affect the Company's consolidated financial position, results of operations or cash flows as of and for the year ended December 31, 2017.

Principles of Consolidation - All intercompany accounts and transactions have been eliminated in consolidation.

The Company consolidates variable interest entities where it has been determined that the Company is the primary beneficiary of those entities' operations. The Company is a franchisor of 290 restaurants as of December 31, 2017, but does not possess any ownership interests in its franchisees and does not provide financial support to its franchisees. These franchise relationships are not deemed variable interest entities and are not consolidated.

Investments in entities the Company does not control, but where the Company's interest is generally between 20% and 50% and the Company has the ability to exercise significant influence over the entity are accounted for under the equity method.

Fiscal Year - The Company utilizes a 52-53 week year ending on the last Sunday in December. In a 52 week fiscal year, each quarterly period is comprised of 13 weeks. The additional week in a 53 week fiscal year is added to the fourth quarter. Fiscal year 2017 consisted of 53 weeks and fiscal years 2016 and 2015 consisted of 52 weeks. The additional operating week of 2017 resulted in increases of $80.4 million of Total revenues and $0.11 of diluted earnings per share in the Consolidated Statements of Operations and Comprehensive Income.

Use of Estimates - The preparation of the accompanying consolidated financial statements in conformity with generally accepted accounting principles 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 financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimated.

Cash and Cash Equivalents - Cash equivalents consist of investments that are readily convertible to cash with an original maturity date of three months or less. Cash and cash equivalents include $51.6 million and $50.0 million, as of December 31, 2017 and December 25, 2016, respectively, for amounts in transit from credit card companies since settlement is reasonably assured.

Concentrations of Credit and Counterparty Risk - Financial instruments that potentially subject the Company to a concentration of credit risk are gift card, vendor and other receivables. Gift card, vendor and other receivables consist primarily of amounts due from gift card resellers and vendor rebates. The Company considers the concentration of

credit risk for gift card, vendor and other receivables to be minimal due to the payment histories and general financial condition of its gift card resellers and vendors.

Financial instruments that potentially subject the Company to concentrations of counterparty risk are cash and cash equivalents, restricted cash and derivatives. The Company attempts to limit its counterparty risk by investing in certificates of deposit, money market funds, noninterest-bearing accounts and other highly rated investments. Whenever possible, the Company selects investment grade counterparties and rated money market funds in order mitigate its counterparty risk. At times, cash balances may be in excess of FDIC insurance limits. See Note 16 - *Derivative Instruments and Hedging Activities* for a discussion of the Company's use of derivative instruments and management of credit risk inherent in derivative instruments.

Fair Value - Fair value is the price that would be received for an asset or paid to transfer a liability, or the exit price, in an orderly transaction between market participants on the measurement date. Fair value is categorized into one of the following three levels based on the lowest level of significant input:

Level 1	Unadjusted quoted market prices in active markets for identical assets or liabilities
Level 2	Observable inputs available at measurement date other than quoted prices included in Level 1
Level 3	Unobservable inputs that cannot be corroborated by observable market data

Inventories - Inventories consist of food and beverages and are stated at the lower of cost (first-in, first-out) or net realizable value.

Restricted Cash - The Company has short-term restricted cash balances consisting of amounts pledged for settlement of deferred compensation plan obligations.

Property, Fixtures and Equipment - Property, fixtures and equipment are stated at cost, net of accumulated depreciation. Depreciation is computed on the straight-line method over the estimated useful life of the assets. Improvements to leased properties are depreciated over the shorter of their useful life or the lease term, which includes renewal periods that are reasonably assured. Estimated useful lives by major asset category are generally as follows:

Buildings and building improvements	20 to 30 years
Furniture and fixtures	5 to 7 years
Equipment	2 to 7 years
Leasehold improvements	5 to 20 years
Capitalized software	3 to 7 years

Repair and maintenance costs that maintain the appearance and functionality of the restaurant, but do not extend the useful life of any restaurant asset are expensed as incurred. The Company suspends depreciation and amortization for assets held for sale. The cost and related accumulated depreciation of assets sold or disposed of are removed from the Company's Consolidated Balance Sheets, and any resulting gain or loss is generally recognized in Other restaurant operating expenses in its Consolidated Statements of Operations and Comprehensive Income.

The Company capitalizes direct and indirect internal costs associated with the acquisition, development, design and construction of Company-owned restaurant locations as these costs have a future benefit to the Company. Upon restaurant opening, these costs are depreciated and charged to depreciation and amortization expense. Internal costs of $9.1 million, $7.6 million and $8.0 million were capitalized during 2017, 2016 and 2015, respectively.

For 2017 and 2016, software costs of $19.1 million and $7.1 million, respectively, were capitalized. As of December 31, 2017 and December 25, 2016, there was $31.4 million and $24.4 million, respectively, of unamortized software included in Property, fixtures and equipment, net on the Company's Consolidated Balance Sheets.

Goodwill and Intangible Assets - Goodwill represents the excess of the purchase price over the fair value of net assets acquired in business combinations and is assigned to the reporting unit in which the acquired business will operate. The Company's indefinite-lived intangible assets consist of trade names. Goodwill and indefinite-lived intangible assets are tested for impairment annually, as of the first day of the second fiscal quarter, or whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

The Company may elect to perform a qualitative assessment to determine whether it is more likely than not that a reporting unit is impaired. If the qualitative assessment is not performed or if the Company determines that it is not more likely than not that the fair value of the reporting unit exceeds the carrying value, the fair value of the reporting unit is calculated. The carrying value of the reporting unit is compared to its estimated fair value, with any excess of carrying value over fair value deemed to be an indicator of potential impairment, in which case a second step is performed comparing the recorded amount of goodwill or indefinite-lived intangible assets to the implied fair value.

Definite-lived intangible assets, which consist primarily of trademarks, franchise agreements, reacquired franchise rights, favorable leases, and other long-lived assets, are amortized over their estimated useful lives and are tested for impairment, using the discounted cash flow method, whenever events or changes in circumstances indicate that the carrying value may not be recoverable.

Derivatives - The Company records all derivatives on the balance sheet at fair value. The accounting for changes in the fair value of derivatives depends on the intended use of the derivative, whether the Company has elected to designate a derivative in a hedging relationship and apply hedge accounting and whether the hedging relationship has satisfied the criteria necessary to apply hedge accounting.

Derivatives designated and qualifying as a hedge of the exposure to variability in expected future cash flows, or other types of forecasted transactions, are considered cash flow hedges. If the derivative qualifies for hedge accounting treatment, then the effective portion of the gain or loss on the derivative instrument is recognized in equity as a change to Accumulated other comprehensive loss and reclassified into earnings in the same period or periods during which the hedged transaction affects earnings. Any ineffective portion of the gain or loss on the derivative instrument is immediately recognized in the Company's Consolidated Statements of Operations and Comprehensive Income.

The Company may enter into derivative contracts that are intended to economically hedge certain of its risk, even though hedge accounting does not apply or the Company elects not to apply hedge accounting. Derivatives not designated as hedges are not speculative and are used to manage the Company's exposure to interest rate movements, foreign currency exchange rate movements, changes in energy prices and other identified risks. Changes in the fair value of derivatives not designated in hedging relationships are recorded directly in earnings. The Company has elected not to offset derivative positions in the balance sheet with the same counterparty under the same agreement.

Deferred Financing Fees - For fees associated with its revolving credit facility, the Company records deferred financing fees related to the issuance of debt obligations in Other assets, net on its Consolidated Balance Sheets. For fees associated with all other debt obligations, the Company records deferred financing fees in Long-term debt, net.

The Company amortizes deferred financing fees to interest expense over the term of the respective financing arrangement, primarily using the effective interest method. The Company amortized deferred financing fees of $2.9 million, $7.1 million and $2.9 million to interest expense for 2017, 2016 and 2015, respectively.

Liquor Licenses - The costs of obtaining non-transferable liquor licenses directly issued by local government agencies for nominal fees are expensed as incurred. The costs of purchasing transferable liquor licenses through open markets in jurisdictions with a limited number of authorized liquor licenses are capitalized as indefinite-lived intangible assets and included in Other assets, net on the Company's Consolidated Balance Sheets. Annual liquor license renewal fees are expensed over the renewal term.

Insurance Reserves - The Company carries insurance programs with specific retention levels or high per-claim deductibles for a significant portion of expected losses under its workers' compensation, general or liquor liability, health, property and management liability insurance programs. The Company records a liability for all unresolved claims and for an estimate of incurred but not reported claims at the anticipated cost that falls below its specified retention levels or per-claim deductible amounts. In establishing reserves, the Company considers certain actuarial assumptions and judgments regarding economic conditions, the frequency and severity of claims, claim development history and settlement practices. Reserves recorded for workers' compensation and general liability claims are discounted using the average of the one-year and five-year risk free rate of monetary assets that have comparable maturities.

Redeemable Noncontrolling Interests - Redeemable noncontrolling interests are reported at estimated redemption value measured as the greater of estimated fair value at the end of each reporting period or the historical cost basis of the redeemable noncontrolling interest adjusted for cumulative earnings or loss allocations. The resulting increases or decreases to fair value, if applicable, are recognized as adjustments to Retained earnings, or in the absence of Retained earnings, Additional paid-in capital. Redeemable noncontrolling interests are classified in Mezzanine equity on the Company's Consolidated Balance Sheets.

Share Repurchase - Shares repurchased are retired. The par value of the repurchased shares is deducted from common stock and the excess of the purchase price over the par value of the shares is recorded to Accumulated deficit.

Revenue Recognition - The Company records food and beverage revenues, net of discounts, upon sale. Initial and developmental franchise fees are recognized as income once the Company has substantially performed all of its material obligations under the franchise agreement, which is generally upon the opening of the franchised restaurant. Continuing royalties, which are a percentage of net sales of the franchisee, are recognized as income when earned. Franchise-related revenues are included in Franchise and other revenues in the Company's Consolidated Statements of Operations and Comprehensive Income, except for amounts received for national marketing, which are recorded as a reduction of Other restaurant operating expenses.

The Company defers revenue for gift cards, which do not have expiration dates, until redemption by the customer. Gift cards sold at a discount are recorded as revenue upon redemption of the associated gift cards at an amount net of the related discount. The Company also recognizes gift card breakage revenue for gift cards when the likelihood of redemption by the customer is remote. The Company recorded breakage revenue of $27.5 million, $26.0 million and $22.9 million for 2017, 2016 and 2015, respectively. Breakage revenue is recorded as a component of Restaurant sales in the Company's Consolidated Statements of Operations and Comprehensive Income.

Gift card sales commissions paid to third-party providers are initially capitalized and subsequently recognized as Other restaurant operating expenses upon redemption of the associated gift card. Deferred expenses of $16.2 million and $15.6 million as of December 31, 2017 and December 25, 2016, respectively, were reflected in Other current assets, net on the Company's Consolidated Balance Sheets. Gift card sales that are accompanied by a bonus gift card to be used by the customer at a future visit result in a separate deferral of a portion of the original gift card sale. Revenue is recorded when the bonus card is redeemed at the estimated fair market value of the bonus card.

The Company maintains a customer loyalty program, Dine Rewards, in the U.S., where customers have the ability to earn a reward after a number of qualified visits. The Company has developed an estimated value of the partial reward earned from each qualified visit based on historical data. The estimated value of the partial reward is recorded as deferred revenue. Each reward has a maximum value and must be redeemed within three months of earning such reward. The revenue associated with the fair value of the qualified visit is recognized upon the earlier of redemption or expiration of the reward. Deferred revenue related to the loyalty program was $6.7 million and $4.2 million as of December 31, 2017 and December 25, 2016, respectively.

The Company collects and remits sales, food and beverage, alcoholic beverage and hospitality taxes on transactions with customers and reports revenue net of taxes in its Consolidated Statements of Operations and Comprehensive Income.

Effective January 1, 2018, the Company's revenue accounting policies will change in conjunction with its adoption of Accounting Standards Update ("ASU") No. 2014-09 "Revenue Recognition (Topic 606), Revenue from Contracts with Customers" ("ASU No. 2014-09"). See discussion of ASU No. 2014-09 discussion in *Recently Issued Financial Accounting Standards Not Yet Adopted* below.

Operating Leases - Rent expense for the Company's operating leases, which generally have escalating rentals over the term of the lease and may include rent holidays, is recorded on a straight-line basis over the initial lease term and those renewal periods that are reasonably assured. The difference between rent expense and rent paid is recorded as deferred rent and is included in the Company's Consolidated Balance Sheets. Payments received from landlords as incentives for leasehold improvements are recorded as deferred rent and are amortized on a straight-line basis over the term of the lease as a reduction of rent expense. Favorable and unfavorable lease assets and liabilities are amortized on a straight-line basis to rent expense over the remaining lease term.

Pre-Opening Expenses - Non-capital expenditures associated with opening new restaurants are expensed as incurred and are included in Other restaurant operating expenses in the Company's Consolidated Statements of Operations and Comprehensive Income.

Consideration Received from Vendors - The Company receives consideration for a variety of vendor-sponsored programs, such as volume rebates, promotions and advertising allowances. Advertising allowances are intended to offset the Company's costs of promoting and selling menu items in its restaurants. Vendor consideration is recorded as a reduction of Cost of sales or Other restaurant operating expenses when recognized in the Company's Consolidated Statements of Operations and Comprehensive Income.

Impairment of Long-Lived Assets and Costs Associated with Exit Activities - Long-lived assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying value may not be recoverable. The evaluation is performed at the lowest level of identifiable cash flows independent of other assets. For long-lived assets deployed at its restaurants, the Company reviews for impairment at the individual restaurant level. When evaluating for impairment, the total future undiscounted cash flows expected to be generated by the asset are compared to the carrying amount. If the total future undiscounted cash flows of the asset are less than its carrying amount, recoverability is measured by comparing the fair value of the assets to the carrying amount. An impairment loss is recognized in earnings when the asset's carrying value exceeds its estimated fair value. Fair value is generally estimated using a discounted cash flow model.

Generally, restaurant closure costs, including lease termination fees, are expensed as incurred. When the Company ceases using the property rights under a non-cancelable operating lease, it records a liability for the net present value of any remaining lease obligations as a result of lease termination, less the estimated sublease income that can reasonably be obtained for the property. Any subsequent adjustments to that liability as a result of lease termination or changes in estimates of sublease income are recorded in the period incurred. The associated expense is recorded in Provision for impaired assets and restaurant closings in the Company's Consolidated Statements of Operations and Comprehensive Income.

Restaurant sites and certain other assets to be sold are included in assets held for sale when certain criteria are met, including the requirement that the likelihood of selling the assets within one year is probable.

Advertising Costs - Advertising production costs are expensed in the period when the advertising first occurs. All other advertising costs are expensed in the period in which the costs are incurred. Advertising expense of $134.2 million, $160.8 million and $161.6 million for 2017, 2016 and 2015, respectively, was recorded in Other restaurant operating expenses in the Company's Consolidated Statements of Operations and Comprehensive Income.

Legal Costs - Settlement costs are accrued when they are deemed probable and reasonably estimable. Legal fees are recognized as incurred and are reported in General and administrative expense in the Company's Consolidated Statements of Operations and Comprehensive Income.

Research and Development Expenses ("R&D") - R&D is expensed as incurred in General and administrative expense in the Company's Consolidated Statements of Operations and Comprehensive Income. R&D primarily consists of payroll and benefit costs. R&D was $3.9 million, $5.2 million and $6.5 million for 2017, 2016 and 2015, respectively.

Partner Compensation - In addition to salary, Area Operating Partners, Restaurant Managing Partners and Chef Partners generally receive performance-based bonuses for providing management and supervisory services to their restaurants, certain of which may be based on a percentage of their restaurants' monthly operating results or cash flows and/or total controllable income ("Monthly Payments"). The expense associated with the Monthly Payments for Restaurant Managing Partners and Chef Partners is included in Labor and other related expenses, and the expense associated with Monthly Payments for Area Operating Partners is included in General and administrative expenses in the Company's Consolidated Statements of Operations and Comprehensive Income.

Restaurant Managing Partners and Chef Partners in the U.S. that are eligible to participate in a deferred compensation program receive an unsecured promise of a cash contribution to their account (see Note 6 - *Stock-based and Deferred Compensation Plans*). Also, on the fifth anniversary of the opening of each new U.S. Company-owned restaurant, the Area Operating Partner supervising the restaurant during the first five years of operation receives an additional performance-based bonus. International Restaurant Managing Partners whom purchase participation interests receive monthly cash distributions based on performance. Also, the supervising partners receive additional performance-based bonuses based on completion of their agreement. The terms and availability of these plans vary by country.

The Company estimates future bonuses and deferred compensation obligations to Restaurant Managing Partners, Chef Partners and Area Operating Partners, using current and historical information on restaurant performance and records the long-term portion of partner obligations in Other long-term liabilities, net on its Consolidated Balance Sheets. Deferred compensation expenses for Restaurant Managing and Chef Partners are included in Labor and other related expenses and bonus expense for Area Operating Partners is included in General and administrative expenses in the Company's Consolidated Statements of Operations and Comprehensive Income.

Stock-based Compensation - Stock-based compensation awards are measured at fair value at the date of grant and expensed over their vesting or service periods. Stock-based compensation expense is recognized only for those awards expected to vest. The expense, net of forfeitures, is recognized using the straight-line method. Forfeitures of share-based compensation awards are recognized as they occur.

Foreign Currency Translation and Transactions - For non-U.S. operations, the functional currency is the local currency. Foreign currency denominated assets and liabilities are translated into U.S. dollars using the exchange rates in effect at the balance sheet date with the translation adjustments recorded in Accumulated other comprehensive loss in the Company's Consolidated Statements of Changes in Stockholders' Equity. Results of operations are translated using the average exchange rates for the reporting period.

The Company recorded foreign currency exchange transaction losses of $0.1 million, $1.3 million and $1.2 million for 2017, 2016 and 2015, respectively. Foreign currency exchange transaction losses are recorded in General and administrative in the Company's Consolidated Statements of Operations and Comprehensive Income.

Income Taxes - Deferred income tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax basis. Deferred income tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred income tax assets and liabilities of a change in the tax rate is recognized in income in the period that includes the

enactment date of the rate change. A valuation allowance may reduce deferred income tax assets to the amount that is more likely than not to be realized.

The Company records a tax benefit for an uncertain tax position using the highest cumulative tax benefit that is more likely than not to be realized. The Company adjusts its liability for unrecognized tax benefits in the period in which it determines the issue is effectively settled, the statute of limitations expires or when more information becomes available. Liabilities for unrecognized tax benefits, including penalties and interest, are recorded in Accrued and other current liabilities and Other long-term liabilities, net on the Company's Consolidated Balance Sheets.

Recently Adopted Financial Accounting Standards - Effective December 26, 2016, the Company adopted ASU No. 2016-09: "Compensation - Stock Compensation (Topic 718): Improvements to Employee Share-Based Payment Accounting" ("ASU No. 2016-09"). ASU No. 2016-09 simplifies several aspects related to the accounting for share-based payment transactions, including the accounting for income taxes, statutory tax withholding requirements and classification on the statement of cash flows. Upon adoption, the Company made an accounting policy election to recognize forfeitures as they occur. Using the modified retrospective transition method required under the standard, the Company recorded a cumulative-effect adjustment for the adoption of ASU No. 2016-09 of $14.4 million for previously unrecognized excess tax benefits, which increased Deferred tax assets and reduced Accumulated deficit. The recognition of excess tax benefits and tax shortfalls in the income statement and presentation of excess tax benefits on the statement of cash flows were adopted prospectively, with no adjustments made to prior periods. The remaining provisions of ASU No. 2016-09 did not have a material impact on the Company's Consolidated Financial Statements.

Effective June 26, 2017, the Company adopted ASU No. 2016-18, "Statement of Cash Flows (Topic 230), Restricted Cash" ("ASU No. 2016-18"). ASU No. 2016-18 provides guidance on the presentation of restricted cash and restricted cash equivalents, which are now included with cash and cash equivalents when reconciling the beginning and ending cash amounts shown on the statements of cash flows. Using the retrospective transition method required under the standard, the Company has adjusted the presentation of its Consolidated Statements of Cash Flows for all periods presented. The adoption of ASU No. 2016-18 did not have any other impact on the Company's Consolidated Financial Statements.

The following table provides additional details by financial statement line item of the adjusted presentation in the Company's Consolidated Statement of Cash Flows:

	FISCAL YEAR					
	2016			2015		
(dollars in thousands)	AS REPORTED	2016-18 IMPACT	ADJUSTED	AS REPORTED	2016-18 IMPACT	ADJUSTED
Cash flows provided by operating activities						
Other non-cash items, net	$ 824	$ 6	$ 830	$ 38	$ (2,291)	$ (2,253)
Net cash provided by operating activities	$ 340,581	$ 6	$ 340,587	$ 397,430	$ (2,291)	$ 395,139
Cash flows provided by (used in) investing activities						
Decrease in restricted cash	$ 45,479	$ (45,479)	$ —	$ 54,782	$ (54,782)	$ —
Increase in restricted cash	(31,446)	31,446	—	(47,830)	47,830	—
Net cash provided by (used in) investing activities	$ 309,281	$ (14,033)	$ 295,248	$ (180,643)	$ (6,952)	$ (187,595)
Net decrease in cash, cash equivalents and restricted cash	$ (5,161)	$ (14,027)	$ (19,188)	$ (33,407)	$ (9,243)	$ (42,650)
Cash, cash equivalents, and restricted cash as of the beginning of the period	132,337	23,037	155,374	165,744	32,280	198,024
Cash, cash equivalents and restricted cash as of the end of the period	$ 127,176	$ 9,010	$ 136,186	$ 132,337	$ 23,037	$ 155,374

Recently Issued Financial Accounting Standards Not Yet Adopted - In May 2014, the Financial Accounting Standards Board ("the FASB") issued ASU No. 2014-09. ASU No. 2014-09 provides a single source of guidance for revenue arising from contracts with customers and supersedes current revenue recognition standards. Under ASU No. 2014-09, revenue is recognized in an amount that reflects the consideration an entity expects to receive for the transfer of goods and services. The standard also requires additional disclosures about the nature, timing and uncertainty of revenue and cash flows arising from contracts with customers. The Company has implemented new controls to comply with ASU No. 2014-09 and permit adoption on January 1, 2018.

Although the Company is in the process of finalizing the impact of adoption, it has determined that changes in the timing of breakage revenue will impact quarterly results. Under the new standard, the Company will recognize gift card breakage proportional to redemptions. Previously, under the remote method, the majority of breakage revenue was recorded in the Company's fourth fiscal quarter corresponding with the timing of the original gift card sale. Advertising fees charged to franchisees, which are currently recorded as a reduction to Other restaurant operating expenses, and approximated $17.2 million and $12.4 million in 2017 and 2016, respectively, will be recognized as revenue. In addition, initial franchise fees will be recognized over the term of the franchise agreement. Included in Q2 2017 was $2.2 million of initial franchise fees from domestic refranchising transactions.

The Company intends to adopt ASU No. 2014-09 using the full retrospective transition method, which will result in restating each prior reporting period presented in the year of adoption.

In February 2016, the FASB issued ASU No. 2016-02: "Leases (Topic 842)" ("ASU No. 2016-02"). ASU No. 2016-02 requires the lease rights and obligations arising from lease contracts, including existing and new arrangements, to be recognized as assets and liabilities on the balance sheet. ASU No. 2016-02 is effective for the Company in 2019 and must be adopted using a modified retrospective approach. The Company expects the adoption of ASU No. 2016-02 to have a significant impact on its Consolidated Balance Sheet due to recognition of right-of-use assets and lease liabilities for operating leases. The Company's evaluation of ASU No. 2016-02 is ongoing and may identify additional impacts on the consolidated financial statements and related disclosures.

In August 2017, the FASB issued ASU No. 2017-12, Derivatives and Hedging (Topic 815): Targeted Improvements to Accounting for Hedging Activities ("ASU No. 2017-12") which provides guidance for reporting the economic results of hedging activities and to simplify the disclosures of risk exposures and hedging strategies. ASU No. 2017-12 will be effective for the Company in 2019, with early adoption permitted. The Company is currently evaluating the impact of ASU No. 2017-12 on its Consolidated Financial Statements.

Reclassifications - The Company reclassified certain items in the accompanying consolidated financial statements for prior periods to be comparable with the classification for the current period. These reclassifications had no effect on previously reported net income.

3. Disposals

Refranchising - In the second quarter of 2017, the Company completed the sale of 54 of its existing U.S. Company-owned Outback Steakhouse and Carrabba's Italian Grill locations to two of its existing franchisees (the "Buyers") for aggregate cash proceeds of $36.2 million, net of certain closing adjustments. The transactions resulted in an aggregate net gain of $7.4 million, recorded within Other income, net, in the Consolidated Statements of Operations and Other Comprehensive Income, and is net of an impairment of $1.7 million related to certain Company-owned assets leased to the Buyers. Included in the cash proceeds are initial franchise fees of $2.2 million that are recorded within Franchise and other revenues in the Consolidated Statements of Operations and Other Comprehensive Income.

These restaurants are now operated as franchises and the Company remains contingently liable on certain real estate lease agreements assigned to the Buyers. See Note 19 - *Commitments and Contingencies* for additional details regarding lease guarantees.

Other Disposals - During third quarter of 2017, the Company closed and completed the sale of one U.S. Company-owned Carrabba's Italian Grill location for a purchase price of $9.9 million, net of closing costs. The sale resulted in a net gain of $8.4 million, recorded in Other income, net, in the Company's Consolidated Statements of Operations and Other Comprehensive Income.

Outback Steakhouse South Korea - In 2016, the Company completed the sale of its Outback Steakhouse subsidiary in South Korea ("Outback Steakhouse South Korea") for a purchase price of $50.0 million, converting all restaurants in that market to franchised locations. Following is the Income (loss) before income taxes of Outback Steakhouse South Korea included in the Consolidated Statements of Operations and Comprehensive Income for the periods indicated:

	FISCAL YEAR	
(dollars in thousands)	**2016**	**2015**
Restaurant sales	$ 90,455	$ 171,649
Income (loss) before income taxes (1)	$ (32,348)	$ 3,284

(1) Includes impairment charges of $39.6 million for Assets held for sale and a gain on sale of $2.1 million in 2016.

Roy's - In 2015, the Company sold its Roy's business to United Ohana, LLC, for a purchase price of $10.0 million, less certain liabilities. Following are the components of Roy's included in the Company's Consolidated Statements of Operations and Comprehensive Income for 2015:

	FISCAL YEAR
(dollars in thousands)	**2015**
Restaurant sales	$ 5,729
Loss before income taxes (1)	$ (831)

(1) Includes loss on sale of $0.9 million.

4. Impairments and Exit Costs

The components of Provision for impaired assets and restaurant closings are as follows:

	FISCAL YEAR		
(dollars in thousands)	**2017**	**2016**	**2015**
Impairment losses			
U.S.	$ 15,325	$ 57,464	$ 27,408
International	10,124	41,599	—
Corporate	—	—	746
Total impairment losses	$ 25,449	$ 99,063	$ 28,154
Restaurant closure expenses			
U.S.	$ 26,749	$ 5,596	$ 2,460
International	131	(32)	6,053
Total restaurant closure expenses	$ 26,880	$ 5,564	$ 8,513
Provision for impaired assets and restaurant closings	$ 52,329	$ 104,627	$ 36,667

BLOOMIN' BRANDS, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - Continued

Closure Initiative and Restructuring Costs - Following is a summary of expenses related to the 2017 Closure Initiative, Bonefish Restructuring and the Pre-2015 Closure Initiatives (the "Closure Initiatives"), recognized in Provision for impaired assets and restaurant closings in the Company's Consolidated Statements of Operations and Comprehensive Income for the periods indicated:

	FISCAL YEAR		
(dollars in thousands)	**2017**	**2016**	**2015**
Impairment, facility closure and other expenses			
2017 Closure Initiative (1)	$ 20,352	$ 46,500	$ —
Bonefish Restructuring (2)	3,783	4,859	24,204
Pre-2015 Closure Initiatives (3)	—	—	7,643
Provision for impaired assets and restaurant closings	$ 24,135	$ 51,359	$ 31,847
Severance and other expenses			
2017 Closure Initiative (1)	$ 3,299	$ —	$ —
Bonefish Restructuring (2)	67	601	143
Pre-2015 Closure Initiatives (3)	—	—	1,715
General and administrative	$ 3,366	$ 601	$ 1,858
Reversal of deferred rent liability			
2017 Closure Initiative (1)	$ (4,755)	$ (3,271)	$ —
Bonefish Restructuring (2)	—	(3,410)	—
Pre-2015 Closure Initiatives (3)	—	—	(198)
Other restaurant operating	$ (4,755)	$ (6,681)	$ (198)
	$ 22,746	$ 45,279	$ 33,507

(1) On February 15, 2017 and August 28, 2017, the Company decided to close 43 underperforming restaurants in the U.S. and two Abbraccio restaurants outside of the core markets of São Paulo and Rio de Janeiro in Brazil (the "2017 Closure Initiative"). Most of these restaurants were closed in 2017, with the balance mostly closing as leases and certain operating covenants expire or are amended or waived. In connection with the 2017 Closure Initiative, the Company recognized impairments of $17.9 million and $45.6 million within the U.S. segment and $2.5 million and $0.9 million within the International segment for 2017 and 2016, respectively.

(2) On February 12, 2016, the Company decided to close 14 Bonefish Grill restaurants (the "Bonefish Restructuring"). The Company expects to substantially complete these restaurant closings through the first quarter of 2019. In connection with the Bonefish Restructuring, the Company reassessed the future undiscounted cash flows of the impacted restaurants, and as a result, recognized pre-tax asset impairments during 2015. Expenses related to the Bonefish Restructuring are recognized within the U.S. segment.

(3) During 2013 and 2014, the Company decided to close 22 domestic and 36 international (primarily in South Korea) underperforming locations (the "Pre-2015 Closure Initiatives").

Cumulative Closure Initiative and Restructuring Costs - Following is a summary of cumulative expenses related to the Closure Initiatives incurred through December 31, 2017 (dollars in thousands):

		CLOSURE INITIATIVES AND RESTRUCTURING			
DESCRIPTION	**LOCATION OF CHARGE IN THE CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME**	**2017**	**BONEFISH**	**PRE-2015**	**TOTAL**
Impairments, facility closure and other expenses	Provision for impaired assets and restaurant closings	$ 66,852	$ 32,846	$ 52,048	$ 151,746
Severance and other expenses	General and administrative	3,299	811	5,757	9,867
Reversal of deferred rent liability	Other restaurant operating	(8,026)	(3,410)	(3,109)	(14,545)
		$ 62,125	$ 30,247	$ 54,696	$ 147,068

Surplus Properties - The Company owns certain U.S. restaurant properties and assets that are no longer utilized to operate its restaurant concepts ("surplus properties"). Surplus properties primarily consist of closed properties which include land and a building, and liquor licenses no longer needed for operations. Surplus properties may be classified in the Consolidated Balance Sheets as assets held for sale or as assets held and used when the Company does not expect to sell these assets within the next 12 months. Following is a summary of the carrying value and number of surplus properties as of the dates indicated:

(dollars in thousands)	CONSOLIDATED BALANCE SHEET CLASSIFICATION	DECEMBER 31, 2017	DECEMBER 25, 2016
Surplus properties - assets held for sale	Other current assets, net	$ 6,217	$ 676
Surplus properties - assets held and used	Property, fixtures and equipment, net	21,611	34,501
Total surplus properties		$ 27,828	$ 35,177
Number of surplus properties owned		22	18

During 2017, the Company recognized impairment charges of $10.7 million in connection with the remeasurement of certain held and used surplus properties.

Other Impairment - During the fourth quarter of 2017, the Company recognized asset impairment charges of $6.3 million for its China subsidiary, within the International segment. During 2016, the Company recognized impairment charges of $3.5 million for its Puerto Rico subsidiary, within the U.S. segment.

The remaining restaurant impairment and closing charges resulted from the carrying value of a restaurant's assets exceeding its estimated fair market value, primarily due to locations identified for relocation or closure and lease liabilities.

Projected Future Expenses and Cash Expenditures - The Company currently expects to incur additional charges for the 2017 Closure Initiative and Bonefish Restructuring over the next two years, including costs associated with lease obligations, employee terminations and other closure-related obligations. Following is a summary of estimated pre-tax expense by type:

Estimated future expense **(dollars in millions)**	2017 CLOSURE INITIATIVE			BONEFISH RESTRUCTURING		
Lease related liabilities, net of subleases	$ 2.9	to	$ 3.8	$ 1.6	to	$ 2.3
Employee severance and other obligations	0.4	to	0.7	0.1	to	0.4
Total estimated future expense	$ 3.3	to	$ 4.5	$ 1.7	to	$ 2.7
Total estimated future cash expenditures (dollars in millions)	$ 22.3	to	$ 26.4	$ 9.6	to	$ 12.3

Total future undiscounted cash expenditures for the 2017 Closures Initiative and Bonefish Grill Restructuring, primarily related to lease liabilities, are expected to occur over the remaining lease terms with the final term ending in January 2029 and October 2024, respectively.

Accrued Facility Closure and Other Cost Rollforward - The following table summarizes the Company's accrual activity related to facility closure and other costs:

	FISCAL YEAR	
(dollars in thousands)	**2017**	**2016**
Beginning of the year	$ 6,557	$ 5,699
Charges	29,393	6,845
Cash payments	(10,728)	(4,706)
Adjustments	(2,513)	(1,281)
End of the year (1)	$ 22,709	$ 6,557

(1) The Company had exit-related accruals of $6.7 million and $2.6 million, recorded in Accrued and other current liabilities and $16.0 million and $4.0 million, recorded in Other long-term liabilities, net, as of December 31, 2017 and December 25, 2016, respectively.

5. Earnings Per Share

The Company computes basic earnings per share based on the weighted average number of common shares that were outstanding during the period. Diluted earnings per share includes the dilutive effect of common stock equivalents consisting of restricted stock, restricted stock units, performance-based share units and stock options, using the treasury stock method. Performance-based share units are considered dilutive when the related performance criterion has been met.

The following table presents the computation of basic and diluted earnings per share:

	FISCAL YEAR		
(in thousands, except per share amounts)	**2017**	**2016**	**2015**
Net income attributable to Bloomin' Brands	$ 100,243	$ 41,748	$ 127,327
Basic weighted average common shares outstanding	96,365	111,381	122,352
Effect of diluted securities:			
Stock options	2,895	2,659	2,992
Nonvested restricted stock and restricted stock units	421	260	216
Nonvested performance-based share units	26	11	25
Diluted weighted average common shares outstanding	99,707	114,311	125,585
Basic earnings per share	$ 1.04	$ 0.37	$ 1.04
Diluted earnings per share	$ 1.01	$ 0.37	$ 1.01

Dilutive securities outstanding not included in the computation of earnings per share because their effect was antidilutive were as follows:

	FISCAL YEAR		
(shares in thousands)	**2017**	**2016**	**2015**
Stock options	5,555	5,151	2,670
Nonvested restricted stock and restricted stock units	128	219	27
Nonvested performance-based share units	222	92	—

6. Stock-based and Deferred Compensation Plans

Stock-based Compensation Plans

The Company recognized stock-based compensation expense as follows:

	FISCAL YEAR		
(dollars in thousands)	2017	2016	2015
Stock options	$ 10,423	$ 11,926	$ 10,041
Restricted stock and restricted stock units	9,933	9,275	6,758
Performance-based share units	2,227	1,393	3,596
	$ 22,583	$ 22,594	$ 20,395

Stock Options - Stock options generally vest and become exercisable over a period of four years in an equal number of shares each year. Stock options have an exercisable life of no more than ten years from the date of grant. The Company settles stock option exercises with authorized but unissued shares of the Company's common stock.

The following table presents a summary of the Company's stock option activity:

(in thousands, except exercise price and contractual life)	OPTIONS	WEIGHTED-AVERAGE EXERCISE PRICE	WEIGHTED-AVERAGE REMAINING CONTRACTUAL LIFE (YEARS)	AGGREGATE INTRINSIC VALUE
Outstanding as of December 25, 2016	10,984	$ 14.24	5.8	$ 58,231
Granted	1,279	17.39		
Exercised	(1,411)	9.54		
Forfeited or expired	(801)	19.31		
Outstanding as of December 31, 2017	10,051	$ 14.89	5.2	$ 71,373
Exercisable as of December 31, 2017	6,727	$ 12.96	3.7	$ 60,814

Assumptions used in the Black-Scholes option pricing model and the weighted-average fair value of option awards granted were as follows for the periods indicated:

	FISCAL YEAR		
	2017	2016	2015
Assumptions:			
Weighted-average risk-free interest rate (1)	1.92%	1.32%	1.64%
Dividend yield (2)	1.84%	1.59%	1.00%
Expected term (3)	6.3 years	6.1 years	6.3 years
Weighted-average volatility (4)	33.7%	35.2%	43.4%
Weighted-average grant date fair value per option	$ 5.09	$ 5.28	$ 10.11

(1) Risk-free interest rate is the U.S. Treasury yield curve in effect as of the grant date for periods within the expected term of the option.
(2) Dividend yield is the level of dividends expected to be paid on the Company's common stock over the expected term of the option.
(3) Expected term represents the period of time that the options are expected to be outstanding. The simplified method of estimating the expected term is used since the Company does not have significant historical exercise experience for its stock options.
(4) Based on the historical volatility of the Company's stock.

The following represents stock option compensation information for the periods indicated:

	FISCAL YEAR		
(dollars in thousands)	2017	2016	2015
Intrinsic value of options exercised	$ 15,139	$ 10,792	$ 11,843
Excess tax benefits for tax deductions related to the exercise of stock options	$ 2,928	$ 2,146	$ 702
Cash received from option exercises, net of tax withholding	$ 13,329	$ 8,998	$ 7,440
Fair value of stock options vested	$ 28,085	$ 19,431	$ 26,643
Tax benefits for stock option compensation expense	$ 5,889	$ 4,177	$ 4,594
Unrecognized stock option expense	$ 12,347		
Remaining weighted-average vesting period	2.3 years		

Restricted Stock and Restricted Stock Units - Restricted stock and restricted stock units generally vest over a period of four years and become exercisable in an equal number of shares each year. Following is a summary of the Company's restricted stock and restricted stock unit activity:

(shares in thousands)	NUMBER OF RESTRICTED STOCK & RESTRICTED STOCK UNIT AWARDS	WEIGHTED-AVERAGE GRANT DATE FAIR VALUE PER AWARD
Outstanding as of December 25, 2016	1,594	$ 18.55
Granted	619	16.49
Vested	(533)	19.10
Forfeited	(288)	17.91
Outstanding as of December 31, 2017	1,392	$ 17.54

The following represents restricted stock and restricted stock unit compensation information as of December 31, 2017:

	FISCAL YEAR		
(dollars in thousands)	2017	2016	2015
Fair value of restricted stock vested	$ 10,182	$ 7,752	$ 5,339
Tax benefits for restricted stock compensation expense	$ 3,664	$ 2,513	$ 2,303
Unrecognized restricted stock expense	$ 17,365		
Remaining weighted-average vesting period	2.5 years		

Performance-based Share Units ("PSUs") - The number of units that vest is determined for each year based on the achievement of certain performance criteria as set forth in the award agreement and may range from zero to 200% of the annual target grant. The PSUs are settled in shares of common stock, with holders receiving one share of common stock for each performance-based share unit that vests. The fair value of PSUs is based on the closing price of the Company's common stock on the grant date. Compensation expense for PSUs is recognized over the vesting period when it is probable the performance criteria will be achieved.

The following table presents a summary of the Company's PSU activity:

(shares in thousands)	PERFORMANCE-BASED SHARE UNITS	WEIGHTED-AVERAGE GRANT DATE FAIR VALUE PER AWARD
Outstanding as of December 25, 2016	312	$ 16.26
Granted	403	17.44
Vested	(70)	16.29
Forfeited	(146)	17.98
Outstanding as of December 31, 2017	499	$ 16.72

The following represents PSU compensation information as of December 31, 2017:

	FISCAL YEAR		
(dollars in thousands)	2017	2016	2015
Tax benefits for PSU compensation expense	$ 501	$ 910	$ 636
Unrecognized PSU expense	$ 2,820		
Remaining weighted-average vesting period (1)	1.0 year		

(1) For PSUs granted prior to 2016, units typically vest in an equal number of shares over four years. PSUs granted after 2015 vest after three years.

As of December 31, 2017, the maximum number of shares of common stock available for issuance pursuant to the 2016 Omnibus Incentive Plan was 5,063,157.

Deferred Compensation Plans

Restaurant Managing Partners and Chef Partners are eligible to participate in deferred compensation programs. To fund deferred compensation arrangements, the Company may invest in corporate-owned life insurance policies, which are held within an irrevocable grantor or "rabbi" trust account for settlement of certain of the obligations under the deferred compensation plans. The deferred compensation obligation due to Restaurant Managing and Chef Partners was $96.3 million and $113.0 million as of December 31, 2017 and December 25, 2016, respectively. The rabbi trust is funded through the Company's voluntary contributions. The unfunded obligation for Restaurant Managing and Chef Partners' deferred compensation was $36.6 million and $50.6 million as of December 31, 2017 and December 25, 2016, respectively.

Other Benefit Plans

401(k) Plan - The Company has a qualified defined contribution plan that qualifies under Section 401(k) of the Internal Revenue Code of 1986, as amended. The Company incurred contribution costs of $3.3 million, $3.2 million and $3.7 million for the 401(k) Plan for 2017, 2016 and 2015, respectively.

Deferred Compensation Plan - The Company provides a deferred compensation plan for its highly compensated employees who are not eligible to participate in the 401(k) Plan. The deferred compensation plan allows these employees to contribute a percentage of their base salary and cash bonus on a pre-tax basis. The deferred compensation plan is unsecured and funded through the Company's voluntary contributions.

7. Other Current Assets, Net

Other current assets, net, consisted of the following:

(dollars in thousands)	DECEMBER 31, 2017	DECEMBER 25, 2016
Prepaid expenses	$ 40,688	$ 35,298
Accounts receivable - gift cards, net	66,361	102,664
Accounts receivable - vendors, net	19,483	10,107
Accounts receivable - franchisees, net	2,017	1,677
Accounts receivable - other, net	22,808	20,497
Assets held for sale	6,217	1,331
Other current assets, net	21,828	18,652
	$ 179,402	$ 190,226

8. Property, Fixtures and Equipment, Net

Property, fixtures and equipment, net, consisted of the following:

(dollars in thousands)	DECEMBER 31, 2017	DECEMBER 25, 2016
Land	$ 74,228	$ 114,375
Buildings and building improvements	653,246	726,418
Furniture and fixtures	410,792	383,758
Equipment	600,977	550,598
Leasehold improvements	534,875	492,465
Construction in progress	40,740	47,332
Less: accumulated depreciation	(1,141,444)	(1,077,798)
	$ 1,173,414	$ 1,237,148

Sale-leaseback Transactions - During 2017 and 2016, the Company entered into sale-leaseback transactions with third-parties in which it sold 31 and 153 restaurant properties at fair market value for gross proceeds of $108.0 million and $541.9 million, respectively. In connection with these sale-leaseback transactions, the Company recorded deferred gains of $22.3 million and $163.4 million, respectively, which are amortized to Other restaurant operating expense in its Consolidated Statements of Operations and Comprehensive Income over the initial term of each lease, ranging from 10 to 20 years.

During 2016, the Company sold six restaurant properties to third parties for aggregate proceeds of $18.5 million that did not qualify for sale-leaseback accounting. The book value of the buildings and land for these restaurant properties remains on the Company's Consolidated Balance Sheets. See Note 12 - *Long-term Debt, Net* and Note 19 - *Commitments and Contingencies* for additional details regarding the related financing obligation.

Leased Properties - As of December 31, 2017, the Company leased $20.9 million and $27.6 million of certain land and buildings, respectively, to third parties. Accumulated depreciation related to the leased building assets of $9.5 million is included in Property, fixtures and equipment, net as of December 31, 2017.

Depreciation and repair and maintenance expense is as follows for the periods indicated:

(dollars in thousands)	FISCAL YEAR		
	2017	2016	2015
Depreciation expense	$ 182,254	$ 183,049	$ 178,855
Repair and maintenance expense	111,926	108,940	107,960

9. Goodwill and Intangible Assets, Net

Goodwill - The following table is a rollforward of goodwill:

(dollars in thousands)	U.S.	INTERNATIONAL	CONSOLIDATED
Balance as of December 27, 2015	$ 172,711	$ 128,150	$ 300,861
Translation adjustments	—	11,382	11,382
Divestitures	—	(1,901)	(1,901)
Transfer to Assets held for sale	(287)	—	(287)
Balance as of December 25, 2016	$ 172,424	$ 137,631	$ 310,055
Translation adjustments	—	3,280	3,280
Impairments (1)	—	(1,444)	(1,444)
Divestitures (2)	(1,657)	—	(1,657)
Balance as of December 31, 2017	$ 170,767	$ 139,467	$ 310,234

(1) During the fourth quarter of 2017, the Company recognized $1.4 million goodwill impairment related to its China subsidiary in Provision for impaired assets and restaurant closings within its Consolidated Statements of Operations and Comprehensive Income.

(2) During the second quarter 2017, the Company disposed of Goodwill in connection with the sale of 54 of its U.S. Company-owned Outback Steakhouse and Carrabba's Italian Grill locations to existing franchisees.

The following table is a summary of the Company's gross goodwill balances and accumulated impairments:

	DECEMBER 31, 2017		DECEMBER 25, 2016		DECEMBER 27, 2015	
(dollars in thousands)	GROSS CARRYING AMOUNT	ACCUMULATED IMPAIRMENTS	GROSS CARRYING AMOUNT	ACCUMULATED IMPAIRMENTS	GROSS CARRYING AMOUNT	ACCUMULATED IMPAIRMENTS
U.S.	$ 838,937	$ (668,170)	$ 840,594	$ (668,170)	$ 840,881	$ (668,170)
International	257,377	(117,910)	254,097	(116,466)	244,616	(116,466)
Total goodwill	$ 1,096,314	$ (786,080)	$ 1,094,691	$ (784,636)	$ 1,085,497	$ (784,636)

The Company performs its annual assessment for impairment of goodwill and other indefinite-lived intangible assets each year during the second quarter. As a result of this assessment, the Company did not record any goodwill asset impairment charges during the periods presented.

Intangible Assets, net - Intangible assets, net, consisted of the following:

		DECEMBER 31, 2017			DECEMBER 25, 2016		
(dollars in thousands)	WEIGHTED AVERAGE AMORTIZATION PERIOD (IN YEARS)	GROSS CARRYING VALUE	ACCUMULATED AMORTIZATION	NET CARRYING VALUE	GROSS CARRYING VALUE	ACCUMULATED AMORTIZATION	NET CARRYING VALUE
Trade names	Indefinite	$ 414,141		$ 414,141	$ 414,041		$ 414,041
Trademarks	11	81,381	$ (40,233)	41,148	81,381	$ (36,400)	44,981
Favorable leases	10	66,338	(39,259)	27,079	73,665	(41,258)	32,407
Franchise agreements	3	14,881	(12,067)	2,814	14,881	(10,922)	3,959
Reacquired franchise rights	13	54,961	(17,963)	36,998	53,045	(13,091)	39,954
Other intangibles	2	9,099	(8,989)	110	9,099	(8,918)	181
Total intangible assets	10	$ 640,801	$ (118,511)	$ 522,290	$ 646,112	$ (110,589)	$ 535,523

The Company did not record any indefinite-lived intangible asset impairment charges during the periods presented.

Definite-lived intangible assets are amortized on a straight-line basis. The following table presents the aggregate expense related to the amortization of the Company's trademarks, favorable leases, franchise agreements, reacquired franchise rights and other intangibles:

	FISCAL YEAR		
(dollars in thousands)	2017	2016	2015
Amortization expense (1)	$ 14,191	$ 15,666	$ 16,852

(1) Amortization expense is recorded in Depreciation and amortization and Other restaurant operating expenses in the Company's Consolidated Statements of Operations and Comprehensive Income.

The following table presents expected annual amortization of intangible assets as of December 31, 2017:

(dollars in thousands)	
2018	$ 13,397
2019	12,990
2020	11,333
2021	10,079
2022	9,649

10. Other Assets, Net

Other assets, net, consisted of the following:

(dollars in thousands)	DECEMBER 31, 2017	DECEMBER 25, 2016
Company-owned life insurance	$ 73,818	$ 74,629
Deferred financing fees (1)	8,232	2,632
Liquor licenses	24,659	27,515
Other assets	28,552	24,370
	$ 135,261	$ 129,146

(1) Net of accumulated amortization of $4.1 million and $3.3 million as of December 31, 2017 and December 25, 2016, respectively.

11. Accrued and Other Current Liabilities

Accrued and other current liabilities consisted of the following:

(dollars in thousands)	DECEMBER 31, 2017	DECEMBER 25, 2016
Accrued payroll and other compensation	$ 113,636	$ 81,981
Accrued insurance	23,482	23,533
Other current liabilities	133,722	98,901
	$ 270,840	$ 204,415

12. Long-term Debt, Net

Following is a summary of outstanding long-term debt:

(dollars in thousands)	DECEMBER 31, 2017 OUTSTANDING BALANCE	DECEMBER 31, 2017 INTEREST RATE	DECEMBER 25, 2016 OUTSTANDING BALANCE	DECEMBER 25, 2016 INTEREST RATE
Senior Secured Credit Facility:				
Term loan A (1)	$ 500,000	3.27%	$ —	—%
Revolving credit facility (1)	600,000	3.26%	—	—%
Total Senior Secured Credit Facility	1,100,000		—	
Former Credit Facility:				
Term loan A (1)	—	—%	258,750	2.63%
Term loan A-1	—	—%	140,625	2.70%
Revolving credit facility (1)	—	—%	622,000	2.67%
Total Former Credit Facility	—		1,021,375	
PRP Mortgage Loan	—	—%	47,202	3.21%
Financing obligations	19,579	7.52% to 7.82%	19,595	7.45% to 7.60%
Capital lease obligations	2,015		2,364	
Other notes payable	904	0.00% to 2.18%	1,776	0.00% to 7.00%
Less: unamortized debt discount and issuance costs	(4,394)		(2,827)	
Total debt, net	1,118,104		1,089,485	
Less: current portion of long-term debt	(26,335)		(35,079)	
Long-term debt, net	$ 1,091,769		$ 1,054,406	

(1) Represents the weighted-average interest rate for the respective period.

Bloomin' Brands, Inc. is a holding company and conducts its operations through its subsidiaries, certain of which have incurred indebtedness as described below.

New Credit Agreement - On November 30, 2017, the Company and OSI, as co-borrowers, entered into a credit agreement (the "Credit Agreement") with a syndicate of institutional lenders, providing for senior secured financing of up to $1.5 billion consisting of a $500.0 million Term loan A and a $1.0 billion revolving credit facility, including a letter of credit and swing line loan sub-facilities (the "Senior Secured Credit Facility"). The Senior Secured Credit Facility matures on November 30, 2022.

At closing, $697.0 million was drawn under the revolving credit facility. The proceeds of the Credit Agreement were used to repay OSI's former senior secured credit facility (the "Former Credit Facility"). The Company's total indebtedness was not materially changed as a result of the refinancing.

OSI's Former Credit Facility, originally dated October 26, 2012, as amended, provided up to $1.4 billion, consisting of a $300.0 million Term loan A, a $150.0 million Term loan A-1 and a $825.0 million revolving credit facility, including letter of credit and swing line loan sub-facilities. Prior to the refinancing, in May 2017, OSI amended its former credit agreement, which provided for the $125.0 million Term loan A-2.

The Company may elect an interest rate for the Credit Agreement at each reset period based on the Alternate Base Rate or the Eurocurrency Rate. The Alternate Base Rate option is the highest of: (i) the prime rate of Wells Fargo Bank, National Association, (ii) the federal funds effective rate plus 0.5 of 1.0% or (iii) the Eurocurrency rate with a one-month interest period plus 1.0% (the "Alternate Base Rate"). The Eurocurrency Rate option is the seven, 30, 60, 90 or 180-day Eurocurrency rate ("Eurocurrency Rate"). The interest rates are as follows:

	BASE RATE ELECTION	EUROCURRENCY RATE ELECTION
Term loan A and revolving credit facility	50 to 100 basis points over Base Rate	150 to 200 basis points over the Eurocurrency Rate

Fees on letters of credit and the daily unused availability under the revolving credit facility as of December 31, 2017 were 1.88% and 0.30%, respectively. As of December 31, 2017, $22.7 million of the revolving credit facility was committed for the issuance of letters of credit and not available for borrowing.

The Senior Secured Credit Facility is guaranteed by each of the Company's current and future domestic subsidiaries and is secured by substantially all now owned or later acquired assets of the Company and OSI, including the Company's domestic subsidiaries.

PRP Mortgage Loan - During 2016, New Private Restaurant Partners, LLC, an indirect wholly-owned subsidiary of the Company ("PRP") entered into loan agreements (the "PRP Mortgage Loan"), as borrower, and Wells Fargo Bank, National Association, as lender, for $369.5 million. The proceeds of the PRP Mortgage Loan were used, together with borrowings under the Company's revolving credit facility, to prepay a portion, and fully defease the remainder, of the 2012 CMBS loan. The Company repaid the PRP Mortgage Loan in April 2017.

Financing Obligation - During 2016, the Company sold six restaurant properties to third parties for aggregate proceeds of $18.5 million and the Company entered into lease agreements under which the Company agreed to lease back each of the properties for an initial term of 20 years. As the Company had continuing involvement in these restaurant properties, the sale of the properties did not qualify for sale-leaseback accounting. As a result, the aggregate proceeds were recorded as a financing obligation on its Consolidated Balance Sheet. As such, the lease payments are recognized as interest expense. See Note 19 - *Commitments and Contingencies* for additional details regarding the financing obligation.

Debt Covenants and Other Restrictions - Borrowings under the Company's debt agreements are subject to various covenants that limit its ability to: incur additional indebtedness; make significant payments; sell assets; pay dividends and other restricted payments; acquire certain assets; effect mergers and similar transactions; and effect certain other transactions with affiliates. The Senior Secured Credit Facility has a financial covenant to maintain a specified quarterly Total Net Leverage Ratio ("TNLR"). TNLR is the ratio of Consolidated Total Debt (Current portion of long-term debt and Long-term debt, net of cash) to Consolidated EBITDA (earnings before interest, taxes, depreciation and amortization and certain other adjustments as defined in the Credit Agreement). The TNLR may not exceed 4.50 to 1.00. The Company's TNLR as of December 31, 2017 does not limit the Company's ability to draw on its revolving credit facility.

The Senior Secured Credit Facility permits regular quarterly dividend payments, subject to certain restrictions.

As of December 31, 2017 and December 25, 2016, the Company was in compliance with its debt covenants.

Loss on Defeasance, Extinguishment and Modification of Debt - Following is a summary of loss on defeasance, extinguishment and modification of debt recorded in the Company's Consolidated Statements of Operations and Comprehensive Income:

	FISCAL YEAR		
(dollars in thousands)	**2017**	**2016**	**2015**
Refinancing of Senior Secured Credit Facility	$ 809	$ —	$ 2,956
Modification of the Former Credit Facility	260	—	—
Defeasance of 2012 CMBS Loan (1)	—	26,580	—
Modification of PRP Mortgage Loan	—	418	—
Loss on defeasance, extinguishment and modification of debt	$ 1,069	$ 26,998	$ 2,956

(1) The loss was comprised primarily of a penalty of $23.2 million.

Deferred financing fees - The Company deferred $9.7 million and $5.8 million of financing costs incurred in connection with the refinancing of its Credit Agreement and PRP Mortgage Loan in 2017 and 2016, respectively. Deferred financing fees of $6.9 million associated with the revolving credit facility were recorded in Other Assets, net in 2017. All other deferred financing fees associated with the refinancing of the Credit Agreement and PRP Mortgage Loan in 2017 and 2016, respectively, were recorded in Long-term debt, net.

Maturities - Following is a summary of principal payments of the Company's total consolidated debt outstanding:

(dollars in thousands)	**DECEMBER 31, 2017**
Year 1	$ 26,335
Year 2	25,543
Year 3	25,487
Year 4	37,969
Year 5	983,307
Thereafter	19,463
Total	$ 1,118,104

The following is a summary of required amortization payments for the Term loan A:

SCHEDULED QUARTERLY PAYMENT DATES (dollars in thousands)	**TERM LOAN A**
April 1, 2018 through December 27, 2020	$ 6,250
March 28, 2021 through December 26, 2021	$ 9,375
March 27, 2022 through September 25, 2022	$ 12,500

The Senior Secured Credit Facility contains mandatory prepayment requirements for Term loan A. The Company is required to prepay outstanding amounts under these loans with 50% of its annual excess cash flow, as defined in the agreement. The amount of outstanding loans required to be prepaid in accordance with the debt covenants may vary based on the Company's leverage ratio and year end results. Other than the required minimum amortization premiums of $25.0 million, the Company does not anticipate any other payments will be required through December 30, 2018.

13. Other Long-term Liabilities, Net

Other long-term liabilities, net, consisted of the following:

(dollars in thousands)	DECEMBER 31, 2017	DECEMBER 25, 2016
Accrued insurance liability	$ 35,945	$ 39,260
Unfavorable leases (1)	36,661	41,778
Chef and Restaurant Managing Partner deferred compensation obligations and deposits	81,083	102,768
Other long-term liabilities	52,056	35,224
	$ 205,745	$ 219,030

(1) Net of accumulated amortization of $34.0 million and $32.6 million as of December 31, 2017 and December 25, 2016, respectively.

14. Redeemable Noncontrolling Interests

Brazil Redeemable Noncontrolling Interests - In 2013, the Company, through its wholly-owned subsidiary, Outback Steakhouse Restaurantes Brasil S.A. ("OB Brasil"), completed the acquisition of a controlling interest in PGS Consultoria e Serviços Ltda. (the "Brazil Joint Venture"). The purchase agreement provided certain former equity holders of the Brazil Joint Venture with options to sell their remaining interests to OB Brasil and provided OB Brasil with options to purchase such remaining interests (the "Options").

In 2016 and 2015, the former equity holders exercised Options to sell their interests in the Brazil Joint Venture to the Company for total cash consideration of $27.3 million and $0.9 million, respectively. These transactions resulted in a reduction of $29.4 million and $0.6 million of Mezzanine equity and an increase of $2.1 million and $0.3 million of Additional paid-in capital during 2016 and 2015, respectively. The Company also recognized a cumulative translation adjustment of $9.6 million, which resulted in an increase to Additional paid-in capital and a decrease to Accumulated other comprehensive loss during 2016. As a result of these transactions, the Company owns 100% of the Brazil Joint Venture.

China Redeemable Noncontrolling Interests - The Company also consolidates a subsidiary in China, which has noncontrolling interests that are permitted to deliver subsidiary shares in exchange for cash at a future date.

Rollforward of Redeemable Noncontrolling Interests - The following table presents a rollforward of Redeemable noncontrolling interests:

	FISCAL YEAR	
(dollars in thousands)	2017	2016
Balance, beginning of period	$ 547	$ 23,526
Change in redemption value of Redeemable noncontrolling interests	211	2,024
Net (loss) income attributable to Redeemable noncontrolling interests	(784)	977
Foreign currency translation attributable to Redeemable noncontrolling interests	26	3,451
Purchase of Redeemable noncontrolling interests	—	(29,431)
Balance, end of period	$ —	$ 547

15. Stockholders' Equity

Share Repurchases - Following is a summary of the Company's share repurchase programs as of December 31, 2017 (dollars in thousands):

SHARE REPURCHASE PROGRAM	BOARD APPROVAL DATE	AUTHORIZED	REPURCHASED	CANCELED	REMAINING
2014	December 12, 2014	$ 100,000	$ 100,000	$ —	$ —
2015	August 3, 2015	$ 100,000	$ 69,999	$ 30,001	$ —
2016	February 12, 2016	$ 250,000	$ 139,892	$ 110,108	$ —
July 2016	July 26, 2016	$ 300,000	$ 247,731	$ 52,269	$ —
2017	April 21, 2017	$ 250,000	$ 195,000	$ —	$ 55,000

Following is a summary of the shares repurchased under the Company's share repurchase programs:

	NUMBER OF SHARES (in thousands)		AVERAGE REPURCHASE PRICE PER SHARE		AMOUNT (dollars in thousands)	
	2017	2016	2017	2016	2017	2016
First fiscal quarter	2,887	4,399	$ 18.37	$ 17.05	$ 53,053	$ 75,000
Second fiscal quarter	7,030	3,376	$ 20.72	$ 19.22	145,675	64,892
Third fiscal quarter	3,890	7,056	$ 19.03	$ 19.13	74,008	135,000
Fourth fiscal quarter	—	1,816	$ —	$ 19.27	—	34,995
Total common stock repurchases	13,807	16,647	$ 19.75	$ 18.62	$ 272,736	$ 309,887

On February 16, 2018, the Company's Board of Directors (the "Board") canceled the remaining $55.0 million of authorization under the 2017 Share Repurchase Program and approved a new $150.0 million authorization (the "2018 Share Repurchase Program"). The 2018 Share Repurchase Program will expire on August 16, 2019.

Dividends - The Company declared and paid dividends per share during the periods presented as follows:

	DIVIDENDS PER SHARE		AMOUNT (dollars in thousands)	
	2017	2016	2017	2016
First fiscal quarter	$ 0.08	$ 0.07	$ 8,254	$ 8,238
Second fiscal quarter	0.08	0.07	8,054	7,978
Third fiscal quarter	0.08	0.07	7,369	7,765
Fourth fiscal quarter	0.08	0.07	7,311	7,398
Total cash dividends declared and paid	$ 0.32	$ 0.28	$ 30,988	$ 31,379

In February 2018, the Board declared a quarterly cash dividend of $0.09 per share, payable on March 14, 2018 to shareholders of record at the close of business on March 5, 2018.

Acquisition of Limited Partnership Interests - During 2016, the Company purchased the remaining partnership interests in certain of the Company's limited partnerships for five Outback Steakhouse restaurants for an aggregate purchase price of $3.4 million. These transactions resulted in a reduction of $2.5 million, net of tax, in Additional paid-in capital in the Company's Consolidated Statement of Changes in Stockholders' Equity.

The following table sets forth the effect of the acquisition of the limited partnership interests on stockholders' equity attributable to Bloomin' Brands for the following periods:

	NET INCOME ATTRIBUTABLE TO BLOOMIN' BRANDS AND TRANSFERS TO NONCONTROLLING INTERESTS	
	FISCAL YEAR	
(dollars in thousands)	2017	2016
Net income attributable to Bloomin' Brands	$ 100,243	$ 41,748
Transfers to noncontrolling interests:		
Decrease in Bloomin' Brands additional paid-in capital for purchase of limited partnership interests	(713)	(2,475)
Change from net income attributable to Bloomin' Brands and transfers to noncontrolling interests	$ 99,530	$ 39,273

Accumulated Other Comprehensive Loss - Following are the components of Accumulated other comprehensive loss ("AOCL"):

(dollars in thousands)	DECEMBER 31, 2017	DECEMBER 25, 2016
Foreign currency translation adjustment	$ (98,573)	$ (107,509)
Unrealized losses on derivatives, net of tax	(626)	(3,634)
Accumulated other comprehensive loss	$ (99,199)	$ (111,143)

Following are the components of Other comprehensive (loss) income during the periods indicated:

	FISCAL YEAR		
(dollars in thousands)	2017	2016	2015
Bloomin' Brands:			
Foreign currency translation adjustment	$ 8,936	$ 33,667	$ (92,259)
Out-of period adjustment - foreign currency translation (1)	—	—	9,232
Total foreign currency translation adjustment	$ 8,936	$ 33,667	$ (83,027)
Unrealized gain (loss) on derivatives, net of tax (2)	$ 627	$ (1,250)	$ (6,033)
Reclassification of adjustment for loss on derivatives included in Net income, net of tax (3)	2,381	3,807	2,235
Total unrealized gain (loss) on derivatives, net of tax	$ 3,008	$ 2,557	$ (3,798)
Other comprehensive income (loss) attributable to Bloomin' Brands	$ 11,944	$ 36,224	$ (86,825)
Non-controlling interests:			
Foreign currency translation adjustment	$ (3)	$ (43)	$ 9
Other comprehensive (loss) income attributable to Non-controlling interests	$ (3)	$ (43)	$ 9
Redeemable non-controlling interests:			
Foreign currency translation adjustment	$ 26	$ 3,451	$ (3,944)
Out-of period adjustment - foreign currency translation (1)	—	—	(9,232)
Total foreign currency translation adjustment	$ 26	$ 3,451	$ (13,176)
Other comprehensive income (loss) attributable to Redeemable non-controlling interests	$ 26	$ 3,451	$ (13,176)

(1) In 2015, the Company identified and corrected errors in accounting for the allocation of foreign currency translation adjustments to Redeemable noncontrolling interests and fair value adjustments for Redeemable noncontrolling interests. The errors resulted in a reclassification of $9.2 million from Comprehensive income attributable to Bloomin' Brands to Comprehensive income (loss) attributable to Redeemable noncontrolling interests.
(2) Unrealized gain (loss) on derivatives is net of tax of $0.5 million, ($0.8) million and ($3.9) million for 2017, 2016 and 2015, respectively.
(3) Reclassifications of adjustments for losses on derivatives are net of tax benefits of $1.5 million, $2.4 million and $1.4 million for 2017, 2016 and 2015 respectively.

Noncontrolling Interests - In 2015, certain former equity holders of PGS Par contributed approximately $3.2 million to the Company for a noncontrolling interest in Abbraccio in Brazil.

16. Derivative Instruments and Hedging Activities

Interest Rate Risk - The Company manages economic risks, including interest rate variability, primarily by managing the amount, sources and duration of its debt funding and through the use of derivative financial instruments. The Company's objectives in using interest rate derivatives are to manage its exposure to interest rate movements. To accomplish this objective, the Company uses interest rate swaps.

DESIGNATED HEDGES

Cash Flow Hedges of Interest Rate Risk - On September 9, 2014, the Company entered into variable-to-fixed interest rate swap agreements with eight counterparties to hedge a portion of the cash flows of the Company's variable rate debt. The swap agreements have an aggregate notional amount of $400.0 million, a start date of June 30, 2015, and mature on May 16, 2019. Under the terms of the swap agreements, the Company pays a weighted-average fixed rate of 2.02% on the notional amount and receives payments from the counterparty based on the 30-day LIBOR rate.

The interest rate swaps, which have been designated and qualify as a cash flow hedge, are recognized on the Company's Consolidated Balance Sheets at fair value and are classified based on the instruments' maturity dates. The Company estimates $1.0 million will be reclassified to interest expense over the next twelve months.

The following table presents the fair value of the Company's interest rate swaps as well as their classification on the Company's Consolidated Balance Sheets:

(dollars in thousands)	DECEMBER 31, 2017	DECEMBER 25, 2016	CONSOLIDATED BALANCE SHEET CLASSIFICATION
Interest rate swaps - asset (1)	$ 67	$ —	Other assets, net
Interest rate swaps - liability	$ 1,010	$ 3,968	Accrued and other current liabilities
Interest rate swaps - liability	—	1,999	Other long-term liabilities, net
Total fair value of derivative instruments - liabilities (1)	$ 1,010	$ 5,967	
Accrued interest	$ 15	$ 408	Accrued and other current liabilities

(1) See Note 17 - *Fair Value Measurements* for fair value discussion of the interest rate swaps.

The following table summarizes the effects of the interest rate swaps on Net income for the periods indicated:

	FISCAL YEAR		
(dollars in thousands)	2017	2016	2015
Interest rate swap expense recognized in Interest expense, net (1)	$ (3,908)	$ (6,241)	$ (3,664)
Income tax benefit recognized in Provision for income taxes	1,527	2,434	1,429
Total effects of the interest rate swaps on Net income	$ (2,381)	$ (3,807)	$ (2,235)

(1) During the periods presented, the Company did not recognize any gain or loss as a result of hedge ineffectiveness.

The Company records its derivatives on its Consolidated Balance Sheets on a gross balance basis. The Company's interest rate swaps are subject to master netting arrangements. As of December 31, 2017, the Company did not have more than one derivative between the same counterparties and as such, there was no netting.

The Company is exposed to credit-related losses in the event that the counterparty fails to perform under the terms of the derivative contract. To mitigate this risk, the Company enters into derivative contracts with major financial

institutions based upon credit ratings and other factors. The Company continually assesses the creditworthiness of its counterparties. As of December 31, 2017 and December 25, 2016, all counterparties to the interest rate swaps had performed in accordance with their contractual obligations.

The Company has agreements with each of its derivative counterparties that contain a provision where the Company could be declared in default on its derivative obligations if the repayment of the underlying indebtedness is accelerated by the lender due to the Company's default on indebtedness.

As of December 31, 2017 and December 25, 2016, the fair value of the Company's interest rate swaps in a net liability position, which includes accrued interest but excludes any adjustment for nonperformance risk, was $1.0 million and $6.4 million, respectively. As of December 31, 2017 and December 25, 2016, the Company has not posted any collateral related to these agreements. If the Company had breached any of these provisions as of December 31, 2017 and December 25, 2016, it could have been required to settle its obligations under the agreements at their termination value of $1.0 million and $6.4 million, respectively.

17. Fair Value Measurements

Fair Value Measurements on a Recurring Basis - The following table presents the Company's financial assets and liabilities measured at fair value by hierarchy level on a recurring basis:

	DECEMBER 31, 2017			DECEMBER 25, 2016		
(dollars in thousands)	TOTAL	LEVEL 1	LEVEL 2	TOTAL	LEVEL 1	LEVEL 2
Assets:						
Cash equivalents:						
Fixed income funds	$ 1,830	$ 1,830	$ —	$ 90	$ 90	$ —
Money market funds	24,656	24,656	—	18,607	18,607	—
Restricted cash equivalents:						
Fixed income funds	—	—	—	552	552	—
Money market funds	1,280	1,280	—	2,518	2,518	—
Other assets, net:						
Derivative instruments - interest rate swaps	67	—	67	—	—	—
Total asset recurring fair value measurements	$ 27,833	$ 27,766	$ 67	$ 21,767	$ 21,767	$ —
Liabilities:						
Accrued and other current liabilities:						
Derivative instruments - interest rate swaps	$ 1,010	$ —	$ 1,010	$ 3,968	$ —	$ 3,968
Derivative instruments - commodities	—	—	—	157	—	157
Other long-term liabilities:						
Derivative instruments - interest rate swaps	—	—	—	1,999	—	1,999
Total liability recurring fair value measurements	$ 1,010	$ —	$ 1,010	$ 6,124	$ —	$ 6,124

Fair value of each class of financial instrument is determined based on the following:

FINANCIAL INSTRUMENT	METHODS AND ASSUMPTIONS
Fixed income funds and Money market funds	Carrying value approximates fair value because maturities are less than three months.
Derivative instruments	The Company's derivative instruments include interest rate swaps and commodities. Fair value measurements are based on the contractual terms of the derivatives and use observable market-based inputs. The interest rate swaps are valued using a discounted cash flow analysis on the expected cash flows of each derivative using observable inputs including interest rate curves and credit spreads. The Company also considers its own nonperformance risk and the respective counterparty's nonperformance risk in the fair value measurements. As of December 31, 2017 and December 25, 2016 the Company has determined that the credit valuation adjustments are not significant to the overall valuation of its derivatives.

Fair Value Measurements on a Nonrecurring Basis - Assets and liabilities that are measured at fair value on a nonrecurring basis relate primarily to property, fixtures and equipment, goodwill and other intangible assets, which are remeasured when carrying value exceeds fair value. The following table summarizes the fair value remeasurements for Assets held for sale and Property, fixtures and equipment, aggregated by the level in the fair value hierarchy within which those measurements fall:

	2017		2016		2015	
(dollars in thousands)	CARRYING VALUE	TOTAL IMPAIRMENT	CARRYING VALUE	TOTAL IMPAIRMENT	CARRYING VALUE	TOTAL IMPAIRMENT
Assets held for sale (1)	$ 870	$ 467	$ 45,901	$ 44,729	$ 4,136	$ 1,028
Property, fixtures and equipment (2)	19,222	23,539	21,450	53,136	3,634	27,126
Other (3)	—	1,444	39	1,198	—	—
	$ 20,092	$ 25,450	$ 67,390	$ 99,063	$ 7,770	$ 28,154

(1) Carrying value approximates fair value with all assets measured using Level 2 inputs (purchase contracts and market appraisals) to estimate the fair value. Refer to Note 4 - *Impairments and Exit Costs* for discussion of impairments related to Outback Steakhouse South Korea and Roy's.

(2) Carrying value approximates fair value. Carrying values for assets measured using Level 2 inputs totaled $19.2 million, $20.3 million and $2.5 million for 2017, 2016 and 2015, respectively. Assets measured using Level 3 inputs, had carrying values of $1.2 million and $1.1 million for 2016 and 2015, respectively. Third-party market appraisals (Level 2) and discounted cash flow models (Level 3) were used to estimate the fair value. Refer to Note 4 - *Impairments and Exit Costs* for discussion of impairments related to closure and restructuring initiatives.

(3) Other primarily includes: (i) goodwill in 2017 and (ii) investment in unconsolidated affiliates and intangible assets in 2016. Carrying value approximates fair value with all assets measured using market appraisals (Level 2) to estimate the fair value.

Fair Value of Financial Instruments - The Company's non-derivative financial instruments as of December 31, 2017 and December 25, 2016 consist of cash equivalents, restricted cash, accounts receivable, accounts payable and current and long-term debt, the fair values of which approximate their carrying amounts reported in its Consolidated Balance Sheets due to their short duration.

Debt is carried at amortized cost; however, the Company estimates the fair value of debt for disclosure purposes. The following table includes the carrying value and fair value of the Company's debt, aggregated by the level in the fair value hierarchy in which those measurements fall:

	DECEMBER 31, 2017			DECEMBER 25, 2016		
		FAIR VALUE			FAIR VALUE	
(dollars in thousands)	CARRYING VALUE	LEVEL 2	LEVEL 3	CARRYING VALUE	LEVEL 2	LEVEL 3
Senior Secured Credit Facility:						
Term loan A	$ 500,000	$ 502,500	$ —	$ —	$ —	$ —
Revolving credit facility	$ 600,000	$ 598,500	$ —	$ —	$ —	$ —
Former Credit Facility:						
Term loan A	$ —	$ —	$ —	$ 258,750	$ 257,780	$ —
Term loan A-1	$ —	$ —	$ —	$ 140,625	$ 140,098	$ —
Revolving credit facility	$ —	$ —	$ —	$ 622,000	$ 617,335	$ —
PRP Mortgage Loan	$ —	$ —	$ —	$ 47,202	$ —	$ 47,202
Other notes payable	$ 904	$ —	$ 891	$ 1,776	$ —	$ 1,659

Fair value of debt is determined based on the following:

DEBT FACILITY	METHODS AND ASSUMPTIONS
Senior Secured Credit Facility and Former Credit Facility	Quoted market prices in inactive markets.
PRP mortgage loan	Assumptions derived from current conditions in real estate and credit markets, changes in underlying collateral and expectations of management.
Other notes payable	Discounted cash flow approach with inputs that primarily include cost of debt interest rates used to determine fair value.

18. Income Taxes

On December 22, 2017, the U.S. government enacted comprehensive tax legislation commonly referred to as the Tax Cuts and Jobs Act (the "Tax Act"). The Tax Act makes broad and complex changes to the U.S. tax code that impacted the Company's 2017 provision for income taxes, including, but not limited to: (i) requiring a one-time transition tax on certain unrepatriated earnings of foreign subsidiaries that is payable over eight years and (ii) bonus depreciation that will allow for full expensing of qualified property.

The Tax Act also establishes new tax laws that will affect 2018, including, but not limited to: (i) reduction of the U.S. federal corporate tax rate; (ii) elimination of the corporate alternative minimum tax; (iii) the creation of the base erosion anti-abuse tax, a new minimum tax; (iv) a general elimination of U.S. federal income taxes on dividends from foreign subsidiaries; (v) a new provision designed to tax global intangible low-taxed income ("GILTI"), which allows for the possibility of using foreign tax credits ("FTCs") and a deduction of up to 50 percent to offset the income tax liability (subject to some limitations); (vi) a new limitation on deductible interest expense; (vii) the repeal of the domestic manufacturing deduction; (viii) limitations on the deductibility of certain executive compensation; (ix) limitations on the use of FTCs to reduce the U.S. income tax liability; and (x) limitations on net operating losses generated after December 31, 2017, to 80 percent of taxable income.

The SEC staff issued Staff Accounting Bulletin No. 118 ("SAB 118"), which provides guidance on accounting for the tax effects of the Tax Act. SAB 118 provides a measurement period that should not extend beyond one year from the Tax Act enactment date for companies to complete the accounting under ASC 740. In accordance with SAB 118, a company must reflect the income tax effects of those aspects of the Act for which the accounting under ASC 740 is complete. To the extent that a company's accounting for certain income tax effects of the Tax Act is incomplete but it is able to determine a reasonable estimate, it must record a provisional estimate in the financial statements. If a company cannot determine a provisional estimate to be included in the financial statements, it should continue to apply ASC 740 on the basis of the provisions of the tax laws that were in effect immediately before the enactment of the Tax Act.

In connection with its initial analysis of the impact of the Tax Act, the Company recorded a provisional net tax expense of $1.9 million in the period ending December 31, 2017, as described in the following table:

(dollars in thousands)	FISCAL YEAR 2017
Transition Tax (provisional)	$ 100
Net impact on U.S. deferred tax assets and liabilities (provisional) (1)	1,600
Net changes in deferred tax liability associated with anticipated repatriation taxes (provisional)	200
	$ 1,900

(1) Includes $4.7 million of expense for a valuation allowance recorded against foreign tax credit carryforwards, $3.9 million of benefit from the impact of the corporate rate reduction on net deferred tax liability balances, and an expense of $0.8 million for the write-off of certain deferred tax assets that will no longer be realized.

For various reasons that are discussed more fully below, the Company has not completed its accounting for the income tax effects of the Tax Act. The Company has made reasonable estimates of the effects of the Tax Act and recorded the provisional adjustments as shown in the table above.

Reduction of U.S. Federal Corporate Income Tax Rate - The Tax Act reduces the corporate income tax rate to 21 percent, effective January 1, 2018. While the Company is able to make a reasonable estimate of the impact of the reduction in corporate rate on its deferred tax assets and liabilities, it may be affected by other analyses related to the Tax Act, including, but not limited to, its calculation of deemed repatriation of deferred foreign income and the state tax effect of adjustments made to federal temporary differences.

Deemed Repatriation Transition Tax - The Deemed Repatriation Transition Tax ("Transition Tax") is a tax on previously untaxed accumulated and current earnings and profits ("E&P") of the Company's foreign subsidiaries. To determine the amount of the Transition Tax, the Company must determine, in addition to other factors, the amount of post-1986 E&P of the relevant subsidiaries, as well as the amount of non-U.S. income taxes paid on such earnings. The Company is able to make a reasonable estimate of the Transition Tax and recorded a provisional amount. Due to the ability to utilize foreign tax credits in the calculation of the Transition Tax, the obligation primarily related to the estimated state impacts. However, the Company is continuing to gather additional information. Additional guidance from the U.S. Treasury and state taxing authorities on the application of certain provisions of the Tax Act is expected in the future.

Valuation Allowances - The Company must assess whether its valuation allowance analyses or deferred tax assets are affected by various aspects of the Tax Act (e.g., deemed repatriation of deferred foreign income, GILTI inclusions and new categories of FTCs). While the Company did record an additional valuation allowance against foreign tax credit carryforwards, the Company has recorded provisional amounts related to certain portions of the Tax Act and any corresponding determination of the need for a change in a valuation allowance is also provisional.

The Company is continuing to evaluate other provisions of the Tax Act and the application of ASC 740, however, the Company has estimated that these provisions will not have a material impact in the current year.

The following table presents the domestic and foreign components of Income before provision for income taxes:

	FISCAL YEAR		
(dollars in thousands)	**2017**	**2016**	**2015**
Domestic	$ 119,632	$ 70,481	$ 146,331
Foreign	(1,089)	(13,990)	24,523
	$ 118,543	$ 56,491	$ 170,854

Provision (benefit) for income taxes consisted of the following:

(dollars in thousands)	FISCAL YEAR 2017	2016	2015
Current provision:			
Federal	$ 18,384	$ 43,071	$ 17,952
State	8,155	28,033	5,962
Foreign	9,041	14,389	11,384
	35,580	85,493	35,298
Deferred (benefit) provision:			
Federal	(15,792)	(53,647)	2,514
State	(3,850)	(21,316)	626
Foreign	47	(386)	856
	(19,595)	(75,349)	3,996
Provision for income taxes	$ 15,985	$ 10,144	$ 39,294

Effective Income Tax Rate - The reconciliation of income taxes calculated at the United States federal tax statutory rate to the Company's effective income tax rate is as follows:

	FISCAL YEAR 2017	2016	2015
Income taxes at federal statutory rate	35.0 %	35.0 %	35.0 %
State and local income taxes, net of federal benefit	2.2	8.2	2.3
Employment-related credits, net	(25.5)	(53.5)	(15.8)
Domestic manufacturing deduction	(4.3)	—	—
Excess tax benefits from stock-based compensation arrangements (1)	(2.1)	—	—
Noncontrolling interests	(1.3)	(2.8)	(0.8)
Net life insurance expense	(0.6)	(2.7)	(0.3)
Refranchising of Outback Steakhouse South Korea	—	27.4	—
Valuation allowance on deferred income tax assets	3.1	6.1	1.7
Nondeductible compensation	3.1	2.5	0.8
Cumulative effect of the Tax Act	1.6	—	—
Foreign rate differential	1.6	0.8	0.6
Tax settlements and related adjustments	0.2	(0.2)	(0.1)
Other, net	0.5	(2.8)	(0.4)
Total	13.5 %	18.0 %	23.0 %

(1) During 2017, excess tax benefits from share-based award activity are reflected as a reduction to the provision for income taxes as a result of the adoption of ASU No. 2016-09.

The net decrease in the effective income tax rate in 2017 as compared to 2016 was primarily due to impairment and additional tax liabilities recorded in connection with the refranchising of Outback Steakhouse South Korea in 2016. The remaining decrease was primarily due to a domestic manufacturing deduction and excess tax benefits from equity-based compensation arrangements recorded in 2017. These decreases were mostly offset by employment-related credits being a lower percentage of net income in 2017 relative to 2016 and the impact of the Tax Act.

The net decrease in the effective income tax rate in 2016 as compared to 2015 was primarily due to benefits from employment-related credits being a higher percentage of net income in 2016 and a change in the amount and mix of income and losses across the Company's domestic and international subsidiaries, partially offset by the refranchising of Outback Steakhouse South Korea.

Deferred Tax Assets and Liabilities - The income tax effects of temporary differences that give rise to significant portions of deferred income tax assets and liabilities are as follows:

(dollars in thousands)	DECEMBER 31, 2017	DECEMBER 25, 2016
Deferred income tax assets:		
Deferred rent	$ 40,504	$ 57,783
Insurance reserves	15,788	23,906
Unearned revenue	15,020	19,566
Deferred compensation	38,273	62,389
Net operating loss carryforwards	8,003	6,036
Federal tax credit carryforwards	75,661	58,963
Partner deposits and accrued partner obligations	4,326	8,245
Other, net	15,342	8,309
Gross deferred income tax assets	212,917	245,197
Less: valuation allowance	(15,925)	(7,220)
Net deferred income tax assets	196,992	237,977
Deferred income tax liabilities:		
Less: property, fixtures and equipment basis differences	(18,814)	(37,847)
Less: intangible asset basis differences	(116,425)	(155,053)
Less: deferred gain on extinguishment of debt	(7,180)	(23,022)
Net deferred income tax assets	$ 54,573	$ 22,055

Undistributed Earnings - The Company previously considered the earnings in its non-U.S. subsidiaries to be indefinitely reinvested and, accordingly, recorded no deferred income taxes. Given the Tax Act's significant changes and potential opportunities to repatriate cash free of U.S. federal tax, the Company is in the process of evaluating its current permanent reinvestment assertions. This evaluation includes the repatriation of historical earnings (2017 and prior) that have been previously taxed under the Tax Act.

The Company had aggregate undistributed E&P from foreign subsidiaries of approximately $136.0 million, which is considered previously taxed income ("PTI") subsequent to the Tax Act. The Company recorded $0.1 million in provisional Transition Tax in connection with this E&P. Due to the ability to utilize foreign tax credits in the calculation of the Transition Tax, the obligation primarily related to the estimated state impacts. Additionally, the Company has recorded a provisional deferred tax liability of $0.2 million as of December 31, 2017 for certain state income taxes on the future repatriation of PTI. The Company currently considers the remaining financial statement carrying amounts over the tax basis of investments in its foreign subsidiaries to be indefinitely reinvested, and have not recorded a provisional deferred tax liability. The determination of any unrecorded provisional deferred tax liability on this amount is not practicable due to the uncertainty of how these investments would be recovered.

Tax Carryforwards - The amount and expiration dates of tax loss carryforwards and credit carryforwards as of December 31, 2017 are as follows:

(dollars in thousands)	EXPIRATION DATE		AMOUNT
United States federal tax credit carryforwards	2026 -	2037	$ 90,092
Foreign loss carryforwards	2018 -	Indefinite	$ 29,581

Unrecognized Tax Benefits - As of December 31, 2017 and December 25, 2016, the liability for unrecognized tax benefits was $23.7 million and $19.6 million, respectively. Of the total amount of unrecognized tax benefits, including accrued interest and penalties, $24.0 million and $18.9 million, respectively, if recognized, would impact the Company's effective tax rate.

The following table summarizes the activity related to the Company's unrecognized tax benefits:

	FISCAL YEAR		
(dollars in thousands)	2017	2016	2015
Balance as of beginning of year	$ 19,583	$ 19,430	$ 17,563
Additions for tax positions taken during a prior period	4,149	476	3,022
Reductions for tax positions taken during a prior period	(1,009)	(430)	(848)
Additions for tax positions taken during the current period	1,822	2,472	2,305
Settlements with taxing authorities	—	(391)	(1,078)
Lapses in the applicable statutes of limitations	(945)	(2,230)	(540)
Translation adjustments	63	256	(994)
Balance as of end of year	$ 23,663	$ 19,583	$ 19,430

The Company had approximately $1.8 million and $1.2 million accrued for the payment of interest and penalties as of December 31, 2017 and December 25, 2016, respectively. The Company recognized immaterial interest and penalties related to uncertain tax positions in the Provision for income taxes, for all periods presented.

In many cases, the Company's uncertain tax positions are related to tax years that remain subject to examination by relevant taxable authorities. Based on the outcome of these examinations, or a result of the expiration of the statute of limitations for specific jurisdictions, it is reasonably possible that the related recorded unrecognized tax benefits for tax positions taken on previously filed tax returns will change by approximately $3.0 million to $4.0 million within the next twelve months.

Open Tax Years - Following is a summary of the open audit years by jurisdiction:

	OPEN AUDIT YEARS
United States federal	2007 - 2016
United States states	2001 - 2016
Foreign	2009 - 2016

The Company was previously under examination by tax authorities in South Korea for the 2008 to 2012 tax years. In connection with the examination, the Company was assessed and paid $6.7 million of tax obligations. The Company is currently seeking relief from double taxation through competent authority.

19. Commitments and Contingencies

Operating Leases - The Company leases restaurant and office facilities and certain equipment under operating leases mainly having initial terms expiring between 2018 and 2036. The restaurant facility leases have renewal clauses primarily from five to 30 years, exercisable at the option of the Company. Certain of these leases require the payment of contingent rentals leased on a percentage of gross revenues, as defined by the terms of the applicable lease agreement.

Total rent expense and sublease rental income is as follows for the periods indicated:

	FISCAL YEAR		
(dollars in thousands)	2017	2016	2015
Rent expense (1)	$ 188,205	$ 173,507	$ 164,754
Sublease revenues	$ 4,472	$ 853	$ 906

(1) Includes contingent rent expense of $4.3 million, $5.9 million and $7.4 million, respectively, for the periods presented.

As of December 31, 2017, future minimum rental payments and sublease revenues under non-cancelable operating leases are as follows:

(dollars in thousands)	LEASE PAYMENTS (1)	SUBLEASE REVENUES
2018	$ 185,183	$ 5,068
2019	174,060	5,127
2020	161,567	5,091
2021	145,528	5,093
2022	128,573	4,784
Thereafter	902,757	58,633
Total minimum lease payments	$ 1,697,668	$ 83,796

(1) Minimum lease payments have not been reduced by minimum sublease rentals.

Lease Guarantees - The Company assigned its interest, and is contingently liable, under certain real estate leases. These leases have varying terms, the latest of which expires in 2032. As of December 31, 2017, the undiscounted payments the Company could be required to make in the event of non-payment by the primary lessees was approximately $30.3 million. The present value of these potential payments discounted at the Company's incremental borrowing rate as of December 31, 2017 was approximately $21.2 million. In the event of default, the indemnity clauses in the Company's purchase and sale agreements govern its ability to pursue and recover damages incurred. The Company believes the financial strength and operating history of the buyers significantly reduces the risk that it will be required to make payments under these leases. Accordingly, no liability has been recorded.

Financing Obligation - Following is a summary of the Company's minimum financing payments during the initial term of the various leases:

(dollars in thousands)	DECEMBER 31, 2017
Year 1	$ 1,323
Year 2	1,345
Year 3	1,366
Year 4	1,398
Year 5	1,423
Thereafter	22,219
Total (1)	$ 29,074

(1) Refer to Note 12 - *Long-term Debt, Net* for additional details regarding the Company's financing obligation.

Purchase Obligations - Purchase obligations were $446.0 million and $439.4 million as of December 31, 2017 and December 25, 2016, respectively. These purchase obligations are primarily due within five years, however, commitments with various vendors extend through December 2023. Outstanding commitments consist primarily of food and beverage products related to normal business operations and contracts for restaurant level service contracts, advertising and technology. In 2017, the Company purchased more than 85% of its U.S. beef raw materials from four beef suppliers that represent more than 80% of the total beef marketplace in the U.S.

Litigation and Other Matters - In relation to various legal matters discussed below, the Company had $4.3 million and $3.5 million of liability recorded as of December 31, 2017 and December 25, 2016, respectively. During 2017, 2016 and 2015, the Company recognized $1.2 million, $4.0 million and $4.6 million, respectively, in Other restaurant operating expenses in the Company's Consolidated Statements of Operations and Comprehensive Income for certain legal settlements.

In November 2015, David Sears and Elizabeth Thomas, two former Outback Managers ("Manager Plaintiffs"), sent a demand letter seeking unpaid overtime compensation on behalf of all managers and kitchen managers employed at Outback Steakhouse restaurants from November 2012 to present. The Manager Plaintiffs claimed that managers were not assigned sufficient management duties to qualify as exempt from overtime. In December 2016, the Company agreed to a tentative class settlement for eligible kitchen managers and in 2017, the class period closed and the Company made final payment of $2.3 million.

On October 4, 2013, two then-current employees (the "Nevada Plaintiffs") filed a collective action lawsuit against the Company and certain of its subsidiaries. The complaint alleges violations of the Fair Labor Standards Act by requiring employees to work off the clock, complete on-line training without pay and attend meetings in the restaurant without pay. The nationwide collective action permitted all hourly employees in all Outback Steakhouse restaurants to join. The suit requested an unspecified amount in back pay for the employees that joined the lawsuit, an equal amount in liquidated damages, costs, expenses, and attorney's fees. The Nevada Plaintiffs also filed a companion lawsuit in Nevada state court alleging that the Company violated the state break time rules. In November 2015, the Company reached a tentative settlement agreement resolving all claims and the cost of class administration for $3.2 million. The Court issued final approval in November 2016 and the Company subsequently made payment during 2016.

In addition, the Company is subject to legal proceedings, claims and liabilities, such as liquor liability, slip and fall cases, wage-and-hour and other employment-related litigation, which arise in the ordinary course of business and are generally covered by insurance if they exceed specified retention or deductible amounts. Other than the litigation noted above, in the opinion of management, the amount of ultimate liability with respect to those actions will not have a material adverse impact on the Company's financial position or results of operations and cash flows.

Insurance - As of December 31, 2017, the future payments the Company expects for workers' compensation, general liability and health insurance claims are:

(dollars in thousands)	
2018	$ 24,231
2019	12,883
2020	8,336
2021	4,622
2022	2,512
Thereafter	10,842
	$ 63,426

A reconciliation of the expected aggregate undiscounted reserves to the discounted reserves for insurance claims recognized on the Company's Consolidated Balance Sheets is as follows:

(dollars in thousands)	DECEMBER 31, 2017	DECEMBER 25, 2016
Undiscounted reserves	$ 63,426	$ 65,471
Discount (1)	(3,999)	(2,678)
Discounted reserves	$ 59,427	$ 62,793
Discounted reserves recognized in the Company's Consolidated Balance Sheets:		
Accrued and other current liabilities	$ 23,482	$ 23,533
Other long-term liabilities, net	35,945	39,260
	$ 59,427	$ 62,793

(1) Discount rates of 1.88% and 1.32% were used for December 31, 2017 and December 25, 2016, respectively.

20. Segment Reporting

The Company has two reportable segments, U.S. and International, which reflects how the Company manages its business, reviews operating performance and allocates resources. The U.S. segment includes all brands operating in the U.S. while brands operating outside the U.S. are included in the International segment. Resources are allocated and performance is assessed by the Company's Chief Executive Officer, whom the Company has determined to be its Chief Operating Decision Maker. Following is a summary of reporting segments as of December 31, 2017:

SEGMENT (1)	CONCEPT	GEOGRAPHIC LOCATION
U.S.	Outback Steakhouse Carrabba's Italian Grill Bonefish Grill Fleming's Prime Steakhouse & Wine Bar	United States of America
International	Outback Steakhouse	Brazil, Hong Kong, China
	Carrabba's Italian Grill (Abbraccio)	Brazil

(1) Includes franchise locations.

Segment accounting policies are the same as those described in Note 2 - *Summary of Significant Accounting Policies*. Revenues for all segments include only transactions with customers and exclude intersegment revenues. Excluded from income from operations for U.S. and International are certain legal and corporate costs not directly related to the performance of the segments, certain stock-based compensation expenses and certain bonus expense.

The following table is a summary of Total revenue by segment:

	FISCAL YEAR		
(dollars in thousands)	2017	2016	2015
Total revenues			
U.S.	$ 3,750,959	$ 3,797,309	$ 3,879,743
International	462,387	455,003	497,933
Total revenues	$ 4,213,346	$ 4,252,312	$ 4,377,676

The following table is a reconciliation of Segment income (loss) from operations to Income before Provision for income taxes:

	FISCAL YEAR		
(dollars in thousands)	2017	2016	2015
Segment income (loss) from operations			
U.S.	$ 297,260	$ 286,683	$ 348,731
International	28,916	(5,954)	34,597
Total segment income from operations	326,176	280,729	383,328
Unallocated corporate operating expense	(180,084)	(153,123)	(152,403)
Total income from operations	146,092	127,606	230,925
Loss on defeasance, extinguishment and modification of debt	(1,069)	(26,998)	(2,956)
Other income (loss), net	14,912	1,609	(939)
Interest expense, net	(41,392)	(45,726)	(56,176)
Income before Provision for income taxes	$ 118,543	$ 56,491	$ 170,854

The following table is a summary of Depreciation and amortization expense by segment:

	FISCAL YEAR		
(dollars in thousands)	2017	2016	2015
Depreciation and amortization			
U.S.	$ 149,976	$ 155,434	$ 151,868
International	27,796	26,013	26,736
Corporate	14,510	12,391	11,795
Total depreciation and amortization	$ 192,282	$ 193,838	$ 190,399

The following table is a summary of capital expenditures by segment:

	FISCAL YEAR		
(dollars in thousands)	2017	2016	2015
Capital expenditures			
U.S.	$ 209,260	$ 211,855	$ 153,445
International	33,302	40,662	46,803
Corporate	13,280	17,671	10,015
Total capital expenditures	$ 255,842	$ 270,188	$ 210,263

The following table sets forth Total assets by segment:

(dollars in thousands)	DECEMBER 31, 2017	DECEMBER 25, 2016
Assets		
U.S.	$ 1,856,406	$ 1,995,227
International	450,974	436,024
Corporate	265,527	211,028
Total assets	$ 2,572,907	$ 2,642,279

Geographic areas — International assets are defined as assets residing in a country other than the U.S. The following table details long-lived assets, excluding goodwill, intangible assets and deferred tax assets, by major geographic area:

(dollars in thousands)	DECEMBER 31, 2017	DECEMBER 25, 2016
U.S.	$ 1,164,322	$ 1,231,154
International	144,353	136,264
	$ 1,308,675	$ 1,367,418

International revenues are defined as revenues generated from restaurant sales originating in a country other than the U.S. The following table details Total revenues by major geographic area:

	FISCAL YEAR		
(dollars in thousands)	2017	2016	2015
U.S.	$ 3,750,959	$ 3,797,309	$ 3,879,743
International:			
Brazil	410,249	318,881	287,698
Other	52,138	136,122	210,235
Total revenues	$ 4,213,346	$ 4,252,312	$ 4,377,676

BLOOMIN' BRANDS, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - Continued

21. Selected Quarterly Financial Data (Unaudited)

2017 FISCAL QUARTERS (dollars in thousands, except per share data)	FIRST (1)	SECOND (1)	THIRD (1)	FOURTH (1)
Total revenues	$ 1,143,823	$ 1,032,982	$ 948,899	$ 1,087,642
Income from operations	69,130	42,154	3,182	31,626
Net income	44,923	36,329	4,046	17,260
Net income attributable to Bloomin' Brands	43,910	35,630	4,336	16,367
Earnings per share:				
Basic	$ 0.43	$ 0.36	$ 0.05	$ 0.18
Diluted	$ 0.41	$ 0.35	$ 0.05	$ 0.17

2016 FISCAL QUARTERS (dollars in thousands, except per share data)	FIRST (2)	SECOND (2)	THIRD (2)	FOURTH (2)
Total revenues	$ 1,164,188	$ 1,078,588	$ 1,005,387	$ 1,004,149
Income (loss) from operations	86,684	13,333	31,734	(4,145)
Net income (loss)	35,883	(8,065)	21,228	(2,699)
Net income (loss) attributable to Bloomin' Brands	34,475	(9,177)	20,733	(4,283)
Earnings (loss) per share:				
Basic	$ 0.29	$ (0.08)	$ 0.19	$ (0.04)
Diluted	$ 0.29	$ (0.08)	$ 0.18	$ (0.04)

(1) Total revenues for the fourth quarter include an increase of $80.4 million for the 53rd week. Income from operations in the first, second, third and fourth quarters include expense of $17.6 million, $3.0 million, $20.0 million and $25.7 million, respectively, for impairments, closing costs and severance related to: (i) approved closure and restructuring initiatives, (ii) the relocation of certain restaurants, (iii) the remeasurement of certain surplus properties, (iv) a restructuring event and (v) our China subsidiary. Net income for the second and third quarters include gains on the sale of certain restaurants of $7.4 million and $8.4 million, respectively. Includes $0.11 of additional earnings per share from a 53rd operating week in 2017.

(2) Income from operations in the first, second, third and fourth quarters include expense of $3.6 million, $39.6 million, $3.2 million and $56.5 million, respectively. for impairments, closing costs and severance related to: (i) approved closure and restructuring initiatives, (ii) the Company's decision to sell Outback Steakhouse South Korea, (iii) its Puerto Rico subsidiary, (iv) the relocation of certain restaurants and (v) a restructuring event, partially offset by the fourth quarter reversal of $3.3 million of deferred rent liabilities in connection with the 2017 Closure Initiative. Net income for the first quarter includes $26.6 million related to the defeasance of the 2012 CMBS loan.

BLOOMIN' BRANDS, INC.

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

None.

Item 9A. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

We have established and maintain disclosure controls and procedures that are designed to ensure that information required to be disclosed by us in the reports that we file or submit under the Securities Exchange Act of 1934, as amended, is recorded, processed, summarized, and reported within the time periods specified in the Securities and Exchange Commission's rules and forms, and that such information is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial and Administrative Officer, as appropriate to allow timely decisions regarding required disclosure. We carried out an evaluation, under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial and Administrative Officer, of the effectiveness of our disclosure controls and procedures as of the end of the period covered by this report. Based on that evaluation, the Chief Executive Officer and Chief Financial and Administrative Officer concluded that our disclosure controls and procedures were effective as of December 31, 2017.

Management's Annual Report on Internal Control over Financial Reporting

Management's report on our internal control over financial reporting and the attestation report of PricewaterhouseCoopers LLP, our independent registered certified public accounting firm, on our internal control over financial reporting are included in Item 8, Financial Statements and Supplementary Data, of this Annual Report on Form 10-K.

Changes in Internal Control over Financial Reporting

There have been no changes in our internal control over financial reporting during our most recent quarter ended December 31, 2017 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Item 9B. Other Information

None.

BLOOMIN' BRANDS, INC.

PART III

Item 10. Directors, Executive Officers and Corporate Governance

The information required by this item relating to our directors and nominees will be included under the captions "Proposal No. 1: Election of Directors—Nominees for Election at this Annual Meeting" and "—Directors Continuing in Office" in our definitive Proxy Statement for the 2018 Annual Meeting of Stockholders ("Definitive Proxy Statement") and is incorporated herein by reference.

The information required by this item relating to our executive officers is included under the caption "Executive Officers of the Registrant" in Part I of this Report on Form 10-K.

The information required by this item regarding compliance with Section 16(a) of the Securities Act of 1934 will be included under the caption "Ownership of Securities—Section 16(a) Beneficial Ownership Reporting Compliance" in our Definitive Proxy Statement and is incorporated herein by reference.

We have adopted a Business Conduct and Code of Ethics that applies to all employees. A copy of our Business Conduct and Code of Ethics is available on our website, free of charge. The Internet address for our website is www.bloominbrands.com, and the Business Conduct and Code of Ethics may be found on our main webpage by clicking first on "Investors" and then on "Corporate Governance" and next on "Code of Business Conduct and Ethics."

We intend to satisfy any disclosure requirement under Item 5.05 of Form 8-K regarding an amendment to, or waiver from, a provision of this code of ethics by posting such information on our website, on the webpage found by clicking through to "Code of Business Conduct and Ethics" as specified above.

The information required by this item regarding our Audit Committee will be included under the caption "Proposal No. 1: Election of Directors—Board Committees and Meetings" in our Definitive Proxy Statement and is incorporated herein by reference.

Item 11. Executive Compensation

The information required by this item will be included under the captions "Proposal No. 1: Election of Directors—Director Compensation" and "Executive Compensation and Related Information" in our Definitive Proxy Statement and is incorporated herein by reference.

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

The information required by this item will be included under the caption "Ownership of Securities" in our Definitive Proxy Statement and is incorporated herein by reference.

The information relating to securities authorized for issuance under equity compensation plans is included under the caption "Securities Authorized for Issuance Under Equity Compensation Plans" in Item 5 of this Report on Form 10-K.

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

The information required by this item relating to transactions with related persons will be included under the caption "Certain Relationships and Related Party Transactions," and the information required by this item relating to director independence will be included under the caption "Proposal No. 1: Election of Directors—Independent Directors," in each case in our Definitive Proxy Statement, and is incorporated herein by reference.

Item 14. Principal Accounting Fees and Services

The information required by this item will be included under the captions "Proposal No. 2: Ratification of Independent Registered Certified Public Accounting Firm—Principal Accountant Fees and Services" and "—Policy on Audit Committee Pre-Approval of Audit and Permissible Non-Audit Services of Independent Registered Certified Public Accounting Firm" in our Definitive Proxy Statement and is incorporated herein by reference.

BLOOMIN' BRANDS, INC.

PART IV

Item 15. Exhibits and Financial Statement Schedules.

(a)(1) LISTING OF FINANCIAL STATEMENTS

The following consolidated financial statements of the Company and subsidiaries are included in Item 8 of this Report:

- Consolidated Balance Sheets - December 31, 2017 and December 25, 2016
- Consolidated Statements of Operations and Comprehensive Income – Fiscal years 2017, 2016, and 2015
- Consolidated Statements of Changes in Stockholders' Equity – Fiscal years 2017, 2016, and 2015
- Consolidated Statements of Cash Flows – Fiscal years 2017, 2016, and 2015
- Notes to Consolidated Financial Statements

(a)(2) FINANCIAL STATEMENT SCHEDULES

All financial statement schedules have been omitted, since the required information is not applicable or is not present in amounts sufficient to require submission of the schedule, or because the information required is included in the consolidated financial statements and notes thereto included in this Report.

(a)(3) EXHIBITS

EXHIBIT NUMBER	DESCRIPTION OF EXHIBITS	FILINGS REFERENCED FOR INCORPORATION BY REFERENCE
3.1	Second Amended and Restated Certificate of Incorporation of Bloomin' Brands, Inc.	Registration Statement on Form S-8, File No. 333-183270, filed on August 13, 2012, Exhibit 4.1
3.2	Second Amended and Restated Bylaws of Bloomin' Brands, Inc.	Registration Statement on Form S-8, File No. 333-183270, filed on August 13, 2012, Exhibit 4.2
4.1	Form of Common Stock Certificate	Amendment No. 4 to Registration Statement on Form S-1, File No. 333-180615, filed on July 18, 2012, Exhibit 4.1
10.1	Royalty Agreement dated April 1995 among Carrabba's Italian Grill, Inc., Outback Steakhouse, Inc., Mangia Beve, Inc., Carrabba, Inc., Carrabba Woodway, Inc., John C. Carrabba, III, Damian C. Mandola, and John C. Carrabba, Jr., as amended by First Amendment to Royalty Agreement dated January 1997 and Second Amendment to Royalty Agreement made and entered into effective April 7, 2010 by and among Carrabba's Italian Grill, LLC, OSI Restaurant Partners, LLC, Mangia Beve, Inc., Mangia Beve II, Inc., Original, Inc., Voss, Inc., John C. Carrabba, III, Damian C. Mandola, and John C. Carrabba, Jr.	Registration Statement on Form S-1, File No. 333-180615, filed on April 6, 2012, Exhibit 10.6
10.2	Third Amendment to Royalty Agreement made and entered into effective June 1, 2014, by and among Carrabba's Italian Grill, LLC, OSI Restaurant Partners, LLC, Mangia Beve, Inc., Mangia Beve II, Inc., Original, Inc., Voss, Inc., John C. Carrabba, III, Damian C. Mandola, and John C. Carrabba, Jr.	June 29, 2014 Form 10-Q, Exhibit 10.6
10.3	Fourth Amendment to Royalty Agreement made and entered into effective May 1, 2017, by and among Carrabba's Italian Grill, LLC, OSI Restaurant Partners, LLC, Mangia Beve, Inc., Mangia Beve II, Inc., Original, Inc., Voss, Inc., John C. Carrabba, III, Damian C. Mandola, and John C. Carrabba, Jr.	June 25, 2017 Form 10-Q, Exhibit 10.1

BLOOMIN' BRANDS, INC.

EXHIBIT NUMBER	DESCRIPTION OF EXHIBITS	FILINGS REFERENCED FOR INCORPORATION BY REFERENCE
10.4	Amended and Restated Operating Agreement for OSI/Fleming's, LLC made as of June 4, 2010 by and among OS Prime, LLC, a wholly-owned subsidiary of OSI Restaurant Partners, LLC, FPSH Limited Partnership and AWA III Steakhouses, Inc.	Registration Statement on Form S-1, File No. 333-180615, filed on April 6, 2012, Exhibit 10.8
10.5	Lease, dated June 14, 2007, between OS Southern, LLC and Selmon's/Florida-I, Limited Partnership (predecessor to MVP LRS, LLC), as amended May 27, 2010	Amendment No. 1 to Registration Statement on Form S-1, File No. 333-180615, filed on May 17, 2012, Exhibit 10.52
10.6	Lease, dated January 21, 2014, between OS Southern, LLC and MVP LRS, LLC	December 31, 2013 Form 10-K, Exhibit 10.28
10.7*	OSI Restaurant Partners, LLC HCE Deferred Compensation Plan effective October 1, 2007	Registration Statement on Form S-1, File No. 333-180615, filed on April 6, 2012, Exhibit 10.46
10.8*	Kangaroo Holdings, Inc. 2007 Equity Incentive Plan, as amended	Registration Statement on Form S-1, File No. 333-180615, filed on April 6, 2012, Exhibit 10.1
10.9*	Form of Option Agreement for Options under the Kangaroo Holdings, Inc. 2007 Equity Incentive Plan	Registration Statement on Form S-1, File No. 333-180615, filed on April 6, 2012, Exhibit 10.42
10.10*	Bloomin' Brands, Inc. 2012 Incentive Award Plan	Amendment No. 4 to Registration Statement on Form S-1, File No. 333-180615, filed on July 18, 2012, Exhibit 10.2
10.11*	Form of Nonqualified Stock Option Award Agreement for options granted under the Bloomin' Brands, Inc. 2012 Incentive Award Plan	December 7, 2012 Form 8-K, Exhibit 10.2
10.12*	Form of Restricted Stock Award Agreement for restricted stock granted to directors under the Bloomin' Brands, Inc. 2012 Incentive Award Plan	December 7, 2012 Form 8-K, Exhibit 10.3
10.13*	Form of Restricted Stock Award Agreement for restricted stock granted to employees and consultants under the Bloomin' Brands, Inc. 2012 Incentive Award Plan	December 7, 2012 Form 8-K, Exhibit 10.4
10.14*	Form of Restricted Stock Unit Award Agreement for restricted stock granted to directors under the Bloomin' Brands, Inc. 2012 Incentive Award Plan	September 30, 2013 Form 10-Q, Exhibit 10.1
10.15*	Form of Restricted Stock Unit Award Agreement for restricted stock granted to employees and consultants under the Bloomin' Brands, Inc. 2012 Incentive Award Plan	September 30, 2013 Form 10-Q, Exhibit 10.2
10.16*	Form of Performance Unit Award Agreement for performance units granted under the Bloomin' Brands, Inc. 2012 Incentive Award Plan	December 7, 2012 Form 8-K, Exhibit 10.5
10.17*	Form of Bloomin' Brands, Inc. Indemnification Agreement by and between Bloomin' Brands, Inc. and each member of its Board of Directors and each of its executive officers	Amendment No. 4 to Registration Statement on Form S-1, File No. 333-180615, filed on July 18, 2012, Exhibit 10.39

10.18*	Bloomin' Brands, Inc. 2016 Omnibus Incentive Compensation Plan	March 11, 2016 Definitive Proxy Statement

BLOOMIN' BRANDS, INC.

EXHIBIT NUMBER	DESCRIPTION OF EXHIBITS	FILINGS REFERENCED FOR INCORPORATION BY REFERENCE
10.19*	Form of Nonqualified Stock Option Award Agreement for options granted to executive management under the Bloomin' Brands, Inc. 2016 Omnibus Incentive Compensation Plan	June 26, 2016 Form 10-Q, Exhibit 10.2
10.20*	Form of Restricted Stock Unit Award Agreement for restricted stock granted to directors under the Bloomin' Brands, Inc. 2016 Omnibus Incentive Compensation Plan	June 26, 2016 Form 10-Q, Exhibit 10.3
10.21*	Form of Restricted Stock Unit Award Agreement for restricted stock granted to executive management under the Bloomin' Brands, Inc. 2016 Omnibus Incentive Compensation Plan	June 26, 2016 Form 10-Q, Exhibit 10.4
10.22*	Form of Performance Award Agreement for performance units granted under the Bloomin' Brands, Inc. 2016 Omnibus Incentive Compensation Plan	June 26, 2016 Form 10-Q, Exhibit 10.5
10.23*	Form of Restricted Cash Award Agreement for cash awards granted under the Bloomin' Brands, Inc. 2016 Omnibus Incentive Compensation Plan	March 26, 2017 Form 10-Q, Exhibit 10.1
10.24*	Bloomin' Brands, Inc. Executive Change in Control Plan, effective December 6, 2012	December 7, 2012 Form 8-K, Exhibit 10.1
10.25*	Amended and Restated Employment Agreement made and entered into September 4, 2012 by and between Elizabeth A. Smith and Bloomin' Brands, Inc.	June 30, 2012 Form 10-Q, Exhibit 10.1
10.26*	Option Agreement, dated November 16, 2009, by and between Kangaroo Holdings, Inc. and Elizabeth A. Smith, as amended December 31, 2009	Registration Statement on Form S-1, File No. 333-180615, filed on April 6, 2012, Exhibit 10.40
10.27*	Option Agreement, dated July 1, 2011, by and between Kangaroo Holdings, Inc. and Elizabeth A. Smith	Registration Statement on Form S-1, File No. 333-180615, filed on April 6, 2012, Exhibit 10.41
10.28*	Officer Employment Agreement, made and entered into effective May 7, 2012, by and among David Deno and OSI Restaurant Partners, LLC	Amendment No. 1 to Registration Statement on Form S-1, File No. 333-180615, filed on May 17, 2012, Exhibit 10.53
10.29*	Amendment, dated July 16, 2014, to the Officer Employment Agreement, made and entered into effective May 7, 2012, by and among David Deno and OSI Restaurant Partners, LLC	June 29, 2014 Form 10-Q, Exhibit 10.7
10.30*	Amended and Restated Employment Agreement dated June 14, 2007, between Joseph J. Kadow and OSI Restaurant Partners, LLC, as amended on January 1, 2009, June 12, 2009, December 30, 2010 and December 16, 2011	Registration Statement on Form S-1, File No. 333-180615, filed on April 6, 2012, Exhibit 10.29
10.31*	Split-Dollar Agreement dated August 12, 2008 and effective March 30, 2006, by and between OSI Restaurant Partners, LLC (formerly known as Outback Steakhouse, Inc.) and Joseph J. Kadow	Registration Statement on Form S-1, File No. 333-180615, filed on April 6, 2012, Exhibit 10.48
10.32*	Employment Offer Letter Agreement, dated as of July 30, 2014, between Bloomin' Brands, Inc. and Donagh Herlihy	December 28, 2014 Form 10-K, Exhibit 10.58
10.33*	Employment Offer Letter Agreement, dated as of May 4, 2015, between Bloomin' Brands, Inc. and Sukhdev Singh	December 27, 2015 Form 10-K, Exhibit 10.57

BLOOMIN' BRANDS, INC.

EXHIBIT NUMBER	DESCRIPTION OF EXHIBITS	FILINGS REFERENCED FOR INCORPORATION BY REFERENCE
10.34*	Employment Offer Letter Agreement, dated as of February 12, 2016, between Bloomin' Brands, Inc. and Michael Kappitt	March 27, 2016 Form 10-Q, Exhibit 10.3
10.35*	Employment Offer Letter Agreement, dated as of July 29, 2016, between Bloomin' Brands, Inc. and Gregg Scarlett	September 25, 2016 Form 10-Q, Exhibit 10.2
10.36*	Employment Offer Letter Agreement, dated as of July 29, 2016, between Bloomin' Brands, Inc. and David Schmidt	September 25, 2016 Form 10-Q, Exhibit 10.3
10.37	Registration Rights Agreement among Bloomin' Brands, Inc. and certain stockholders of Bloomin' Brands, Inc. made as of April 29, 2014	May 1, 2014 Form 8-K, Exhibit 10.3
10.38	Credit Agreement dated as of November 30, 2017, among Bloomin' Brands, Inc., OSI Restaurant Partners, LLC, the lenders party thereto, and Wells Fargo Bank, National Association, as administrative agent	Filed herewith
10.39*	Separation Agreement and General Release, dated as of December 31, 2017, by and between Christopher Brandt and Bloomin' Brands, Inc.	Filed herewith
10.40*	Separation Agreement and General Release, dated as of December 31, 2017, by and between Patrick Murtha and Bloomin' Brands, Inc.	Filed herewith
21.1	List of Subsidiaries	Filed herewith
23.1	Consent of PricewaterhouseCoopers LLP	Filed herewith
31.1	Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002	Filed herewith
31.2	Certification of Chief Financial and Administrative Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002	Filed herewith
32.1	Certification of Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002[1]	Filed herewith
32.2	Certification of Chief Financial and Administrative Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002[1]	Filed herewith
101.INS	XBRL Instance Document	Filed herewith
101.SCH	XBRL Taxonomy Extension Schema Document	Filed herewith
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document	Filed herewith
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document	Filed herewith
101.LAB	XBRL Taxonomy Extension Label Linkbase Document	Filed herewith
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document	Filed herewith

* Management contract or compensatory plan or arrangement required to be filed as an exhibit

[1]These certifications are not deemed to be "filed" for purposes of Section 18 of the Exchange Act, or otherwise subject to the liability of that section. These certifications will not be deemed to be incorporated by reference into any filing

under the Securities Act or the Exchange Act, except to the extent that the registrant specifically incorporates them 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, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Date: February 28, 2018 Bloomin' Brands, Inc.

By: /s/ Elizabeth A. Smith

Elizabeth A. Smith
Chief Executive Officer
(Principal Executive Officer)

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

Signature	Title	Date
/s/ Elizabeth A. Smith Elizabeth A. Smith	Chief Executive Officer and Director (Principal Executive Officer)	February 28, 2018
/s/ David J. Deno David J. Deno	Executive Vice President and Chief Financial and Administrative Officer (Principal Financial and Accounting Officer)	February 28, 2018
/s/ James R. Craigie James R. Craigie	Director	February 28, 2018
/s/ David R. Fitzjohn David R. Fitzjohn	Director	February 28, 2018
/s/ Mindy Grossman Mindy Grossman	Director	February 28, 2018
/s/ Tara Walpert Levy Tara Walpert Levy	Director	February 28, 2018
/s/ John J. Mahoney John J. Mahoney	Director	February 28, 2018
/s/ R. Michael Mohan R. Michael Mohan	Director	February 28, 2018
Wendy A. Beck	Director	February 28, 2018

Exhibit 10.38

EXECUTION VERSION

Published CUSIP Number: 67105DAR5
Revolving Credit CUSIP Number: 67105DAS3
Term Loan CUSIP Number: 67105DAT1

AMENDED AND RESTATED CREDIT AGREEMENT

Dated as of November 30, 2017

among

OSI RESTAURANT PARTNERS, LLC
and
BLOOMIN' BRANDS, INC.,
as Borrowers,

WELLS FARGO BANK, NATIONAL ASSOCIATION,
as Administrative Agent,
Swing Line Lender and an L/C Issuer,

THE OTHER LENDERS PARTY HERETO,

BANK OF AMERICA, N.A.,
JPMORGAN CHASE BANK, N.A.
and
COÖPERATIEVE RABOBANK U.A., NEW YORK BRANCH,
as Co-Syndication Agents,

and

REGIONS BANK,
CITIZENS BANK, N.A.,
PNC BANK, NATIONAL ASSOCIATION,
U.S. BANK NATIONAL ASSOCIATION, and
HSBC BANK USA, NATIONAL ASSOCIATION,
as Co-Documentation Agents

WELLS FARGO SECURITIES, LLC,
MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED,
JPMORGAN CHASE BANK, N.A.
and
COÖPERATIEVE RABOBANK U.A., NEW YORK BRANCH,
as Joint Lead Arrangers and Joint Bookrunners

Ref: CID# 000010817

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J-3	Form of U.S. Tax Compliance Certificate
J-4	Form of U.S. Tax Compliance Certificate

AMENDED AND RESTATED CREDIT AGREEMENT

This AMENDED AND RESTATED CREDIT AGREEMENT is entered into as of November 30, 2017, among OSI RESTAURANT PARTNERS, LLC, a Delaware limited liability company ("OSI"), BLOOMIN' BRANDS, INC., a Delaware corporation (the "Company" and, together with OSI, the "Borrowers"), WELLS FARGO BANK, NATIONAL ASSOCIATION, as Administrative Agent, Swing Line Lender and an L/C Issuer and each lender from time to time party hereto (collectively, the "Lenders" and individually, a "Lender").

PRELIMINARY STATEMENTS

OSI, Wells Fargo Bank, National Association (successor via assignment to Deutsche Bank Trust Company Americas), as administrative agent and collateral agent, and the lenders from time to time party thereto, entered into that certain Credit Agreement, dated as of October 26, 2012 (as amended prior to the date hereof, the "Existing Credit Agreement").

The Lenders have indicated their willingness to lend, and the L/C Issuers have indicated their willingness to issue (or continue hereunder) Letters of Credit, in each case, on the terms and subject to the conditions set forth herein.

It is the intent of the parties hereto that this Agreement not constitute a novation of the obligations and liabilities of the parties under the Existing Credit Agreement and that this Agreement amend and restate the Existing Credit Agreement in its entirety.

In consideration of the mutual covenants and agreements herein contained, the parties hereto hereby agree to amend and restate the Existing Credit Agreement as follows:

ARTICLE I

Definitions and Accounting Terms

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

"**Act**" has the meaning specified in Section 10.19.

"**Additional Lender**" has the meaning specified in Section 2.15(c).

"**Additional Refinancing Lender**" means, at any time, any bank, financial institution or other institutional lender or investor that, in any case, is not an existing Lender and that agrees to provide any portion of Credit Agreement Refinancing Indebtedness pursuant to a Refinancing Amendment in accordance with Section 2.16, provided that each Additional Refinancing Lender shall be subject to the approval of the Administrative Agent, such approval not to be unreasonably withheld or delayed, to the extent that any such consent would be required from the Administrative Agent under Section 10.07(b)(i)(B) for an assignment of Loans to such Additional Refinancing Lender and in the case of Other Revolving Credit Commitments with respect to the Revolving Credit Facility, the Swing Line Lender and each L/C Issuer, solely to the extent such consent would be required for any assignment to such Lender.

"**Administrative Agent**" means Wells Fargo, in its capacity as administrative agent under any of the Loan Documents, or any successor administrative agent. Unless the context otherwise requires, the

term "Administrative Agent" as used herein and in the other Loan Documents shall include the Collateral Agent.

"**Administrative Agent's Office**" means the Administrative Agent's address as set forth on Schedule 10.02, or such other address as the Administrative Agent may from time to time notify the Borrowers and the Lenders.

"**Administrative Questionnaire**" means an Administrative Questionnaire in a form supplied by the Administrative Agent.

"**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. "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.

"**Agent-Related Distress Event**" means, with respect to the Administrative Agent or any Person that directly or indirectly Controls the Administrative Agent (each, a "Distressed Agent-Related Person"), a voluntary or involuntary case with respect to such Distressed Agent-Related Person under any Debtor Relief Law, or a custodian, conservator, receiver or similar official is appointed for such Distressed Agent-Related Person or any substantial part of such Distressed Agent-Related Person's assets, or such Distressed Agent-Related Person makes a general assignment for the benefit of creditors or is otherwise adjudicated as, or determined by any Governmental Authority (having regulatory authority over such Distressed Agent-Related Person) to be, insolvent or bankrupt; provided that an Agent-Related Distress Event shall not be deemed to have occurred solely by virtue of the ownership or acquisition of any Equity Interests in the Administrative Agent or any Person that directly or indirectly Controls the Administrative Agent by a Governmental Authority or an instrumentality thereof.

"**Agent-Related Persons**" means each Agent and each Joint Lead Arranger, together with its respective Affiliates, and the officers, directors, employees, agents and attorneys-in-fact of such Person and its Affiliates.

"**Agents**" means, collectively, the Administrative Agent, the Collateral Agent, the Co- Syndication Agents, the Co-Documentation Agents and the Supplemental Administrative Agents (if any).

"**Aggregate Commitments**" means the Commitments of all the Lenders.

"**Agreement**" means this Amended and Restated Credit Agreement.

"**AICPA**" has the meaning specified in Section 6.01(a).

"**All-In Yield**" means, as to any Indebtedness, the yield thereof, whether in the form of interest rate margins, original issue discount, upfront fees, a Eurocurrency Rate or Base Rate floor or otherwise; provided that original issue discount and upfront fees shall be equated to interest rate assuming a 4-year life to maturity (or, if less, the stated life to maturity at the time of its incurrence of the applicable Indebtedness), and the amount of any upfront fees for purposes of the calculation of the "All-In Yield" shall be the weighted average of all such fees paid to the applicable Lenders; and provided, further, that "All-In Yield" shall not include arrangement, structuring, commitment, underwriting or other similar fees.

"**Anti-Corruption Laws**" means all laws, rules, and regulations of any jurisdiction from time to time concerning or relating to bribery or corruption applicable to the Company or any of its Subsidiaries by virtue of such Person being organized or operating in such jurisdiction.

"**Anti-Money Laundering Laws**" means any and all laws, statutes, regulations or obligatory government orders, decrees, ordinances or rules applicable to the Company or its Subsidiaries related to terrorism financing or money laundering, including any applicable provision of the Act and The Currency and Foreign Transactions Reporting Act (also known as the "Bank Secrecy Act," 31 U.S.C. §§ 5311-5330 and 12U.S.C. §§ 1818(s), 1820(b) and 1951-1959).

"**Applicable Rate**" means a percentage per annum equal to:

(a) with respect to unused Revolving Credit Commitments and the commitment fee therefor, (i) until delivery of financial statements for the first full fiscal quarter of the Company ending after the Closing Date, 0.30%, and (ii) thereafter, the percentages per annum set forth in the table below applicable to commitment fees, based upon the Total Net Leverage Ratio as set forth in the most recent Compliance Certificate received by the Administrative Agent pursuant to Section 6.02(b),

(b) with respect to Term Loans, Revolving Credit Loans and Letter of Credit fees, (i) until delivery of financial statements for the first full fiscal quarter of the Company ending after the Closing Date, (A) for Eurocurrency Rate Loans, 1.75%, (B) for Base Rate Loans, 0.75% and (C) for Letter of Credit fees, 1.75%, and (ii) thereafter, the following percentages per annum applicable to Term Loans, Revolving Credit Loans or Letter of Credit fees, as the case may be, based upon the Total Net Leverage Ratio as set forth in the most recent Compliance Certificate received by the Administrative Agent pursuant to Section 6.02(b):

Pricing Level	Total Net Leverage Ratio	Eurocurrency Rate for Term Loans, Revolving Credit Loans and Letter of Credit Fees	Base Rate for Term Loans and Revolving Credit Loans	Commitment Fee for unused Revolving Credit Commitments
1	Greater than or equal to 3.00:1.00	2.00%	1.00%	0.350%
2	Less than 3.00:1.00 but greater than or equal to 2.00:1.00	1.75%	0.75%	0.300%
3	Less than 2.00:1.00	1.50%	0.50%	0.250%

Any increase or decrease in the Applicable Rate resulting from a change in the Total Net Leverage Ratio shall become effective as of the first Business Day immediately following the date a Compliance Certificate is delivered pursuant to Section 6.02(b); provided that at the option of the Administrative Agent or the Required Lenders, the highest Pricing Level shall apply (x) as of the first Business Day after the date on which a Compliance Certificate was required to have been delivered but was not delivered, and shall continue to so apply to and including the date on which such Compliance Certificate is so

delivered (and thereafter the Pricing Level otherwise determined in accordance with this definition shall apply) and (y) as of the first Business Day after an Event of Default under Section 8.01(a) shall have occurred and be continuing, and shall continue to so apply to but excluding the date on which such Event of Default is cured or waived (and thereafter the Pricing Level otherwise determined in accordance with this definition shall apply).

"**Appropriate Lender**" means, at any time, (a) with respect to Loans of any Class, the Lenders of such Class, (b) with respect to Letters of Credit, (i) the relevant L/C Issuers and (ii) the relevant Revolving Credit Lenders and (c) with respect to the Swing Line Facility, (i) the Swing Line Lender and
(ii) the Revolving Credit Lenders.

"**Approved Bank**" has the meaning specified in clause (c) of the definition of "Cash Equivalents".

"**Approved Fund**" means any Fund that is administered, advised or managed by (a) a Lender, (b) an Affiliate of a Lender or (c) an entity or an Affiliate of an entity that administers, advises or manages a Lender.

"**Assignees**" has the meaning specified in Section 10.07(b).

"**Assignment and Assumption Agreement**" means an Assignment and Assumption Agreement substantially in the form of Exhibit E.

"**Attorney Costs**" means and includes all reasonable fees, expenses and disbursements of any law firm or other external legal counsel.

"**Attributable Indebtedness**" means, on any date, in respect of any Capitalized Lease of any Person, the capitalized amount thereof that would appear on a balance sheet of such Person prepared as of such date in accordance with GAAP.

"**Audited Financial Statements**" means the audited consolidated balance sheets of the Company and its Subsidiaries as of December 25, 2016, December 27, 2015 and December 28, 2014, and the related audited consolidated statements of income, stockholders' equity and cash flows for the Company and its Subsidiaries for the fiscal years ended December 25, 2016, December 27, 2015 and December 28, 2014, respectively, as any of the foregoing may have been restated prior to the date hereof.

"**Auto-Renewal Letter of Credit**" has the meaning specified in Section 2.03(b)(iii).

"**Available Incremental Amount**" has the meaning specified in Section 2.15(d)(iv).

"**Bail-In Action**" means the exercise of any Write-Down and Conversion Powers by the applicable EEA Resolution Authority in respect of any liability of an EEA Financial Institution.

"**Bail-In Legislation**" means, 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 for such EEA Member Country from time to time which is described in the EU Bail-In Legislation Schedule.

"**Base Rate**" means for any day a fluctuating rate per annum equal to the highest of (a) the Federal Funds Rate plus 1/2 of 1%, (b) the rate of interest in effect for such day as publicly announced from time to time by the Administrative Agent as its "prime rate" and (c) the Eurocurrency Rate for a Eurocurrency Rate Loan denominated in Dollars with a one-month Interest Period commencing on such day (or, if such day is not a Business Day, the immediately preceding Business Day) plus 1.00%. The "prime rate" is a rate set by

the Administrative Agent based upon various factors including the Administrative Agent's costs and desired return, general economic conditions and other factors, and is used as a reference point for pricing some loans, which may be priced at, above, or below such announced rate. Any change in the Base Rate due to a change in the "prime rate", the Federal Funds Rate or the Eurocurrency Rate shall be effective as of the opening of business on the day of such change in the "prime rate", the Federal Funds Rate or the Eurocurrency Rate, respectively.

"**Base Rate Loan**" means a Loan that bears interest based on the Base Rate.

"**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 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 Code) the assets of any such "employee benefit plan" or "plan".

"**Borrowers**" has the meaning specified in the introductory paragraph of this Agreement.

"**Borrowing**" means a Revolving Credit Borrowing, a Swing Line Borrowing or a Term Borrowing, as the context may require.

"**Business Day**" means 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 and if such day relates to any interest rate settings as to a Eurocurrency Rate Loan, any fundings, disbursements, settlements and payments in respect of any such Eurocurrency Rate Loan, or any other dealings to be carried out pursuant to this Agreement in respect of any such Eurocurrency Rate Loan, means any such day on which dealings in deposits in Dollars are conducted by and between banks in the relevant interbank eurodollar market.

"**Capital Expenditures**" means, for any period, the aggregate of (a) all expenditures (whether paid in cash or accrued as liabilities) by the Company and its Subsidiaries during such period that, in conformity with GAAP, are or are required to be included as capital expenditures on the consolidated statement of cash flow of the Company and its Subsidiaries and (b) the value of all assets under Capitalized Leases incurred by the Company and its Subsidiaries during such period.

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

"**Capitalized Leases**" means all leases that have been or should be, in accordance with GAAP (except for temporary treatment of construction-related expenditures under Accounting Standards Codification Topic 840 which will ultimately be treated as operating leases upon a sale-leaseback transaction), recorded on the balance sheet as capitalized leases; provided that for all purposes hereunder the amount of obligations under any Capitalized Lease shall be the amount thereof accounted for as a liability in accordance with GAAP.

"**Cash Collateral**" has the meaning specified in Section 2.03(g).

"**Cash Collateral Account**" means a blocked account at the Administrative Agent (or another commercial bank selected in compliance with Section 9.09) in the name of the Administrative Agent and under the sole dominion and control of the Administrative Agent, and otherwise established in a manner satisfactory to the Administrative Agent.

"**Cash Collateralize**" has the meaning specified in Section 2.03(g).

"**Cash Equivalents**" means any of the following types of Investments, to the extent owned by the Company or any Subsidiary:

(a) Dollars or, in the case of any Foreign Subsidiary, such local currencies held by it from time to time in the ordinary course of business;

(b) readily marketable obligations issued or directly and fully guaranteed or insured by the government or any agency or instrumentality of the United States, having average maturities of not more than 24 months from the date of acquisition thereof; provided that the full faith and credit of the United States is pledged in support thereof;

(c) time deposits with, or insured certificates of deposit or bankers' acceptances of, any commercial bank that (i) is a Lender or (ii) (A) is organized under the Laws of the United States, any state thereof, the District of Columbia or any member nation of the Organization for Economic Cooperation and Development or is the principal banking Subsidiary of a bank holding company organized under the Laws of the United States, any state thereof, the District of Columbia or any member nation of the Organization for Economic Cooperation and Development, and is a member of the Federal Reserve System, and (B) has combined capital and surplus of at least $250,000,000 (any such bank in the foregoing clauses (i) or (ii) being an "Approved Bank"), in each case with average maturities of not more than 12 months from the date of acquisition thereof;

(d) commercial paper and variable or fixed rate notes issued by an Approved Bank (or by the parent company thereof) or any variable or fixed rate note issued by, or guaranteed by, a corporation rated A-2 (or the equivalent thereof) or better by S&P or P-2 (or the equivalent thereof) or better by Moody's, in each case with average maturities of not more than 24 months from the date of acquisition thereof;

(e) repurchase agreements entered into by any Person with a bank or trust company (including any of the Lenders) or recognized securities dealer, in each case, having capital and surplus in excess of $250,000,000 for direct obligations issued by or fully guaranteed or insured by the government or any agency or instrumentality of the United States, 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 100% of the amount of the repurchase obligations;

(f) securities with average maturities of 24 months or less from the date of acquisition issued or fully guaranteed by any state, commonwealth or territory of the United States, by any political subdivision, taxing authority agency or instrumentality of any such state, commonwealth or territory or by any foreign government having an investment grade rating from either S&P or Moody's (or the equivalent thereof);

(g) Investments with average maturities of 12 months or less from the date of acquisition in money market funds rated AAA- (or the equivalent thereof) or better by S&P or Aaa3 (or the equivalent thereof) or better by Moody's;

(h) Indebtedness or preferred stock issued by Persons with a rating of "A" or higher from S&P or "A2" or higher from Moody's with maturities of 24 months or less from the date of acquisition, in each case in Dollars or another currency permitted above in this definition;

(i) in the case of Foreign Subsidiaries only, instruments equivalent to those referred to in clauses (a) through (h) above or clause (j) below in each case denominated in any foreign currency comparable in credit quality and tenor to those referred to in such clauses above and customarily used by corporations for cash management purposes in any jurisdiction outside the United States to the extent reasonably required in connection with any business conducted by any Foreign Subsidiary organized in such jurisdiction; or

(j) Investments, classified in accordance with GAAP as current assets of the Company or any Subsidiary, in money market investment programs which are registered under the Investment Company Act of 1940 or which are administered by financial institutions having capital of at least $250,000,000, and, in either case, the portfolios of which are limited such that substantially all of such investments are of the character, quality and maturity described in clauses (a) through (g) of this definition.

"**Cash Management Banks**" means any Person that (a) is an Agent, Joint Lead Arranger, Lender or any Affiliate of such Agent, Joint Lead Arranger or Lender at any time that such Person initially provides any Cash Management Services to the Company or any Subsidiary, whether or not such Person subsequently ceases to be an Agent, Joint Lead Arranger, Lender or Affiliate of such Agent, Joint Lead Arranger or Lender or (b) at the time it becomes a Lender (including on the Closing Date), is already providing Cash Management Services to the Company or any Subsidiary.

"**Cash Management Obligations**" means obligations owed by the Company or any Subsidiary to any Cash Management Bank in respect of any Cash Management Services.

"**Cash Management Services**" means any agreement or arrangement to provide cash management services, including treasury, depository, overdraft, credit card processing, credit or debit card, purchase card, electronic funds transfer and other cash management arrangements.

"**Casualty Event**" means any event that gives rise to the receipt by the Company or any Subsidiary of any insurance proceeds or condemnation awards in respect of any equipment, fixed assets or real property (including any improvements thereon) to replace or repair such equipment, fixed assets or real property.

"**CERCLA**" means the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as subsequently amended.

"**CERCLIS**" means the Comprehensive Environmental Response, Compensation and Liability Information System maintained by the U.S. Environmental Protection Agency.

"**CFC**" means a "controlled foreign corporation" within the meaning of Section 957(a) of the Code.

"**Change of Control**" means the earliest to occur of:

(a) (1) any Person or (2) Persons constituting a "group" (as such term is used in Sections 13(d) and 14(d) of the Exchange Act, but excluding any employee benefit plan of such Person and its Subsidiaries, and any Person or entity acting in its capacity as trustee, agent or other fiduciary or administrator of any such plan), becomes the "beneficial owner" (as defined in Rules 13(d)-3 and 13(d)-5 of the Exchange Act), directly or indirectly, of Equity Interests representing more than forty percent (40%) of the aggregate ordinary voting power represented by the issued and outstanding Equity Interests of the Company;

(b) any "Change of Control" (or any comparable term) in any document pertaining to (i) any Permitted Pari Passu Secured Refinancing Debt, any Permitted Unsecured Refinancing Debt, any Incremental Equivalent Debt, any unsecured Indebtedness, any Indebtedness that is secured on a junior basis to the Obligations and any Junior Financing, in each case with an aggregate outstanding principal amount in excess of the Threshold Amount or (ii) any Disqualified Equity Interests with an aggregate liquidation preference in excess of the Threshold Amount; or

(c) OSI ceases to be a Wholly Owned Subsidiary of the Company (or any successor under Section 7.04(a)).

"**Class**" (a) when used with respect to Lenders, refers to whether such Lenders have Loans or Commitments with respect to a particular Class of Loans or Commitments, (b) when used with respect to Commitments, refers to whether such Commitments are Term Commitments, Incremental Term Commitments, Commitments in respect of a Class of Loans to be made pursuant to a given Extension Series, Other Term Loan Commitments of a given Refinancing Series, Revolving Credit Commitments, or Other Revolving Credit Commitments, in each case not designated part of another existing Class and (c) when used with respect to Loans or a Borrowing, refers to whether such Loans, or the Loans comprising such Borrowing, are Term Loans, Incremental Term Loans, Extended Term Loans, Other Term Loans made pursuant to a given Refinancing Series, Revolving Credit Loans, Loans made pursuant to Extended Revolving Credit Commitments or Other Revolving Credit Loans in each case not designated part of another existing Class. Commitments (and, in each case, the Loans made pursuant to such Commitments) that have different terms and conditions shall be construed to be in different Classes. Commitments (and, in each case, the Loans made pursuant to such Commitments) that have the same terms and conditions shall be construed to be in the same Class.

"**Closing Date**" means November 30, 2017.

"**Code**" means the U.S. Internal Revenue Code of 1986, as amended, and rules and regulations related thereto.

"**Co-Documentation Agents**" means each of Regions Bank, Citizens Bank, N.A., PNC Bank, National Association, U.S. Bank National Association and HSBC Bank USA, National Association.

"**Collateral**" means all the "Collateral" as defined in any Collateral Document and shall include the Mortgaged Properties.

"**Collateral Agent**" means the Administrative Agent, in its capacity as collateral agent under any of the Loan Documents, or any successor collateral agent.

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

(a) the Administrative Agent shall have received each Collateral Document required to be delivered on the Closing Date pursuant to Section 4.01, Section 6.11 or Section 6.13 at such time, duly executed by each Loan Party thereto;

(b) all Obligations shall have been unconditionally guaranteed by each Borrower (in the case of Obligations under clauses (b) and (c) of the first sentence of the definition thereof) and each Subsidiary that is a Domestic Subsidiary and not an Excluded Subsidiary;

(c) all guarantees issued or to be issued in respect of a Junior Financing (i) shall be subordinated to the Guarantees to the same extent that such Junior Financing is subordinated to the Obligations and (ii) shall provide for their automatic release upon a release of the corresponding Guarantee;

(d) the Obligations and the Guarantees shall have been secured by a first-priority perfected security interest in 100% of the Equity Interests of each Subsidiary that is a Domestic Subsidiary (other than any Foreign Subsidiary Holding Company and any Liquor License Subsidiary);

(e) except to the extent otherwise permitted hereunder or under any Collateral Document, the Obligations and the Guarantees shall have been secured by a security interest in, and mortgages on, substantially all tangible and intangible assets (other than Equity Interests, subject to the requirements and limitations set forth in clause (d) above) of each Borrower and each other Guarantor (including accounts receivable, inventory, equipment, investment property, contract rights, domestic intellectual property, other general intangibles, owned Material Real Property and proceeds of the foregoing), in each case, with the priority required by the Collateral Documents;

(f) none of the Collateral shall be subject to any Liens other than Liens permitted by Section 7.01; and

(g) the Collateral Agent shall have received (i) counterparts of a Mortgage with respect to any Material Real Property required to be delivered pursuant to Section 6.11 (the "Mortgaged Properties") duly executed and delivered by the record owner of such property, (ii) a policy or policies of title insurance issued by a nationally recognized title insurance company insuring the Lien of each such Mortgage as a valid Lien on the property described therein, free of any other Liens except as expressly permitted by Section 7.01 together with such endorsements, coinsurance and reinsurance as the Administrative Agent may reasonably request, (iii) such existing surveys, existing abstracts, existing appraisals and other documents as the Administrative Agent may reasonably request with respect to any such Mortgaged Property, provided that nothing in this clause (iii) shall require any Borrower to update existing surveys or order new surveys with respect to any Mortgaged Property and (iv) standard flood hazard determination forms and if any Material Real Property is located in a special flood hazard area, (x) notices to (and confirmations of receipt by) the Company as to the existence of a special flood hazard and, if applicable, the unavailability of flood hazard insurance under the National Flood Insurance Program and (y) evidence of applicable flood insurance, if available, in each case in such form, on such terms and in such amounts as required by The National Flood Insurance Reform Act of 1994, the Federal Flood Disaster Protection Act and rules and regulations promulgated thereunder or as otherwise required by the Administrative Agent or any Lender.

The foregoing definition shall not require, and the Loan Documents shall not contain any requirements as to, the creation or perfection of pledges of or security interests in, Mortgages on, or the obtaining of title insurance or surveys with respect to, any Excluded Assets. The Collateral Agent may grant extensions of time for the perfection of security interests in or the obtaining of title insurance with respect to particular assets (including extensions beyond the Closing Date for the perfection of security interests in the assets of the Loan Parties on such date) where it reasonably determines, in consultation

with the Company, that perfection cannot be accomplished without undue effort or expense by the time or times at which it would otherwise be required by this Agreement or the Collateral Documents.

Notwithstanding anything to the contrary, there shall be no requirement for (and no Default or Event of Default under the Loan Documents shall arise out of the lack of) (A) actions required by the Laws of any non-U.S. jurisdiction in order to create any security interests in any assets or to perfect such security interests (including any intellectual property registered in any non-U.S. jurisdiction) (it being understood that there shall be no security agreements or pledge agreements governed under the Laws of any non-U.S. jurisdiction) and (B) perfecting security interests by entering into agreements with third parties (including control or similar agreements) in respect of cash and Cash Equivalents, deposit or securities accounts (other than the Cash Collateral Account) or uncertificated securities of Persons other than Wholly Owned Subsidiaries directly owned by any Borrower or any Guarantor.

In addition, any Borrower may cause any Domestic Subsidiary that is not otherwise required to be a Guarantor to Guarantee the Obligations and otherwise satisfy the Collateral and Guarantee Requirement, in which case such Domestic Subsidiary shall be treated as a Guarantor under this Agreement and every other Loan Document for all purposes.

"**Collateral Documents**" means, collectively, the Security Agreement, the Mortgages, each of the mortgages, Security Agreement Supplements, security agreements, pledge agreements or other similar agreements delivered to the Collateral Agent pursuant to Section 6.11 or Section 6.13, the Guaranty and each of the other agreements, instruments or documents that creates or purports to create or affirm a Lien or Guarantee in favor of the Collateral Agent or the Administrative Agent for the benefit of the Secured Parties.

"**Commitment**" means a Term Commitment, an Incremental Term Commitment, an Extended Term Loan Commitment of a given Extension Series, an Other Term Loan Commitment, a Revolving Credit Commitment, an Extended Revolving Credit Commitment of a given Extension Series or Other Revolving Credit Commitment, as the context may require.

"**Committed Loan Notice**" means a notice of (a) a Term Borrowing, (b) a Revolving Credit Borrowing, (c) a conversion of Loans from one Type to the other, or (d) a continuation of Eurocurrency Rate Loans, pursuant to Section 2.02(a), which, if in writing, shall be substantially in the form of Exhibit A.

"**Commodity Exchange Act**" means the Commodity Exchange Act (7 U.S.C. § 1 et seq.), as amended from time to time, and any successor statute.

"**Company**" has the meaning specified in the introductory paragraph of this Agreement.

"**Compensation Period**" has the meaning specified in Section 2.12(c)(ii).

"**Compliance Certificate**" means a certificate substantially in the form of Exhibit D.

"**Consolidated EBITDA**" means, for any period, the Consolidated Net Income for such period,

plus:

(a) without duplication and (in each case, other than with respect to clause (a)(xi) below) to the extent already deducted (and not added back) in arriving at such Consolidated Net Income, the sum of the following amounts for such period:

(i) total interest expense and, to the extent not reflected in such total interest expense, any losses on hedging obligations or other derivative instruments entered into for the purpose of hedging interest rate risk, net of interest income and gains on such hedging obligations, or other derivative instruments and costs of surety bonds in connection with financing activities, and any financing fees (including commitment, underwriting, funding, "rollover" and similar fees and commissions, discounts, yields and other fees, charges and amounts incurred in connection with the issuance or incurrence of Indebtedness and all commissions, discounts and other fees and charges owed with respect to letters of credit and bankers' acceptance financing and net costs under Swap Contracts) and annual agency, unused line, facility or similar fees paid under definitive documentation related to Indebtedness,

(ii) provision for Income Taxes of the Company and its Subsidiaries paid or accrued during such period,

(iii) depreciation and amortization, including amortization of deferred financing fees and debt discounts,

(iv) Non-Cash Charges,

(v) unusual or non-recurring losses, charges or expenses (including without limitation, relating to the Transaction) and any charges, losses or expenses related to signing, retention or completion bonuses or recruiting costs, costs and expenses relating to any registration statement, or registered exchange offer in respect of any Indebtedness permitted hereunder, and, to the extent related to Permitted Acquisitions, integration and systems establishment costs; provided that such integration and systems establishment costs are certified as such in a certificate of a Responsible Officer delivered to the Administrative Agent,

(vi) severance, relocation costs, curtailments or modifications to pension and post-retirement employee benefit plans, catch-up or transition expenses for "Partner Equity Plans" to the extent relating to employee services rendered in prior periods, and pre-opening, opening, closing and consolidation costs and expenses with respect to any facilities and restaurants,

(vii) cash restructuring charges or reserves (including restructuring costs related to acquisitions after the Closing Date); provided that such adjustments are certified as restructuring charges or reserves in a certificate of a Responsible Officer delivered to the Administrative Agent,

(viii) any costs or expenses (excluding Non-Cash Charges) incurred by the Company or a Subsidiary pursuant to any management equity plan or stock option plan or any other management or employee benefit plan or agreement or any stock subscription or shareholder agreement, to the extent that such costs or expenses are funded with cash proceeds contributed to the capital of the Company or net cash proceeds of an issuance of Equity Interests of the Company (other than Disqualified Equity Interests),

(ix) to the extent (1) covered by insurance under which the insurer has been properly notified and has affirmed or consented to coverage in writing, expenses with respect to liability or casualty events or business interruption, and (2) actually reimbursed in cash,

expenses incurred to the extent covered by indemnification provisions in any agreement in connection with the Transaction or a Permitted Acquisition,

(x) cash receipts (or reduced cash expenditures) to the extent of non-cash gains relating to such income that were deducted in the calculation of Consolidated EBITDA pursuant to clause (b)(ii) below for any prior period,

(xi) the amount of "run rate" net cost savings, synergies and operating expense reductions (without duplication of any amounts added back pursuant to Section 1.11(c) in connection with a Specified Transaction) projected by the Company in good faith to result from actions taken or with respect to which substantial steps have been taken (calculated on a Pro Forma Basis as though such cost savings, operating expense reductions and synergies had been realized on the first day of the period for which Consolidated EBITDA is being determined and if such cost savings, operating expense reductions and synergies were realized during the entirety of such period), net of the amount of actual benefits realized during such period from such actions; provided, that such cost savings, operating expense reductions and synergies are reasonably identifiable and factually supportable (it is understood and agreed that "run-rate" means the full recurring benefit for a period that is associated with any action taken or with respect to which substantial steps have been taken); provided, further, that the aggregate amount of cost savings, synergies and operating expense reductions added back pursuant to this clause (xi) and Section 1.11(c) in any period of four consecutive fiscal quarters shall not exceed an amount equal to 5% of Consolidated EBITDA for such period (calculated before giving effect to this clause (xi) and Section 1.11(c)), and

(xii) the amount of any minority interest consisting of Subsidiary income attributable to minority equity interests of third parties in any non-Wholly Owned Subsidiary deducted (and not added back) in such period in calculating Consolidated Net Income except to the extent of cash dividends declared or paid on Equity Interests of such non-Wholly Owned Subsidiaries held by third parties, less

(b) without duplication and to the extent included in arriving at such Consolidated Net Income, the sum of the following amounts for such period:

(i) unusual or non-recurring gains,

(ii) non-cash gains increasing Consolidated Net Income for such period, excluding any non-cash gains that represent the reversal of an accrual or reserve for any anticipated cash charges in any prior period (other than any such accrual or reserve that has been added back to Consolidated Net Income in calculating Consolidated EBITDA in accordance with this definition),

(iii) rent expense paid in cash during such period over and above rent expense as determined in accordance with GAAP for such period, and

(iv) any non-cash gains with respect to cash actually received in a prior period unless such cash did not increase Consolidated EBITDA in a prior period, in each case, as determined on a consolidated basis for the Company and its Subsidiaries in accordance with GAAP; provided that, to the extent included in Consolidated Net Income,

(A) there shall be excluded in determining Consolidated EBITDA currency translation gains and losses related to currency remeasurements of Indebtedness (including the net loss or gain resulting from Swap Contracts for currency exchange risk),

(B) there shall be excluded in determining Consolidated EBITDA rent expense as determined in accordance with GAAP not actually paid in cash during such period (net of rent expense paid in cash during such period over and above rent expense as determined in accordance with GAAP for such period), and

(C) there shall be excluded in determining Consolidated EBITDA any net after-tax income (loss) from the early extinguishment of Indebtedness or hedging obligations or other derivative instruments.

For the purpose of the definition of Consolidated EBITDA, "Non-Cash Charges" means (a) any impairment charge or asset write-off or write-down related to intangible assets, long-lived assets and other assets (including licenses or other approvals for the sale of alcoholic beverages), and investments in debt and equity securities pursuant to GAAP, (b) stock-based awards compensation expense including, but not limited to, non-cash charges, expenses or write-downs arising from stock options, restricted stock or other equity incentive programs, and (c) other non-cash charges, expenses or write-downs (provided that if any non-cash charges, expenses and write-downs referred to in this paragraph represent an accrual or reserve for potential cash items in any future period, (1) the Company may determine not to add back such non-cash charge in the current period and (2) to the extent the Company does decide to add back such non-cash charge, the cash payment in respect thereof in such future period shall be subtracted from Consolidated EBITDA to such extent, and excluding amortization of a prepaid cash item that was paid in a prior period).

"**Consolidated Net Income**" means, for any period, the net income (loss) of the Company and its Subsidiaries for such period determined on a consolidated basis in accordance with GAAP, excluding, without duplication, (a) extraordinary items for such period, (b) the cumulative effect of a change in accounting principles during such period to the extent included in Consolidated Net Income, (c) Transaction Expenses, (d) any fees and expenses incurred during such period, or any amortization thereof for such period, in connection with any acquisition, investment, asset disposition, issuance or repayment of debt, issuance of equity securities, refinancing transaction or amendment or other modification of any debt instrument (in each case, including any such transaction consummated prior to the Closing Date and any such transaction undertaken but not completed), (e) any income (loss) for such period attributable to the early extinguishment of Indebtedness, (f) accruals and reserves that are established within twelve months after the Closing Date that are so required to be established as a result of the Transaction in accordance with GAAP, (g) any unrealized net gains and losses resulting from Obligations under Secured Hedge Agreements or embedded derivatives that require similar accounting treatment and the application of Accounting Standards Codification Topic 815 and related pronouncements, (h) any after-tax gains or losses on disposal of disposed, abandoned or discontinued operations and any after-tax effect of gains and losses (less all fees and expenses related thereto) attributable to asset dispositions other than in the ordinary course of business and (i) any net income (loss) for such period of any Person that is not a Subsidiary, or that is accounted for by the equity method of accounting, provided that Consolidated Net Income shall be increased by the amount of dividends or distributions that are actually paid in cash (or converted into cash) to the Company or a Subsidiary in respect of such net income in such period. There shall be excluded from Consolidated Net Income for any period the purchase accounting effects of adjustments, including to property, equipment, inventory and software and other intangible assets (including favorable and unfavorable leases and contracts) and deferred revenue in component amounts required or permitted by GAAP and related authoritative pronouncements (including the effects of such adjustments pushed down to the Company and its Subsidiaries), as a result of any acquisition consummated prior to or after the Closing Date (including any Permitted Acquisitions), or the amortization, write-off or write-down of any amounts thereof.

"**Consolidated Senior Secured Net Debt**" means, as of any date of determination, (a) any Indebtedness described in clause (a) of Consolidated Total Debt outstanding on such date that is secured by a Lien on any asset or property of any Borrower or any Subsidiary minus (b) the aggregate amount of cash and Cash Equivalents (in each case, free and clear of all Liens, other than nonconsensual Liens permitted by Section 7.01 and Liens permitted by Sections 7.01(a), 7.01(l), 7.01(aa), 7.01(bb) and clauses (i) and (ii) of Section 7.01(t)) included in the consolidated balance sheet of the Company and its Subsidiaries as of such date; provided that for purposes of determining the Consolidated Senior Secured Net Leverage Ratio for purposes of Section 2.15(d)(iv) and Section 7.03(s) only, any cash proceeds of any Incremental Facility or Incremental Equivalent Debt will not be considered cash or Cash Equivalents under clause (b) hereof and the full amount of any Revolving Commitment Increases or Incremental Equivalent Debt shall be deemed to be Indebtedness outstanding on such date.

"**Consolidated Senior Secured Net Leverage Ratio**" means, with respect to any Test Period, the ratio of (a) Consolidated Senior Secured Net Debt as of the last day of such Test Period to (b) Consolidated EBITDA of the Company for such Test Period.

"**Consolidated Total Debt**" means, as of any date of determination, (a) the aggregate principal amount of Indebtedness of the Company and its Subsidiaries outstanding on such date, in an amount that would be reflected on a balance sheet prepared as of such date on a consolidated basis in accordance with GAAP (but excluding the effects of any discounting of Indebtedness resulting from the application of purchase accounting in connection with any Permitted Acquisition), consisting of Indebtedness for borrowed money, obligations in respect of Capitalized Leases, debt obligations evidenced by promissory notes or similar instruments, unreimbursed drawings in respect of letters of credit (or similar facilities) and Guarantees of the foregoing, minus (b) the aggregate amount of cash and Cash Equivalents (in each case, free and clear of all Liens, other than nonconsensual Liens permitted by Section 7.01 and Liens permitted by Sections 7.01(a), 7.01(l), 7.01(aa), 7.01(bb) and clauses (i) and (ii) of Section 7.01(t)) included in the consolidated balance sheet of the Company and its Subsidiaries as of such date; provided that for purposes of determining the Total Net Leverage Ratio for purposes of Section 7.03(s) only, any cash proceeds of any Incremental Facility or Incremental Equivalent Debt will not be considered cash or Cash Equivalents under clause (b) hereof and the full amount of any Revolving Commitment Increases or Incremental Equivalent Debt shall be deemed to be Indebtedness outstanding on such date.

"**Consolidated Working Capital**" means, at any date, the excess of (a) the sum of all amounts (other than cash and Cash Equivalents) that would, in conformity with GAAP, be set forth opposite the caption "total current assets" (or any like caption) on a consolidated balance sheet of the Company and its Subsidiaries at such date over (b) the sum of all amounts that would, in conformity with GAAP, be set forth opposite the caption "total current liabilities" (or any like caption) on a consolidated balance sheet of the Company and its Subsidiaries on such date, including deferred revenue but excluding, without duplication, (i) the current portion of any Funded Debt, (ii) all Indebtedness consisting of Loans and L/C Obligations to the extent otherwise included therein, (iii) the current portion of accrued interest and (iv) the current portion of current and deferred income taxes.

"**Contract Consideration**" has the meaning specified in the definition of "Excess Cash Flow".

"**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**" has the meaning specified in the definition of "Affiliate".

"**Co-Syndication Agents**" means each of Bank of America, N.A., JPMorgan Chase Bank, N.A. and Coöperatieve Rabobank U.A., New York Branch.

"**Credit Agreement Refinancing Indebtedness**" means any (a) Permitted Pari Passu Secured Refinancing Debt, (b) Permitted Unsecured Refinancing Debt or (c) other Indebtedness incurred pursuant to a Refinancing Amendment, in each case, issued, incurred or otherwise obtained (including by means of the extension or renewal of existing Indebtedness) in exchange for, or to extend, renew, replace, repurchase, retire or refinance, in whole or part, existing Loans or Commitments hereunder, or any then-existing Credit Agreement Refinancing Indebtedness ("Refinanced Debt"); provided that (i) such exchanging, extending, renewing, replacing, repurchasing, retiring or refinancing Indebtedness is in an original aggregate principal amount not greater than the aggregate principal amount of the Refinanced Debt except by an amount equal to unpaid accrued interest and premium (including tender premium) and penalties thereon plus reasonable upfront fees and original issue discount on such exchanging, extending, renewing, replacing, repurchasing, retiring or refinancing Indebtedness, plus other reasonable and customary fees and expenses in connection with such exchange, modification, refinancing, refunding, renewal, replacement, repurchase, retirement or extension, (ii) (I) such Indebtedness (other than Revolving Credit Commitments) has a final maturity no earlier than the Maturity Date of, and a Weighted Average Life to Maturity no shorter than the remaining Weighted Average Life to Maturity of, the Refinanced Debt as originally in effect prior to any amortization or prepayments thereto and (II) such Indebtedness if consisting of Revolving Credit Commitments, have a maturity no earlier than, and do not have any commitment reductions that are not applicable to, the Refinanced Debt, (iii) the terms and conditions of such Indebtedness (except as otherwise provided in clause (ii) above and with respect to pricing, premiums and optional prepayment or redemption terms) reflect market terms and conditions at the time of issuance (but in no event shall any such Indebtedness have covenants and defaults materially more restrictive (taken as a whole) than those set forth in this Agreement (except for covenants or other provisions applicable only to periods after the Latest Maturity Date at the time of incurrence of such Indebtedness)), (iv) such Refinanced Debt shall be repaid, repurchased, retired, defeased or satisfied and discharged, and all accrued interest, fees, premiums (if any) and penalties in connection therewith shall be paid, on the date such Credit Agreement Refinancing Indebtedness is issued, incurred or obtained and (v) to the extent the Refinanced Debt is subordinated in right of payment to the Obligations, such Indebtedness shall be subordinated in right of payment to the Obligations on terms at least as favorable to the Lenders as those contained in the documentation governing the Refinanced Debt.

"**Credit Extension**" means each of the following: (a) a Borrowing and (b) an L/C Credit Extension.

"**Cumulative Growth Amount**" shall mean, on any date of determination, the sum of, without duplication,

(A) (i) $50,000,000 plus (ii) 50% of the aggregate amount of Consolidated Net Income (or, if the Consolidated Net Income is a loss, minus 100% of the amount of the loss) accrued on a cumulative basis during the period, taken as one accounting period, beginning on March 31, 2014 and ending on the last day of the Company's most recently completed fiscal quarter for which financial statements have been provided pursuant to this Agreement, plus

(B) the amount of Net Cash Proceeds from the sale of Equity Interests of the Company (other than Excluded Contributions and issuances of Disqualified Equity Interests) after the Closing Date to the extent that such Net Cash Proceeds shall have been actually received by the Borrowers on or prior to such date of determination and to the extent not used to make payments under Section 7.03(i) or make Restricted Payments pursuant to Section 7.06(f), plus

(C) an amount equal to the aggregate Returns (not to exceed the original amount of such Investment) in respect of any Investment made since the Closing Date pursuant to Section 7.02(m) to the extent that such Returns did not increase Consolidated Net Income, plus

(D) the aggregate amount of Specified Proceeds actually received by the Borrower on or prior to such date of determination, minus

(E) the sum at the time of determination of (i) the aggregate amount of Investments made since the Closing Date pursuant to Section 7.02(m) and (ii) the aggregate amount of prepayments, redemptions or repurchases made since the Closing Date pursuant to Section 7.12(a)(v).

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

"**Default**" means any event 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 an interest rate equal to (a) the Base Rate plus (b) the Applicable Rate, if any, applicable to Base Rate Loans plus (c) 2.0% per annum; provided that with respect to a Eurocurrency Rate Loan, the Default Rate shall be an interest rate equal to the interest rate (including any Applicable Rate) otherwise applicable to such Loan plus 2.0% per annum, in each case, to the fullest extent permitted by applicable Laws.

"**Defaulting Lender**" means, subject to Section 2.17(b), any Lender that, as reasonably determined by the Administrative Agent, (a) has failed to perform any of its funding obligations hereunder, including in respect of its Loans, participations in L/C Obligations or participations in Swing Line Loans required to be funded by it hereunder within one (1) Business Day of the date required to be funded by it hereunder, unless the subject of a good faith dispute or subsequently cured, (b) has otherwise failed to pay over 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 within one (1) Business Day of the date when due, unless the subject of a good faith dispute or subsequently cured, (c) has notified the Administrative Agent or the L/C Issuer or the Swing Line Lender that it does not intend to comply with its funding obligations or has made a public statement to that effect with respect to its funding obligations hereunder or under other agreements in which it commits to extend credit, (d) has failed, within three (3) Business Days after request by the Administrative Agent, to confirm in a manner satisfactory to the Administrative Agent that it will comply with its funding obligations hereunder or (e) 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 a receiver, conservator, trustee, administrator, assignee for the benefit of creditors or similar Person charged with reorganization or liquidation of its business or a custodian appointed for it, (iii) taken any action in furtherance of, or indicated its consent to, approved of or acquiescence in any such proceeding or appointment or (iv) 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.

"**Designated Non-Cash Consideration**" means the Fair Market Value of non-cash consideration received by the Company or a Subsidiary in connection with a Disposition pursuant to Section 7.05(k) that is designated as Designated Non-Cash Consideration pursuant to a certificate of a Responsible Officer, setting forth the basis of such valuation (which amount will be reduced by the Fair Market Value of the portion of the non-cash consideration converted to cash or Cash Equivalents within 180 days following the consummation of the applicable Disposition).

"**Disposition**" or "**Dispose**" means the sale, transfer, license, lease or other disposition (including any sale and leaseback transaction and any sale of Equity Interests) of any property by any Person, 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; provided that "Disposition" and "Dispose" shall not be deemed to include any issuance by the Company of any of its Equity Interests to another Person.

"**Disqualified Equity Interests**" means any Equity Interest which, by its terms (or by the terms of any security or other Equity Interests into which it is convertible or for which it is exchangeable), or upon the happening of any event or condition (a) matures or is mandatorily redeemable (other than solely for Qualified Equity Interests), 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 and the termination of all outstanding Letters of Credit (unless the Outstanding Amount of the L/C Obligations related thereto has been Cash Collateralized, back-stopped by a letter of credit reasonably satisfactory to the applicable L/C Issuer or deemed reissued under another agreement reasonably acceptable to the applicable L/C Issuer)), (b) is redeemable at the option of the holder thereof (other than solely for Qualified Equity Interests and other than 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 and the termination of all outstanding Letters of Credit (unless the Outstanding Amount of the L/C Obligations related thereto has been Cash Collateralized, back-stopped by a letter of credit reasonably satisfactory to the applicable L/C Issuer or deemed reissued under another agreement reasonably acceptable to the applicable L/C Issuer)), 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 Equity Interests, in each case, prior to the date that is ninety-one (91) days after the Latest Maturity Date at the time of the issuance of such Equity Interests.

"**Disqualified Institutions**" means any banks, financial institutions or other Persons separately identified by the Borrowers to the Joint Lead Arrangers in writing prior to the Closing Date.

"**Dollar**" and "**$**" mean lawful money of the United States.

"**Domestic Subsidiary**" means any Subsidiary that is organized under the Laws of the United States, any state thereof or the District of Columbia.

"**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 credit institution or investment firm established in any EEA Member Country.

"**Eligible Assignee**" means any Assignee permitted by and consented to in accordance with Section 10.07(b).

"**Employment Participation Subsidiary**" means a limited partnership or other entity that is a Subsidiary (i) which contracts to provide services to one or more other Subsidiaries of the Company which operate one or more restaurants, (ii) which engages in no other material business activities and has no material assets other than those related to clause (i) above and (iii) in which restaurant employees of the Company and its Subsidiaries have an equity ownership interest.

"**Environmental Laws**" means any and all Federal, state, local and foreign statutes, Laws, regulations, ordinances, rules, judgments, orders, decrees, permits, concessions, grants, franchises, licenses, agreements or governmental restrictions relating to pollution, the protection of the environment, natural resources, or, to the extent relating to exposure to Hazardous Materials, human health or to the release of any materials into the environment, including those related to hazardous substances or wastes, 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 Borrower, any other Loan Party or any of their respective Subsidiaries 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.

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

"**Equity Interests**" means, with respect to any Person, all of the shares, interests, rights, participations or other equivalents (however designated) of capital stock of (or other ownership or profit interests or units in) such Person and all of the warrants, options or other rights for the purchase, acquisition or exchange from such Person of any of the foregoing (including through convertible securities).

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

"**ERISA Affiliate**" means any trade or business (whether or not incorporated) that is under common control with any Loan Party within the meaning of Section 414 of the Code or Section 4001 of ERISA.

"**ERISA Event**" means (a) a Reportable Event with respect to a Pension Plan; (b) a withdrawal by any Loan Party or any ERISA Affiliate from a Pension Plan subject to Section 4063 of ERISA during a plan year in which it was a substantial employer (as defined in Section 4001(a)(2) of ERISA) 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 Loan Party or any ERISA Affiliate from a Multiemployer Plan or notification that a Multiemployer Plan is insolvent or in reorganization; (d) the filing of a notice of intent to terminate a Pension Plan, the treatment of a Pension Plan or Multiemployer Plan amendment as a termination under Sections 4041 or 4041A of ERISA, or the commencement of proceedings by the PBGC to terminate a Pension Plan or Multiemployer Plan; (e) an 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 Multiemployer Plan; (f) 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 Loan Party or any ERISA Affiliate; or (g) the failure of any Pension Plan to satisfy the minimum funding standard required for any plan year or part thereof under Section 412 of the Code or Section 302 of ERISA or a waiver of such standard or extension of any amortization period is sought or granted under Section 412 of the Code or Section 302 of ERISA.

"**EU Bail-In Legislation Schedule**" means the EU Bail-In Legislation Schedule published by the Loan Market Association (or any successor thereto), as in effect from time to time.

"**Eurocurrency Rate**" means, subject to the implementation of a Replacement Rate in accordance with Section 3.03(b), with respect to any Borrowing of Eurocurrency Rate Loans for any Interest Period, (a) the rate per annum published by the ICE Benchmark Administration Limited, a United Kingdom company (or such other comparable or successor quoting source as may, in the reasonable opinion of the Administrative Agent, replace such page for the purpose of quoting such rates) as the London interbank offered rate for deposits in U.S. Dollars for a period equal to such Interest Period, at approximately 11:00 a.m. (London time) on the date that is two (2) Business Days prior to the commencement of such Interest Period; provided that to the extent that an interest rate is not ascertainable pursuant to the foregoing provisions of this definition, the "Eurocurrency Rate" shall be the interest rate per annum reasonably determined by the Administrative Agent to be the average of the rates per annum at which deposits in U.S. Dollars are offered for such relevant Interest Period to major banks in the London interbank market in London, England by the Administrative Agent at approximately 11:00 a.m. (London time) on the date that is two (2) Business Days prior to the beginning of such Interest Period, divided by (a) a percentage equal to 100% minus the then stated maximum rate of all reserve requirements (including, without limitation, any marginal, emergency, supplemental, special or other reserves required by applicable law) applicable to any member bank of the Federal Reserve System in respect of eurocurrency funding or liabilities as defined in Regulation D (or any successor category of liabilities under Regulation D). Notwithstanding the foregoing, unless otherwise specified in any amendment to this Agreement entered into in accordance with Section 3.03(b), in the event that a Replacement Rate with respect to the Eurocurrency Rate is implemented then all references herein to the Eurocurrency Rate shall be deemed references to such Replacement Rate.

"**Eurocurrency Rate Loan**" means a Loan that bears interest at a rate based on the Eurocurrency Rate.

"**Event of Default**" means any of the events specified in Section 8.01; provided that any requirement for passage of time, giving of notice, or any other condition, has been satisfied.

"**Excess Cash Flow**" means, for any period, an amount equal to the excess of:

(a) the sum, without duplication, of:

(i) Consolidated Net Income,

(ii) depreciation, amortization and other non-cash charges and expenses incurred during such period, to the extent deducted in arriving at such Consolidated Net Income,

(iii) decreases in Consolidated Working Capital for such period (other than any such decreases arising from acquisitions and non-ordinary course Dispositions by the Company and its Subsidiaries completed during such period),

(iv) an amount equal to the aggregate net non-cash loss on Dispositions by the Company and its Subsidiaries during such period (other than Dispositions in the ordinary course of business) to the extent deducted in arriving at such Consolidated Net Income,

(v) an amount equal to all cash received for such period on account of any net non-cash gain or income from Investments deducted in a previous period pursuant to clause (b)(iv)(B) below in this definition,

(vi) an amount equal to all cash income and gains included in clauses (a) and (e) of the definition of Consolidated Net Income,

(vii) rent expense as determined in accordance with GAAP during such period over and above rent expense paid in cash during such period, and

(viii) an amount deducted as tax expense in determining Consolidated Net Income to the extent in excess of cash taxes paid in such period, over

(b) the sum, without duplication, of:

(i) an amount equal to all non-cash credits included in arriving at such Consolidated Net Income and cash losses, charges and expenses included in clauses (a), (c), (d), (e), (f), and (h) of the definition of Consolidated Net Income,

(ii) without duplication of amounts deducted pursuant to clause (xi) below in prior fiscal years, the amount of Capital Expenditures made in cash or accrued during such period, except to the extent that such Capital Expenditures were financed with the proceeds of Indebtedness (other than Revolving Credit Loans and loans under any other revolving credit line or similar facility) of the Company or any Subsidiary,

(iii) the aggregate amount of all principal payments of Indebtedness of the Company and its Subsidiaries (including (A) the principal component of payments in respect of Capitalized Leases and (B) the amount of any mandatory prepayment of Term Loans pursuant to Section 2.05(b)(ii) to the extent required due to a Disposition that resulted in an increase to Consolidated Net Income and not in excess of the amount of such increase but excluding (X) all other prepayments of Term Loans pursuant to Section 2.05, and (Y) all prepayments of Revolving Credit Loans and Swing Line Loans) made during such period (other than in respect of any revolving credit facility to the extent there is not an equivalent permanent reduction in commitments thereunder) to the extent financed with Internally Generated Cash (other than to the extent made in reliance on Section 7.12(a)(v)), an amount equal to the sum of (A) the aggregate net non-cash gain on Dispositions by the Company and its Subsidiaries during such period (other than Dispositions in the ordinary course of business) to the extent included in arriving at such Consolidated Net Income and (B) the aggregate net

non-cash gain or income from Investments to the extent included in arriving at Consolidated Net Income,

(iv) increases in Consolidated Working Capital for such period (other than any such increases arising from acquisitions and non-ordinary course Dispositions by the Company and its Subsidiaries during such period),

(v) cash payments by the Company and its Subsidiaries during such period in respect of long-term liabilities of the Company and its Subsidiaries other than Indebtedness,

(vi) without duplication of amounts deducted pursuant to clause (xi) below in prior fiscal years, the amount of Investments and acquisitions made during such period pursuant to Section 7.02 (other than Section 7.02(a) or 7.02(m)) to the extent that such Investments and acquisitions were financed with Internally Generated Cash,

(vii) the amount of Restricted Payments paid during such period pursuant to Sections 7.06(f) and (h), in each case to the extent such Restricted Payments were financed with Internally Generated Cash,

(viii) the aggregate amount of expenditures actually made by the Company and its Subsidiaries in cash during such period (including expenditures for the payment of financing fees) to the extent that such expenditures were not expensed during such period,

(ix) the aggregate amount of any premium, make-whole or penalty payments actually paid in cash by the Company and its Subsidiaries during such period that are required to be made in connection with any prepayment of Indebtedness,

(x) without duplication of amounts deducted from Excess Cash Flow in prior periods, the aggregate consideration required to be paid in cash by the Company or any of its Subsidiaries pursuant to binding contracts (the "Contract Consideration") entered into prior to or during such period relating to Permitted Acquisitions or Capital Expenditures to be consummated or made during the period of four consecutive fiscal quarters of the Company following the end of such period, provided that to the extent the aggregate amount of Internally Generated Cash actually utilized to finance such Permitted Acquisitions or Capital Expenditures during such period of four consecutive fiscal quarters is less than the Contract Consideration, the amount of such shortfall shall be added to the calculation of Excess Cash Flow at the end of such period of four consecutive fiscal quarters,

(xi) the amount of cash taxes paid and, without duplication, cash distributions for payment of taxes, in such period to the extent they exceed the amount of tax expense deducted in determining Consolidated Net Income for such period,

(xii) the aggregate amount of all mandatory principal repayments of Term Loans made during such period pursuant to Section 2.07(a),

(xiii) cash expenditures made in respect of Swap Contracts to the extent not reflected in the computation of Consolidated Net Income for such period, and

(xiv) rent expense paid in cash during such period over and above rent expense as determined in accordance with GAAP for such period.

"**Exchange Act**" means the Securities Exchange Act of 1934, as amended.

"**Excluded Assets**" means (i) any fee-owned real property (other than Material Real Property) and any leasehold rights and leasehold interests in real property (it being understood that the Loan Documents shall not contain any requirements as to landlord waivers, estoppels and collateral access letters), (ii) motor vehicles and other assets subject to certificates of title to the extent that a security interest therein cannot be perfected by the filing of a UCC-1 financing statement, (iii) commercial tort claims where the amount of damages claimed by the applicable Loan Party is less than $5,000,000, (iv) any governmental licenses or state or local franchises, charters and authorizations to the extent that the Collateral Agent may not validly possess a security interest therein under applicable Laws (including, without limitation, rules and regulations of any Governmental Authority or agency) or the pledge or creation of a security interest in which would require governmental consent, approval, license or authorization, other than to the extent such prohibition, limitation or restriction is ineffective under the UCC or other applicable Laws, (v) any particular asset or right under contract, if the pledge thereof or the security interest therein (A) is prohibited by applicable Law other than to the extent such prohibition is rendered ineffective under the UCC or other applicable Laws or (B) to the extent and for as long as it would violate the terms of any written agreement, license, lease or similar arrangement with respect to such asset or would require consent, approval, license or authorization (in each case, after giving effect to the relevant provisions of the UCC or other applicable Laws) or would give rise to a termination right (in favor of a Person other than any Borrower or any Subsidiary) pursuant to any "change of control" or other similar provision under such written agreement, license or lease (except to the extent such provision is overridden by the UCC or other applicable Laws), in each case, (a) excluding any such written agreement that relates to Credit Agreement Refinancing Indebtedness or Incremental Equivalent Debt and (b) only to the extent that such limitation on such pledge or security interest is otherwise permitted under Section 7.09, (vi) (A) Equity Interests in any Employment Participation Subsidiary (except to the extent a perfected security interest in such Subsidiary can be obtained by filing of a UCC-1 financing statement), (B) Margin Stock, (C) Equity Interests of any Person listed on Schedule 1.01A, (D) Equity Interests in any non-Wholly Owned Subsidiaries, but only to the extent that, and for so long as, (x) the Organization Documents or other agreements with respect to the Equity Interests of such non-Wholly Owned Subsidiaries with other equity holders (other than any such agreement where all of the equity holders party thereto are Loan Parties or Subsidiaries thereof) do not permit or restrict the pledge of such Equity Interests, or (y) the pledge of such Equity Interests (including any exercise of remedies) would result in a change of control, repurchase obligation or other adverse consequence to any of the Loan Parties or such Subsidiary (other than the loss of such Equity Interests as a result of any such exercise of remedies), (E) Equity Interests of Foreign Subsidiary Holding Companies, (F) Equity Interests of any Subsidiary of a Foreign Subsidiary, and (G) Equity Interests of Liquor License Subsidiaries, (vii) any lease, license or agreement or any property subject to a purchase money security interest, capital lease obligation or similar arrangement, in each case to the extent that a grant of a security interest therein would violate or invalidate such lease, license or agreement or purchase money or similar arrangement or create a right of termination in favor of any other party thereto (other than any Borrower or any Subsidiary) after giving effect to the applicable anti-assignment provisions of the UCC or other applicable Laws, other than proceeds and receivables thereof, the assignment of which is expressly deemed effective under the UCC or other applicable Laws notwithstanding such prohibition, (viii) any intellectual property registered under the laws of a jurisdiction other than the United States, (ix) any assets if the creation or perfection of pledges of, or security interests in, such assets would result in material adverse tax consequences to any Borrower or any of its Subsidiaries, as reasonably determined by the Borrowers in consultation with the Administrative Agent, (x) letter of credit rights where the maximum amount of any such letter of credit is less than $5,000,000, except to the extent constituting a support obligation for other Collateral as to which perfection of the security interest in such other Collateral is accomplished solely by the filing of a UCC financing statement, (xi) any intent-to-use trademark application prior to the filing of a "Statement of Use" or "Amendment to Allege Use" with respect thereto, to the extent, if any, that, and solely during the period, if any, in which, the grant of a security interest therein would impair the validity or enforceability of such

intent-to-use trademark application under applicable federal Law, (xii) particular assets if and for so long as, in the reasonable judgment of the Administrative Agent and the Borrowers (as set forth in a written agreement between the Administrative Agent and the Borrowers), the cost of obtaining a security interest in such assets exceeds the practical benefits to the Lenders afforded thereby and (xiii) Excluded Real Property; provided, however, that Excluded Assets shall not include any proceeds, substitutions or replacements of any Excluded Assets referred to in preceding clauses (i) through (xiii) (unless such proceeds, substitutions or replacements would independently constitute Excluded Assets referred to in such clauses (i) through (xiii)).

"**Excluded Concept Subsidiaries**" means any Wholly Owned Domestic Subsidiaries in the Borrowers' Flemings concept (which, for the avoidance of doubt, also shall include each such Subsidiary that is the general partner of each Employment Participation Subsidiary associated with such concepts); provided, that if the portion of revenues attributable to Excluded Concept Subsidiaries (taken as a group) exceeds 10% of the consolidated revenues of the Company and its Subsidiaries for any Test Period, then the Borrowers shall designate certain domestic Wholly Owned Excluded Concept Subsidiaries to become Guarantors (including, in any event, any Subsidiary that is the general partner of each Employment Participation Subsidiary associated with such Excluded Concept Subsidiaries designated to become Guarantors), which shall cease to be Excluded Concept Subsidiaries, such that the portion of revenues attributable to the remaining Wholly Owned domestic Excluded Concept Subsidiaries (after giving effect to such designated domestic Wholly Owned Subsidiaries ceasing to be Excluded Concept Subsidiaries) no longer exceeds 10% of the consolidated revenues of the Company and its Subsidiaries for such Test Period; provided that no Excluded Concept Subsidiary shall be an obligor or guarantor of (i) any Credit Agreement Refinancing Indebtedness, (ii) any Incremental Equivalent Debt, (iii) any unsecured Indebtedness, (iv) any Indebtedness that is secured on a junior basis to the Obligations or (v) any Junior Financing, in the case of preceding clauses (iii), (iv) and (v), with an aggregate principal amount in excess of the Threshold Amount.

"**Excluded Contribution**" means the amount of capital contributions to the Company (and promptly contributed to OSI) or Net Cash Proceeds from the sale or issuance of Qualified Equity Interests of the Company (and promptly contributed to OSI), in each case after the Closing Date and designated by the Company to the Administrative Agent as an Excluded Contribution on or promptly after the date such capital contributions are made or such Equity Interests are sold or issued.

"**Excluded Real Property**" means any fee-owned real property and any leasehold rights and leasehold interests in real property set forth on Schedule 1.01B, which property shall continue to constitute Excluded Real Property notwithstanding any subsequent transfer of any such property to any other Loan Party or to a newly formed entity that is required to become a Loan Party hereunder, in all cases, it being the understanding and intent of the parties hereto that any property constituting Excluded Real Property on the Closing Date shall continue to constitute Excluded Real Property for all purposes of this Agreement and the other Loan Documents notwithstanding any such transfer or requirement.

"**Excluded Subsidiary**" means (a) any Subsidiary that is not a Wholly Owned Subsidiary, (b) any Subsidiary that is prohibited by applicable Law or Contractual Obligation existing on the Closing Date (or, in the case of any Subsidiary acquired after the Closing Date, any Contractual Obligation in existence at the time of the acquisition of such Subsidiary but not entered into in contemplation thereof) from guaranteeing the Obligations, (c) any Domestic Subsidiary that is a Subsidiary of (i) a Foreign Subsidiary that is a CFC or (ii) a Foreign Subsidiary Holding Company, (d) any Foreign Subsidiary Holding Company, (e) any Subsidiary prohibited from guaranteeing the Obligations under the terms of Indebtedness assumed pursuant to Section 7.03(g)(A); provided that each such Subsidiary shall cease to be an Excluded Subsidiary under this clause (e) if such Indebtedness is repaid, (f) any Immaterial Subsidiary, (g) any Employment Participation Subsidiary, (h) any Excluded Concept Subsidiary, (i) any special purposes securitization vehicle (or similar entity), (j) any not-for-profit Subsidiary, (k) any Liquor License Subsidiary and (l) any other Subsidiary with respect to

which, in the reasonable judgment of the Administrative Agent (confirmed in writing by notice to the Borrowers), the cost or other consequences (including any adverse Tax consequences) of providing a Guarantee shall be excessive in view of the practical benefits to be obtained by the Lenders therefrom. For the avoidance of doubt, and notwithstanding anything herein to the contrary, any Borrower in its sole discretion may cause any Subsidiary that is not a Guarantor to Guarantee the Obligations by causing such Subsidiary to execute and deliver to the Administrative Agent a Guaranty Supplement and a Security Agreement Supplement, and any such Subsidiary shall be a Guarantor, Loan Party and Subsidiary Guarantor hereunder for all purposes until such time, if any, as such Subsidiary shall be released from the Guaranty. Notwithstanding the foregoing, any Subsidiary that is an obligor or guarantor of any Credit Agreement Refinancing Indebtedness or any Incremental Equivalent Debt shall not be an Excluded Subsidiary.

"**Excluded Swap Obligation**" means, with respect to any Guarantor, any Swap Obligation if, and to the extent that, all or a portion of the Guarantee of such Guarantor of, or the grant by such Guarantor of a security interest to secure, such Swap Obligation (or any Guarantee thereof) is or becomes illegal under the Commodity Exchange Act or any rule, regulation or order of the Commodity Futures Trading Commission (or the application or official interpretation of any thereof) by virtue of such Guarantor's failure for any reason to constitute an "eligible contract participant" as defined in the Commodity Exchange Act and the regulations thereunder at the time the Guarantee of such Guarantor or the grant of such security interest becomes effective with respect to such Swap Obligation. If a Swap Obligation arises under a Master Agreement governing more than one swap, such exclusion shall apply only to the portion of such Swap Obligation that is attributable to swaps for which such Guarantee or security interest is or becomes illegal.

"**Excluded Taxes**" means any of the following Taxes imposed on or with respect to a Recipient or required to be withheld or deducted from a payment to a Recipient, (a) Taxes imposed on or measured by net income or net profits (however denominated), franchise (and similar) Taxes, any net-worth (and similar) Taxes (in lieu of net income Taxes) and branch profits Taxes, imposed by the jurisdiction (or any political subdivision thereof) under the Laws of which such Recipient is organized or maintains its principal office or applicable Lending Office, (b) Taxes imposed by reason of any past, current or future connection between the Recipient and a jurisdiction (or any political subdivision thereof) other than solely as a result of entering into any Loan Document and receiving payments thereunder or enforcing any Loan Document, (c) any withholding Taxes imposed by any jurisdiction in which any Borrower is formed or organized on amounts paid or payable to or for the account of such Recipient pursuant to any Law in effect on the date on which (i) such Recipient becomes a party to this Agreement or any other Loan Document (other than pursuant to an assignment request by the Company under Section 3.07) or (ii) such Lender changes its Lending Office, except in each such case to the extent that, pursuant to Section 3.01, 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, (d) Taxes attributable to such Recipient's failure to comply with Section 3.01(g), (e) any U.S. federal withholding Taxes imposed under FATCA and (f) any U.S. federal backup withholding Taxes imposed under Section 3406 of the Code.

"**Existing Credit Agreement**" has the meaning specified in the Preliminary Statements.

"**Existing Letters of Credit**" means the letters of credit outstanding on the Closing Date and set forth on Schedule 1.01C.

"**Existing Revolver Tranche**" has the meaning specified in Section 2.14(b).

"**Existing Term Loan Tranche**" has the meaning specified in Section 2.14(a).

"**Expiring Credit Commitment**" has the meaning specified in Section 2.04(g).

"**Extended Revolving Credit Commitments**" has the meaning specified in Section 2.14(b).

"**Extended Revolving Credit Loans**" has the meaning specified in Section 2.14(b).

"**Extended Term Loan Commitments**" has the meaning specified in Section 2.14(a).

"**Extended Term Loans**" has the meaning specified in Section 2.14(a).

"**Extending Revolving Credit Lender**" has the meaning specified in Section 2.14(c).

"**Extending Term Lender**" has the meaning specified in Section 2.14(c).

"**Extension**" means the establishment of an Extension Series by amending a Loan pursuant to Section 2.14 and the applicable Extension Amendment.

"**Extension Amendment**" has the meaning specified in Section 2.14(d).

"**Extension Election**" has the meaning specified in Section 2.14(c).

"**Extension Request**" means any Term Loan Extension Request or Revolver Extension Request, as the case may be.

"**Extension Series**" means any Term Loan Extension Series or Revolver Extension Series, as the case may be.

"**Facility**" or "**Facilities**" means the Term Facility, a given Class of Incremental Term Loans, a given Extension Series of Extended Term Loans, a given Refinancing Series of Other Term Loans, the Revolving Credit Facility, a given Extension Series of Extended Revolving Credit Commitments or any Other Revolving Credit Loan (or Commitment) as the context may require.

"**Fair Market Value**" means, with respect to any asset or liability, the fair market value of such asset or liability as determined by the Borrowers in good faith.

"**FATCA**" means Sections 1471 through 1474 of the Code, as of the date of this Agreement (or any amended or successor version that is substantively comparable and not materially more onerous to comply with), any current or future regulations or official interpretations thereof and, for the avoidance of doubt, any agreements entered into pursuant to Section 1471(b)(1) of the Code or otherwise pursuant to any of the foregoing.

"**Federal Funds Rate**" means, for any day, the rate per annum equal to the weighted average of the rates on overnight federal funds transactions with members of the Federal Reserve System, as published by the Federal Reserve Bank of New York on the Business Day next succeeding such day; provided that if such rate is not so published for any day which is a Business Day, the Federal Funds Rate for such day shall be the average of the quotation for such day on such transactions received by the Administrative Agent from three federal funds brokers of recognized standing selected by the Administrative Agent.

"**Financial Covenant**" has the meaning specified in Section 7.10.

"**First Lien Intercreditor Agreement**" means an intercreditor agreement substantially in the form of Exhibit I hereto (which agreement in such form or with immaterial changes thereto the Administrative Agent is authorized to enter into) together with any material changes thereto in light of prevailing market conditions, which material changes shall be posted to the Lenders not less than five (5) Business Days before execution thereof and, if the Required Lenders shall not have objected to such changes within five (5) Business Days after posting, then the Required Lenders shall be deemed to have agreed that the Administrative Agent's entry into such intercreditor agreement (with such changes) is reasonable and to have consented to such intercreditor agreement (with such changes) and to the Administrative Agent's execution thereof.

"**Foreign Casualty Event**" has the meaning specified in Section 2.05(b)(vi).

"**Foreign Disposition**" has the meaning specified in Section 2.05(b)(vi).

"**Foreign Lender**" means a Lender that is not a U.S. Person.

"**Foreign Subsidiary**" means any direct or indirect Subsidiary which (a) is not a Domestic Subsidiary or (b) is set forth on Schedule 1.01D.

"**Foreign Subsidiary Holding Company**" means any Domestic Subsidiary, substantially all of whose assets consist of (i) the Equity Interests and/or Indebtedness of one or more Foreign Subsidiaries,
(ii) other assets used exclusively in the business of one or more Foreign Subsidiaries and/or (iii) the Equity Interests and/or Indebtedness of one or more Domestic Subsidiaries, substantially all of whose assets consist of the types described in clauses (i)-(iii).

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

"**Fund**" means any Person (other than a natural person) that is engaged in making, purchasing, holding or otherwise investing in commercial loans and similar extensions of credit in the ordinary course.

"**Funded Debt**" means all Indebtedness of the Company and its Subsidiaries for borrowed money that matures more than one (1) year from the date of its creation or matures within one (1) year from such date that is renewable or extendable, at the option of such Person, to a date more than one (1) year from such date or arises under a revolving credit or similar agreement that obligates the lender or lenders to extend credit during a period of more than one (1) year from such date, including Indebtedness in respect of the Loans.

"**GAAP**" means generally accepted accounting principles in the United States of America, as in effect from time to time; provided, however, that if the Company notifies the Administrative Agent that the Company requests an amendment to any provision hereof to eliminate the effect of any change occurring or effective after the Closing Date in GAAP or in the application thereof (including through conforming changes made consistent with IFRS) on the operation of such provision (or if the Administrative Agent notifies the Borrowers that the Required Lenders request an amendment to any provision hereof for such purpose), regardless of

whether any such notice is given before or after such change in GAAP or in the application thereof (including through conforming changes made consistent with IFRS), then such provision shall be interpreted on the basis of GAAP as in effect and applied immediately before such change shall have become effective until such notice shall have been withdrawn or such provision amended in accordance herewith. Notwithstanding the foregoing, for purposes of determining compliance with any covenant contained herein (including, without limitation, the Financial Covenant), any lease that is treated as an operating lease for purposes of GAAP as of the Closing Date shall not be treated as Indebtedness and shall continue to be treated as an operating lease (and any future lease that would be treated as an operating lease for purposes of GAAP as of the Closing Date shall be similarly treated).

"**Governmental Authority**" means any nation or government, any state or other political subdivision thereof, any agency, authority, instrumentality, regulatory body, court, administrative tribunal, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government.

"**Granting Lender**" has the meaning specified in Section 10.07(h).

"**Guarantee**" means, as to any Person, without duplication, (a) any obligation, contingent or otherwise, of such Person guaranteeing or having the economic effect of guaranteeing any Indebtedness or other monetary 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 monetary obligation, (ii) to purchase or lease property, securities or services for the purpose of assuring the obligee in respect of such Indebtedness or other monetary obligation of the payment or performance of such Indebtedness or other monetary 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 monetary obligation, or (iv) entered into for the purpose of assuring in any other manner the obligee in respect of such Indebtedness or other monetary 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 monetary obligation of any other Person, whether or not such Indebtedness or other monetary obligation is assumed by such Person (or any right, contingent or otherwise, of any holder of such Indebtedness to obtain any such Lien); provided that the term "Guarantee" shall not include endorsements for collection or deposit, in either case in the ordinary course of business, or customary and reasonable indemnity obligations in effect on the Closing Date or entered into in connection with any acquisition or disposition of assets permitted under this Agreement (other than such obligations with respect to Indebtedness). 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.

"**Guarantors**" means each Borrower and each Subsidiary Guarantor.

"**Guaranty**" means, collectively, (a) the Amended and Restated Guaranty Agreement made by the Guarantors in favor of the Administrative Agent on behalf of the Secured Parties, substantially in the form of Exhibit F (as the same may be amended, restated, supplemented or otherwise modified from time to time) and (b) each other guaranty and guaranty supplement delivered pursuant to Section 6.11. For avoidance of doubt, and notwithstanding anything herein to the contrary, any Borrower in its sole discretion may cause any Subsidiary that is not a Guarantor to Guarantee the Obligations by causing such Subsidiary to execute and deliver to the Administrative Agent a Guaranty Supplement and a Security Agreement Supplement and comply

with the other provisions of Section 6.11, and any such Subsidiary shall be a Guarantor, Loan Party and Subsidiary Guarantor hereunder for all purposes until such time, if any, as such Subsidiary shall be released from the Guaranty.

"**Guaranty Supplement**" has the meaning specified in the Guaranty.

"**Hazardous Materials**" means all explosive or radioactive substances or wastes and all hazardous or toxic substances, wastes or pollutants, including petroleum or petroleum distillates, asbestos or asbestos-containing materials, polychlorinated biphenyls, radon gas, infectious or medical wastes and all other substances or wastes of any nature regulated pursuant to any Environmental Law.

"**Hedge Bank**" means any Person that (a) is an Agent, a Joint Lead Arranger, a Lender or an Affiliate of an Agent, a Joint Lead Arranger or a Lender, in each case at the time such Person enters into a Swap Contract, in its capacity as a party thereto (and whether or not such Person subsequently ceases to be an Agent, Joint Lead Arranger, Lender or Affiliate of an Agent, Joint Lead Arranger or Lender), and such Person's successors and assigns or (b) at the time it becomes a Lender (including on the Closing Date), is already a party to a Swap Contract.

"**Honor Date**" has the meaning specified in Section 2.03(c)(i).

"**Immaterial Subsidiary**" means any Subsidiary designated in writing by the Company to the Administrative Agent as an Immaterial Subsidiary that is not already a Guarantor and that does not, as of the last day of the most recently completed fiscal quarter of the Company, have assets with a book value in excess of 2.0% of the consolidated total assets of the Company and its Subsidiaries and did not, as of the four-quarter period ending on the last day of such fiscal quarter, have revenues exceeding 2.0% of the consolidated revenues of the Company and its Subsidiaries; provided that if (a) such Subsidiary shall have been designated in writing by the Company to the Administrative Agent as an Immaterial Subsidiary, and (b) if (i) the aggregate assets then owned by all Subsidiaries of the Company that would otherwise constitute Immaterial Subsidiaries shall have a value in excess of 5.0% of the consolidated total assets of the Company and its Subsidiaries as of the last day of such fiscal quarter or (ii) the combined revenues of all Subsidiaries of the Company that would otherwise constitute Immaterial Subsidiaries shall exceed 5.0% of the consolidated revenues of the Company and its Subsidiaries for such four-quarter period, the Company shall redesignate one or more of such Subsidiaries to not be Immaterial Subsidiaries within ten (10) Business Days after delivery of the Compliance Certificate for such fiscal quarter such that only those such Subsidiaries as shall then have aggregate assets of less than 5.0% of the consolidated total assets of the Company and its Subsidiaries and combined revenues of less than 5.0% of the consolidated revenues of the Company and its Subsidiaries shall constitute Immaterial Subsidiaries. Notwithstanding the foregoing, in no event shall (A) any Wholly Owned Domestic Subsidiary that owns, or otherwise licenses or has the right to use, trademarks and other intellectual property material to the operation of the Borrowers and their Subsidiaries (excluding any Excluded Concept Subsidiaries), (B) any general partner of an Employment Participation Subsidiary, (C) OS Restaurant Services (or any successor to the business conducted by it on the Closing Date) or (D) any Subsidiary that is an obligor or guarantor of (i) any Credit Agreement Refinancing Indebtedness, (ii) any Incremental Equivalent Debt, (iii) any unsecured Indebtedness, (iv) any Indebtedness that is secured on a junior basis to the Obligations or (v) any Junior Financing, in the case of preceding clauses (iii), (iv) and (v), with an aggregate principal amount in excess of the Threshold Amount, in any such case be designated as an Immaterial Subsidiary.

"**Income Taxes**" means, with respect to any Person, the foreign, federal, state and local taxes based on income or profits or capital, including, without limitation, state, franchise and similar taxes (such as the Pennsylvania capital tax and Texas margin tax) and withholding taxes of such Person.

"**Incremental Amendment**" has the meaning specified in Section 2.15(f).

"**Incremental Commitments**" has the meaning specified in Section 2.15(a).

"**Incremental Equivalent Debt**" has the meaning specified in Section 7.03(s).

"**Incremental Facility**" means any Facility consisting of Incremental Term Loans, Incremental Term Commitments and/or Revolving Commitment Increases.

"**Incremental Facility Closing Date**" has the meaning specified in Section 2.15(d).

"**Incremental Lenders**" has the meaning specified in Section 2.15(c).

"**Incremental Loan Request**" has the meaning specified in Section 2.15(a).

"**Incremental Revolving Credit Lender**" has the meaning specified in Section 2.15(c).

"**Incremental Term Commitments**" has the meaning specified in Section 2.15(a).

"**Incremental Term Lender**" has the meaning specified in Section 2.15(c).

"**Incremental Term Loan**" has the meaning specified in Section 2.15(b).

"**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 of such Person for borrowed money and all obligations of such Person evidenced by bonds, debentures, notes, loan agreements or other similar instruments;

(b) the maximum amount (after giving effect to any prior drawings or reductions which may have been reimbursed) of all letters of credit (including standby and commercial), bankers' acceptances, bank guaranties, surety bonds, performance bonds and similar instruments issued or created by or for the account of such Person;

(c) net obligations of such Person under any Swap Contract;

(d) all obligations of such Person to pay the deferred purchase price of property or services (other than (i) trade accounts and accrued expenses payable and deferred gift card revenue in the ordinary course of business, (ii) any earn-out obligation or purchase price adjustment until such obligation is not paid after becoming due and payable and (iii) accruals for payroll and other liabilities accrued in the ordinary course of business);

(e) indebtedness (excluding prepaid interest thereon) secured by a Lien on property owned or being purchased by such Person (including indebtedness arising under conditional sales or other title retention agreements and mortgage, industrial revenue bond, industrial development bond and similar financings), whether or not such indebtedness shall have been assumed by such Person or is limited in recourse;

(f) all Attributable Indebtedness;

(g) all obligations of such Person in respect of Disqualified Equity Interests; and

(h) to the extent not otherwise included above, all Guarantees of such Person in respect of any of the foregoing.

For all purposes hereof, the Indebtedness of any Person shall include the Indebtedness of any 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 a joint venturer, except to the extent such Person's liability for such Indebtedness is otherwise limited and only to the extent such Indebtedness would be included in the calculation of Consolidated Total Debt. The amount of any net obligation under any Swap Contract on any date shall be deemed to be the Swap Termination Value thereof as of such date. The amount of Indebtedness of any Person for purposes of clause (e) above shall be deemed to be equal to the lesser of (i) the aggregate unpaid amount of such Indebtedness and (ii) the Fair Market Value of the property encumbered thereby.

"**Indemnified Liabilities**" has the meaning specified in Section 10.05.

"**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 Borrower under any Loan Document and (b) to the extent not otherwise described in (a), Other Taxes.

"**Indemnitees**" has the meaning specified in Section 10.05.

"**Independent Financial Advisor**" means an accounting firm, appraisal firm, investment banking firm or consultant of nationally recognized standing that is, in the good faith judgment of the Borrowers, qualified to perform the task for which it has been engaged and that is independent of the Borrowers and their Affiliates.

"**Information**" has the meaning specified in Section 10.08.

"**Initial Term Loan**" means the term loan made by the Lenders on the Closing Date to the Borrowers pursuant to Section 2.01(a).

"**Intercompany Note**" means the Intercompany Note, substantially in the form of Exhibit H.

"**Interest Payment Date**" means, (a) as to any Loan other than a Base Rate Loan, the last day of each Interest Period applicable to such Loan and the Maturity Date of the Facility under which such Loan was made; provided that if any Interest Period for a Eurocurrency Rate Loan exceeds three months, the respective dates that fall every three 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), the last Business Day of each March, June, September and December and the Maturity Date of the Facility under which such Loan was made.

"**Interest Period**" means, as to each Eurocurrency Rate Loan, the period commencing on the date such Eurocurrency Rate Loan is disbursed or converted to or continued as a Eurocurrency Rate Loan and ending on the date one, two, three or six months thereafter, or to the extent agreed to by each Lender of such Eurocurrency Rate Loan, 7 days, as selected by the applicable Borrower in its Committed Loan Notice; 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; and

(c) no Interest Period shall extend beyond the Maturity Date of the Facility under which such Loan was made.

"**Internally Generated Cash**" means cash funds of the Company and its Subsidiaries not constituting (a) proceeds of the issuance of (or contributions in respect of) Equity Interests, (b) proceeds of the incurrence of Indebtedness (other than the incurrence of Revolving Credit Loans or extensions of credit under any other revolving credit or similar facility) or (c) proceeds of Dispositions and Casualty Events.

"**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 or debt or other securities of another Person (including by way of merger or consolidation), (b) a loan, advance or capital contribution to, Guarantee or assumption of Indebtedness 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 or (c) the purchase or other acquisition (in one transaction or a series of transactions) of all or substantially all of the property and assets or business of another Person or assets constituting a business unit, line of business or division of such Person. For purposes of covenant compliance, the amount of any Investment shall be the amount actually invested (in the case of any non- cash asset invested, taking the Fair Market Value thereof at the time the investment is made), without adjustment for subsequent increases or decreases in the value of such Investment.

"**IP Collateral**" means all "Intellectual Property Collateral" referred to in the Collateral Documents and all of the other IP Rights that are or are required by the terms hereof or of the Collateral Documents to be subject to Liens in favor of the Administrative Agent for the benefit of the Secured Parties.

"**IP Rights**" has the meaning set forth in Section 5.15.

"**IRS**" means the United States Internal Revenue Service.

"**Joint Lead Arrangers**" means Wells Fargo Securities, LLC, Merrill Lynch, Pierce, Fenner & Smith Incorporated (or any other registered broker-dealer wholly-owned by Bank of America Corporation to which all or substantially all of Bank of America Corporation's or any of its subsidiaries' investment banking, commercial lending services or related businesses may be transferred following the date of this Agreement), JPMorgan Chase Bank, N.A. and Coöperatieve Rabobank U.A., New York Branch, each in its capacity as a Joint Lead Arranger and Joint Bookrunner under this Agreement.

"**Junior Financing**" has the meaning specified in Section 7.12.

"**Junior Financing Documentation**" means any documentation governing any Junior Financing.

"**Latest Maturity Date**" means, at any date of determination, the latest Maturity Date applicable to any Loan or Commitment hereunder at such time, including the latest Maturity Date of any Extended Term Loan, Incremental Term Loan, Other Term Loan, Extended Revolving Credit Commitment or any Other Revolving Credit Commitments, in each case as extended in accordance with this Agreement from time to time.

"**Laws**" means, collectively, all international, foreign, Federal, state 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.

"**L/C Advance**" means, with respect to each Revolving Credit Lender, such Lender's funding of its participation in any L/C Borrowing in accordance with its Pro Rata Share.

"**L/C Borrowing**" means an extension of credit resulting from a drawing under any Letter of Credit which has not been reimbursed on the date when made or refinanced as a Revolving Credit Borrowing.

"**L/C Commitment**" means, as to any L/C Issuer, the obligation of such L/C Issuer to issue Letters of Credit for the account of any Borrower or one or more of its respective Subsidiaries from time to time in an aggregate amount equal to (a) for each of the initial L/C Issuers, the amount set forth opposite the name of each such initial L/C Issuer on Schedule 2.01 and (b) for any other L/C Issuer becoming an L/C Issuer after the Closing Date, such amount as separately agreed to in a written agreement between the Borrowers and such L/C Issuer (which such agreement shall be promptly delivered to the Administrative Agent upon execution), in each case of clauses (a) and (b) above, any such amount may be changed after the Closing Date in a written agreement between the Borrowers and such L/C Issuer (which such agreement shall be promptly delivered to the Administrative Agent upon execution).

"**L/C Credit Extension**" means, with respect to any Letter of Credit, the issuance thereof or extension of the expiry date thereof, or the renewal or increase of the amount thereof.

"**L/C Issuer**" means (a) Wells Fargo, (b) Bank of America, N.A., (c) JPMorgan Chase Bank, N.A., (d) Coöperatieve Rabobank U.A., New York Branch and (e) any other Lender or Affiliate of a Lender that becomes an L/C Issuer in accordance with Section 2.03(k) or 10.07(j), in each case, in its capacity as an issuer of Letters of Credit hereunder, or any successor issuer of Letters of Credit hereunder. Any L/C Issuer may, in its discretion, arrange for one or more Letters of Credit to be issued by one or more Affiliates of such L/C Issuer (and such Affiliate shall be deemed to be an "L/C Issuer" for all purposes of the Loan Documents).

"**L/C Obligations**" means, as at any date of determination, the aggregate undrawn amount of all outstanding Letters of Credit plus the aggregate of all Unreimbursed Amounts, including all L/C Borrowings.

"**Lender**" has the meaning specified in the introductory paragraph to this Agreement and, as the context requires, includes an L/C Issuer and the Swing Line Lender, and their respective successors and assigns as permitted hereunder, each of which is referred to herein as a "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 Borrowers and the Administrative Agent.

"**Letter of Credit**" means any Existing Letter of Credit or any letter of credit issued hereunder. A Letter of Credit may be a commercial letter of credit or a standby letter of credit.

"**Letter of Credit Application**" means an application and agreement for the issuance or amendment of a Letter of Credit, which shall be in a form supplied by the relevant L/C Issuer.

"**Letter of Credit Expiration Date**" means the day that is five (5) Business Days prior to the scheduled Maturity Date then in effect for the Revolving Credit Facility (or, if such day is not a Business Day, the next preceding Business Day).

"**Letter of Credit Sublimit**" means an amount equal to the lesser of (a) $75,000,000 and (b) the aggregate amount of the Revolving Credit Commitments. The Letter of Credit Sublimit is part of, and not in addition to, the Revolving Credit Facility.

"**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 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 Capitalized Lease having substantially the same economic effect as any of the foregoing); provided that in no event shall an operating lease in and of itself be deemed a Lien.

"**Limited Condition Acquisition**" means any Permitted Acquisition that (a) is not prohibited hereunder, (b) is financed in whole or in part with a substantially concurrent incurrence of Incremental Term Loans or other Indebtedness permitted hereunder, and (c) is not conditioned on the availability of, or on obtaining, third-party financing.

"**Liquor License Acquisition Agreement**" means any agreement (including any financing agreement) relating to the acquisition of a Liquor License by a Liquor License Subsidiary.

"**Liquor License Subsidiary**" means any Domestic Subsidiary established solely for the purpose of acquiring and holding Liquor Licenses which, except to the extent required by applicable Law, holds no material assets other than Liquor Licenses and with respect to which applicable Law or the terms of a Liquor License Acquisition Agreement prohibit either (x) such Subsidiary from guaranteeing the Obligations or (y) the assets or Equity Interests of such Subsidiary from being pledged as collateral for the Obligations.

"**Liquor Licenses**" means any license or permit from the applicable Governmental Authority authorizing the holder thereof to sell alcoholic beverages in accordance with applicable Law.

"**Loan**" means an extension of credit by a Lender to the Borrowers in the form of a Term Loan, a Revolving Credit Loan or a Swing Line Loan.

"**Loan Documents**" means, collectively, (i) this Agreement, (ii) the Notes, (iii) each Guaranty Supplement, (iv) any Refinancing Amendment, Incremental Amendment or Extension Amendment, (v) the Guaranty, (vi) the Collateral Documents, (vii) the Intercompany Note, (viii) each Letter of Credit Application and (ix) after the execution and delivery thereof, each First Lien Intercreditor Agreement and each intercreditor agreement entered into in connection with any Junior Financing.

"**Loan Parties**" means, collectively, each Borrower and each Guarantor.

"**Margin Stock**" has the meaning specified in Regulation U of the Board of Governors of the United States Federal Reserve system, or any successor thereto.

"**Master Agreement**" has the meaning specified in the definition of "Swap Contract".

"**Material Adverse Effect**" means (a) a material adverse effect on the business, operations, assets, liabilities (actual or contingent) or financial condition of the Company and its Subsidiaries, taken as a whole, (b) a material adverse effect on the ability of the Borrowers and the other Loan Parties (taken as a whole) to perform their respective payment obligations under any Loan Document to which any of the Borrowers or any of the other Loan Parties is a party or (c) a material adverse effect on the rights and remedies of the Lenders under any Loan Document.

"**Material Real Property**" means any real property (other than any Excluded Real Property) owned by any Loan Party with a Fair Market Value of $5,000,000 or more.

"**Maturity Date**" means (a) with respect to the Revolving Credit Facility and Swing Line Loans, November 30, 2022; (b) with respect to the Initial Term Loan, November 30, 2022, (c) with respect to any Class of Extended Term Loans or Extended Revolving Credit Commitments, the final maturity date as specified in the applicable Extension Request accepted by the respective Lender or Lenders, (d) with respect to any Other Term Loans or Other Revolving Credit Commitments, the final maturity date as specified in the applicable Refinancing Amendment and (e) with respect to any Incremental Term Loans, the final maturity date as specified in the applicable Incremental Amendment; provided that, in each case, if such day is not a Business Day, the applicable Maturity Date shall be the Business Day immediately succeeding such day.

"**Maximum Rate**" has the meaning specified in Section 10.10.

"**Moody's**" means Moody's Investors Service, Inc. and any successor thereto.

"**Mortgage**" means, collectively, the deeds of trust, trust deeds, hypothecs and mortgages made by the Loan Parties in favor or for the benefit of the Collateral Agent on behalf of the Secured Parties substantially in form and substance reasonably satisfactory to the Collateral Agent (taking account of relevant local Law matters), and any other mortgages executed and delivered pursuant to Section 6.11.

"**Mortgage Policies**" has the meaning specified in Section 6.13(b)(B).

"**Mortgaged Properties**" has the meaning specified in paragraph (g) of the definition of "Collateral and Guarantee Requirement".

"**Multiemployer Plan**" means any employee benefit plan of the type described in Section 4001(a)(3) of ERISA, to which any Loan Party or any ERISA Affiliate makes or is obligated to make contributions, or during the preceding five plan years, has made or been obligated to make contributions.

"**Net Cash Proceeds**" means:

(a) with respect to the Disposition of any asset by the Company or any Subsidiary or any Casualty Event, the excess, if any, of (i) the sum of cash and Cash Equivalents received in connection with such Disposition or Casualty Event (including any cash or Cash Equivalents received by way of deferred payment of principal pursuant to, or by monetization of, a note or installment receivable or purchase price adjustment receivable or otherwise, but only as and when so received

and, with respect to any Casualty Event, any insurance proceeds or condemnation awards in respect of such Casualty Event actually received by or paid to or for the account of the Company or any Subsidiary) over (ii) the sum of (A) the principal amount, premium or penalty, if any, interest, breakage costs and other amounts on any Indebtedness that is secured by the asset subject to such Disposition or Casualty Event (other than in the case of a Foreign Subsidiary) and that is required to be repaid (and is timely repaid) in connection with such Disposition or Casualty Event (other than Indebtedness under, or that is secured by, the Loan Documents, Credit Agreement Refinancing Indebtedness or Incremental Equivalent Debt), (B) the out-of-pocket fees and expenses (including attorneys' fees, accountants' fees, investment banking fees, survey costs, title insurance premiums, and related search and recording charges, transfer Taxes, deed or mortgage recording taxes, other customary expenses and brokerage, consultant and other customary fees) actually incurred by the Company or such Subsidiary in connection with such Disposition or Casualty Event, (C) Taxes paid or reasonably estimated to be actually payable in connection therewith (including Taxes imposed on the actual or deemed distribution or repatriation of any such Net Cash Proceeds), (D) in the case of any Disposition or Casualty Event by a non-Wholly Owned Subsidiary, the pro rata portion of the Net Cash Proceeds thereof (calculated without regard to this clause (D)) attributable to minority interests and not available for distribution to or for the account of a Borrower or a Wholly Owned Subsidiary as a result thereof, and (E) any reserve for adjustment in respect of (x) the sale price of such asset or assets established in accordance with GAAP and (y) any liabilities associated with such asset or assets and retained by the Company or any Subsidiary after such sale or other disposition thereof, including pension and other post-employment benefit liabilities and liabilities related to environmental matters or against any indemnification obligations associated with such transaction and it being understood that "Net Cash Proceeds" shall include any cash or Cash Equivalents (i) received upon the Disposition of any non-cash consideration received by the Company or any Subsidiary in any such Disposition and (ii) upon the reversal (without the satisfaction of any applicable liabilities in cash in a corresponding amount) of any reserve described in preceding clause (E) or, if such liabilities have not been satisfied in cash and such reserve is not reversed within three hundred and sixty-five (365) days after such Disposition or Casualty Event, the amount of such reserve; provided that (x) no net cash proceeds calculated in accordance with the foregoing realized in a single transaction or series of related transactions shall constitute Net Cash Proceeds unless such net cash proceeds shall exceed $5,000,000 and (y) no such net cash proceeds shall constitute Net Cash Proceeds under this clause (a) in any fiscal year until the aggregate amount of all such net cash proceeds in such fiscal year shall exceed $20,000,000 (and thereafter only net cash proceeds in excess of such amount shall constitute Net Cash Proceeds under this clause (a)); and

(b) with respect to the incurrence or issuance of any Indebtedness by the Company or any Subsidiary or issuance of Equity Interests, the excess, if any, of (i) the sum of the cash received in connection with such incurrence or issuance over (ii) all Taxes paid or reasonably estimated to be payable as a result thereof (including Taxes imposed on the actual or deemed distribution or repatriation of any such Net Cash Proceeds), fees (including, the investment banking fees, underwriting fees and discounts), commissions, costs and other out-of-pocket expenses and other customary expenses, in each case incurred by the Company or such Subsidiary in connection with such incurrence or issuance.

"**Non-Cash Charges**" has the meaning specified in the definition of the term "Consolidated EBITDA".

"**Non-Consenting Lenders**" has the meaning specified in Section 3.07(d).

"**Non-Defaulting Lender**" means, at any time, a Lender that is not a Defaulting Lender.

"**Non-Expiring Credit Commitment**" has the meaning specified in Section 2.04(g).

"**Non-Loan Party**" means any Subsidiary that is not a Loan Party.

"**Nonrenewal Notice Date**" has the meaning specified in Section 2.03(b)(iii).

"**Note**" means a Term Note, a Revolving Credit Note or a Swing Line Note, as the context may require.

"**NPL**" means the National Priorities List under CERCLA.

"**Obligations**" means all (a) advances to, and debts, liabilities, obligations, covenants and duties of, any Loan Party and its Subsidiaries arising under any Loan Document (including the Guaranty) or otherwise with respect to any Loan or Letter of Credit, whether direct or indirect (including those acquired by assumption), absolute or contingent, due or to become due, now existing or hereafter arising, (b) obligations (other than any Excluded Swap Obligations) of any Loan Party and its Subsidiaries arising under any Secured Hedge Agreement and (c) Cash Management Obligations, in each of clauses (a), (b) and (c) including interest, fees and expenses that accrue after the commencement by or against any Loan Party or Subsidiary of any proceeding under any Debtor Relief Laws naming such Person as the debtor in such proceeding, regardless of whether such interest, fees or expenses are allowed claims in such proceeding. Without limiting the generality of the foregoing, the Obligations of the Loan Parties under the Loan Documents (and of their Subsidiaries to the extent they have obligations under the Loan Documents) include (i) the obligation (including guarantee obligations) to pay principal, premium, interest, Letter of Credit commissions, reimbursement obligations, charges, expenses, fees, Attorney Costs, indemnities and other amounts payable by any Loan Party or its Subsidiaries under any Loan Document and (ii) the obligation of any Loan Party or any of its Subsidiaries to reimburse any amount in respect of any of the foregoing that any Lender, in its sole discretion, may elect to pay or advance on behalf of such Loan Party or such Subsidiary.

"**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; and (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 and, if applicable, 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 and, if applicable, any certificate or articles of formation or organization of such entity.

"**OS Restaurant Services**" means OS Restaurant Services, LLC, a Wholly Owned Domestic Subsidiary.

"**OSI**" has the meaning specified in the introductory paragraph of this Agreement.

"**Other Applicable Indebtedness**" has the meaning specified in Section 2.05(b)(ii).

"**Other Revolving Credit Commitments**" means one or more Classes of Revolving Credit Commitments hereunder that result from a Refinancing Amendment.

"**Other Revolving Credit Loans**" means one or more Classes of Revolving Credit Loans that result from a Refinancing Amendment.

"**Other Taxes**" means all present or future stamp, court or documentary, intangible, excise, recording, filing or similar Taxes that arise from any payment made under any Loan Document, from the execution, delivery, performance, enforcement or registration of, or otherwise with respect to, any Loan Document, except, for the avoidance of doubt, any Excluded Taxes.

"**Other Term Loan Commitments**" means one or more Classes of Term Commitments hereunder to fund Other Term Loans of the applicable Refinancing Series hereunder that result from a Refinancing Amendment.

"**Other Term Loans**" means one or more Classes of Term Loans that result from a Refinancing Amendment.

"**Outstanding Amount**" means (a) with respect to the Term Loans, Revolving Credit Loans and Swing Line Loans on any date, the outstanding principal amount thereof after giving effect to any borrowings and prepayments or repayments of Term Loans, Revolving Credit Loans (including any refinancing of outstanding unpaid drawings under Letters of Credit or L/C Credit Extensions as a Revolving Credit Borrowing) and Swing Line Loans, as the case may be, occurring on such date; and (b) with respect to any L/C Obligations on any date, the outstanding amount thereof on such date after giving effect to any L/C Credit Extension occurring on such date and any other changes thereto as of such date, including as a result of any reimbursements of outstanding unpaid drawings under any Letters of Credit (including any refinancing of outstanding unpaid drawings under Letters of Credit or L/C Credit Extensions as a Revolving Credit Borrowing) or any reductions in the maximum amount available for drawing under Letters of Credit taking effect on such date.

"**Participant**" has the meaning specified in Section 10.07(e).

"**Participant Register**" has the meaning specified in Section 10.07(e).

"**PBGC**" means the Pension Benefit Guaranty Corporation.

"**PCAOB**" has the meaning specified in Section 6.01(a).

"**Pension Plan**" means any "employee pension benefit plan" (as such term is defined in Section 3(2) of ERISA), other than a Multiemployer Plan, that is subject to Section 412 of the Code or Section 302 or Title IV of ERISA and is sponsored or maintained by any Loan Party or any ERISA Affiliate or to which any Loan Party or any ERISA Affiliate contributes or has an obligation to contribute, or in the case of a multiple employer or other plan described in Section 4064(a) of ERISA, has made or has been obligated to make contributions at any time during the immediately preceding five (5) plan years.

"**Permitted Acquisition**" has the meaning specified in Section 7.02(i).

"**Permitted Liens**" means any Lien permitted to be outstanding pursuant to Section 7.01.

"**Permitted Pari Passu Secured Refinancing Debt**" means any secured Indebtedness incurred by any Borrower in the form of one or more series of senior secured loans or notes; provided that (i) such Indebtedness is secured by the Collateral on a *pari passu* basis (but without regard to the control of remedies) with the Obligations and is not secured by any property or assets of the Company or any Subsidiary other than the Collateral and the security agreements relating to such Indebtedness are substantially the same as or

more favorable to the Loan Parties than the Collateral Documents (with such differences as are reasonably satisfactory to the Administrative Agent), (ii) such Indebtedness is not at any time guaranteed by any Person other than a Guarantor, (iii) a Senior Representative acting on behalf of the holders of such Indebtedness shall have become party to or otherwise subject to the provisions of a First Lien Intercreditor Agreement; provided further that if such Indebtedness is the initial Permitted Pari Passu Secured Refinancing Debt incurred by such Borrower, then such Borrower, the Administrative Agent and the Senior Representative for such Indebtedness shall have executed and delivered a First Lien Intercreditor Agreement and (iv) in the case of any notes, such Indebtedness does not mature or have scheduled amortization or payments of principal (other than customary offers to repurchase upon a change of control, asset sale or event of loss and a customary acceleration right after an event of default) prior to the date that is the Latest Maturity Date at the time such Indebtedness is incurred or issued.

"**Permitted Ratio Debt**" means any unsecured or subordinated unsecured Indebtedness incurred by the Company and any Subsidiary, so long as the Company and its Subsidiaries shall be in Pro Forma Compliance with the Financial Covenant; provided, such Indebtedness (i) will not mature prior to the date that is ninety-one (91) days after the Latest Maturity Date at the time of the issuance of such Indebtedness, (ii) will not have mandatory prepayment or mandatory amortization, redemption, sinking fund or similar prepayments (other than asset sale and change of control mandatory offers to repurchase customary for high-yield debt securities) prior to the date that is ninety-one (91) days after the Latest Maturity Date at the time of the issuance of such Indebtedness and (iii) that is incurred by Subsidiaries that are Non-Loan Parties, after giving Pro Forma Effect to such incurrence, the aggregate amount of Indebtedness of Non-Loan Parties incurred pursuant to Section 7.03(x) and then outstanding shall not exceed the greater of (x) $55,000,000 and (y) 2.0% of Total Assets.

"**Permitted Refinancing**" means, with respect to any Person, any modification, refinancing, refunding, renewal, extension or replacement of any Indebtedness of such Person; provided that (a) the principal amount (or accreted value, if applicable) thereof does not exceed the principal amount (or accreted value, if applicable) of the Indebtedness so modified, refinanced, refunded, renewed, extended or replaced except by an amount equal to unpaid accrued interest and premium thereon plus other reasonable amount paid, and fees and expenses reasonably incurred, in connection with such modification, refinancing, refunding, renewal, extension or replacement and by an amount equal to any existing commitments unutilized thereunder, (b) other than with respect to a Permitted Refinancing in respect of Indebtedness permitted pursuant to Section 7.03(e), such modification, refinancing, refunding, renewal, extension or replacement has a final maturity equal to or later than the final maturity of the Indebtedness being modified, refinanced, refunded, renewed, extended or replaced (or, if earlier, the date that is 91 days after the Latest Maturity Date), and has a Weighted Average Life to Maturity no shorter than the remaining Weighted Average Life to Maturity of, the Indebtedness being modified, refinanced, refunded, renewed, extended or replaced (as originally in effect prior to any amortization or prepayments thereof), (c) other than with respect to a Permitted Refinancing in respect of Indebtedness permitted pursuant to Section 7.03(e), at the time thereof, no Event of Default shall have occurred and be continuing, and (d) (i) to the extent such Indebtedness being modified, refinanced, refunded, renewed, extended or replaced is subordinated in right of payment to the Obligations (or the Liens securing such Indebtedness were originally contractually subordinated to the Liens securing the Collateral pursuant to the Collateral Documents), such modification, refinancing, refunding, renewal, extension or replacement is subordinated in right of payment to the Obligations (or the Liens securing such Indebtedness shall be subordinated to the Liens securing the Collateral pursuant to the Collateral Documents) on terms at least as favorable to the Lenders as those contained in the documentation governing the Indebtedness being modified, refinanced, refunded, renewed, extended or replaced, (ii) other than with respect to a Permitted Refinancing in respect of Indebtedness permitted pursuant to Section 7.03(e), the terms and conditions (including, if applicable, as to collateral but excluding as to subordination, interest rate and redemption premium) of any such modified, refinanced, refunded, renewed, extended or replaced Indebtedness, taken as a whole, are not

materially less favorable to the Loan Parties or the Lenders than the terms and conditions of this Agreement; provided that a certificate of a Responsible Officer delivered to the Administrative Agent at least five (5) Business Days prior to the incurrence of such Indebtedness, together with a reasonably detailed description of the material terms and conditions of such Indebtedness or drafts of the documentation relating thereto, stating that the Borrowers have determined in good faith that such terms and conditions satisfy the foregoing requirement shall be conclusive evidence that such terms and conditions satisfy the foregoing requirement unless the Administrative Agent notifies the Borrowers within such five (5) Business Day period that it disagrees with such determination (including a reasonable description of the basis upon which it disagrees) and (iii) such modification, refinancing, refunding, renewal, extension or replacement is incurred by the Person who is the obligor of the Indebtedness being modified, refinanced, refunded, renewed, extended or replaced and is guaranteed only by those Persons that are guarantors of the Indebtedness being modified, refinanced, refunded, renewed, extended or replaced.

"**Permitted Unsecured Refinancing Debt**" means unsecured Indebtedness incurred by any Borrower in the form of one or more series of senior unsecured notes or loans; provided that such Indebtedness (i) in the case of any notes, does not mature or have scheduled amortization payments of principal or payments of principal and is not subject to mandatory redemption, repurchase, prepayment or sinking fund obligations (except customary asset sale, event of loss or change of control provisions that provide for the prior repayment in full of the Loans and the other Obligations), in each case prior to the Latest Maturity Date at the time such Indebtedness is incurred and (ii) is not at any time guaranteed by any Person other than a Guarantor.

"**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" (as such term is defined in Section 3(3) of ERISA) established or contributed to by any Loan Party or, with respect to any such plan that is subject to Section 412 of the Code or Section 302 or Title IV of ERISA, any ERISA Affiliate.

"**Principal L/C Issuer**" means Wells Fargo and any L/C Issuer that has issued Letters of Credit having an aggregate Outstanding Amount in excess of $500,000.

"**Pro Forma Basis**", "**Pro Forma Compliance**" and "**Pro Forma Effect**" mean, with respect to compliance with any test or covenant or calculation of any ratio hereunder, the determination or calculation of such test, covenant or ratio (including in connection with Specified Transactions) in accordance with Section 1.11.

"**Pro Rata Share**" means, with respect to each Lender at any time, a fraction (expressed as a percentage, carried out to the ninth decimal place), the numerator of which is the amount of the Commitment and, if applicable and without duplication, Term Loans of such Lender under the applicable Facility or Facilities at such time and the denominator of which is the amount of the Aggregate Commitments of all Lenders under the applicable Facility or Facilities at such time and, if applicable and without duplication, Term Loans of all Lenders under the applicable Facility or Facilities at such time; provided that, in the case of a Revolving Credit Facility, if such Commitment has been terminated, then the Pro Rata Share of each Lender shall be determined based on the Pro Rata Share of such Lender immediately prior to such termination and after giving effect to any subsequent assignments made pursuant to the terms hereof.

"**Projections**" has the meaning specified in Section 6.01(c).

"**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.

"**Qualified Equity Interests**" means any Equity Interests that are not Disqualified Equity Interests.

"**Recipient**" means (a) the Administrative Agent, (b) any Lender, (c) any L/C Issuer and (d) the Swing Line Lender.

"**Refinanced Debt**" has the meaning specified in the definition of Credit Agreement Refinancing Indebtedness.

"**Refinancing Amendment**" means an amendment to this Agreement executed by each of (a) the Borrowers, (b) the Administrative Agent, (c) each Additional Refinancing Lender and (d) each Lender that agrees to provide any portion of Other Term Loans, Other Term Loan Commitments, Other Revolving Credit Commitments or Other Revolving Credit Loans incurred pursuant thereto, in accordance with Section 2.16.

"**Refinancing Series**" means all Other Term Loans or Other Term Loan Commitments that are established pursuant to the same Refinancing Amendment (or any subsequent Refinancing Amendment to the extent such Refinancing Amendment expressly provides that the Other Term Loans or Other Term Loan Commitments provided for therein are intended to be a part of any previously established Refinancing Series) and that provide for the same All-In Yield and amortization schedule.

"**Register**" has the meaning specified in Section 10.07(d).

"**Regulation D**" shall mean Regulation D of the FRB as from time to time in effect and any successor to all or a portion thereof establishing reserve requirements.

"**Replacement Rate**" has the meaning specified in Section 3.03(b).

"**Reportable Event**" means any of the events set forth in Section 4043(c) of ERISA or the regulations issued thereunder, 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 Term Loans or Revolving Credit Loans, a Committed 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 Facility Lenders**" means, as of any date of determination, with respect to one or more Facilities, Lenders having more than 50% of the sum of (a) the Total Outstandings under such Facility or Facilities (with the aggregate amount of each Lender's risk participation and funded participation in L/C Obligations and Swing Line Loans, as applicable, under such Facility or Facilities being deemed "held" by such Lender for purposes of this definition) and (b) the aggregate unused Commitments under such Facility or Facilities; provided that the unused Commitments of, and the portion of the Total Outstandings under such Facility or Facilities held or deemed held by, any Defaulting Lender shall be excluded for purposes of making a determination of the Required Facility Lenders.

"**Required Lenders**" means, as of any date of determination, Lenders having more than 50% of the sum of the (a) Total Outstandings (with the aggregate amount of each Lender's risk participation and funded participation in L/C Obligations and Swing Line Loans being deemed "held" by such Lender for purposes of this definition), (b) aggregate unused Term Commitments and (c) aggregate unused Revolving Credit Commitments, provided that the unused Commitments of, and the portion of the Total Outstandings held or

deemed held by, any Defaulting Lender shall be excluded for purposes of making a determination of Required Lenders.

"**Responsible Officer**" means the chief executive officer, president, vice president, chief financial officer, treasurer or assistant treasurer or other similar officer of a Loan Party and, as to any document delivered on the Closing Date, any secretary or assistant secretary of a Loan Party. 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.

"**Restaurant LP**" means a Domestic Subsidiary which is organized as a limited partnership (or similar entity) (a) in which either a Borrower or a Wholly Owned Subsidiary is a general partner and (b) which operates a restaurant that it owns or leases. As of the Closing Date and except as set forth on Schedule 1.01E, all of the Restaurant LP's are Wholly Owned Subsidiaries, and, in the case of the ones that are Domestic Subsidiaries and not Excluded Concept Subsidiaries, are Guarantors.

"**Restricted Payment**" means any dividend or other distribution (whether in cash, securities or other property) with respect to any Equity Interest of the Company 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, defeasance, acquisition, cancellation or termination of any such Equity Interest, or on account of any return of capital to any Borrower's stockholders, partners or members (or the equivalent Persons thereof).

"**Returns**" means, with respect to any Investment, any repayments, interest, returns, profits, distributions, proceeds, fees and similar amounts actually received in cash or Cash Equivalents (or actually converted into cash or Cash Equivalents) by the Company or any of its Subsidiaries; provided that, with respect to each of Sections 7.02(c), 7.02(i)(B) and 7.02(l), the aggregate amount of repayments, interest, returns, profits, distributions, proceeds, fees and similar amounts constituting Returns shall not exceed the original amount of all Investments made pursuant to each such Section.

"**Revolver Extension Request**" has the meaning specified in Section 2.14(b).

"**Revolver Extension Series**" has the meaning specified in Section 2.14(b).

"**Revolving Commitment Increase**" has the meaning specified in Section 2.15(a).

"**Revolving Credit Borrowing**" means a borrowing consisting of simultaneous Revolving Credit Loans of the same Type and, in the case of Eurocurrency Rate Loans, having the same Interest Period made by each of the Revolving Credit Lenders pursuant to Section 2.01 or under any Incremental Amendment, Extension Amendment or Refinancing Amendment.

"**Revolving Credit Commitment**" means, as to each Revolving Credit Lender, its obligation to (a) make Revolving Credit Loans to the Borrowers pursuant to Section 2.01(b), (b) purchase participations in L/C Obligations in respect of Letters of Credit 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 under the caption "Revolving Credit Commitment" or in the Assignment and Assumption Agreement 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 (including Section 2.15 and Section 10.07(b)). The aggregate Revolving Credit Commitments of all Revolving Credit Lenders on the

Closing Date shall be $1,000,000,000, as such amount may be adjusted from time to time in accordance with the terms of this Agreement.

"**Revolving Credit Exposure**" means, at any time, as to each Revolving Credit Lender, the sum of the outstanding principal amount of such Revolving Credit Lender's Revolving Credit Loans at such time and its Pro Rata Share of the L/C Obligations and the Swing Line Obligations at such time.

"**Revolving Credit Facility**" means, at any time, the aggregate amount of the Revolving Credit Lenders' Revolving Credit Commitments at such time.

"**Revolving Credit Lender**" means, at any time, any Lender that has a Revolving Credit Commitment at such time or, if the Revolving Credit Commitments have been terminated, which has outstanding Revolving Credit Loans or other Revolving Credit Exposure at such time.

"**Revolving Credit Loan**" has the meaning specified in Section 2.01(b).

"**Revolving Credit Note**" means, as the context requires, a promissory note of each Borrower payable to any Revolving Credit Lender or its registered assigns, in substantially the form of Exhibit C-2 evidencing the aggregate Indebtedness of the Borrowers to such Revolving Credit Lender resulting from the Revolving Credit Loans made by such Revolving Credit Lender.

"**S&P**" means Standard & Poor's Financial Services LLC, a part of McGraw-Hill Financial, and any successor thereto.

"**Same Day Funds**" means, with respect to disbursements and payments, immediately available funds in Dollars.

"**Sanctioned Country**" means, at any time, a country or territory which is the subject or target of any Sanctions.

"**Sanctioned Person**" means, at any time, (a) any Person listed in any Sanctions-related list of designated Persons maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury, the U.S. Department of State, the European Union or Her Majesty's Treasury of the United Kingdom and (b) any other Person resident, located or organized in a Sanctioned Country or owned or controlled (as determined by applicable law) by any Person that is a Sanctioned Person.

"**Sanctions**" means economic or financial sanctions or trade embargoes imposed, administered or enforced from time to time by (a) the U.S. government, including those administered by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the U.S. Department of State, or (b) the European Union or Her Majesty's Treasury of the United Kingdom.

"**SEC**" means the Securities and Exchange Commission, or any Governmental Authority succeeding to any of its principal functions.

"**Secured Hedge Agreement**" means any Swap Contract permitted under Article VII that is entered into by and between any Loan Party or any Subsidiary and any Hedge Bank.

"**Secured Obligations**" has the meaning specified in the Security Agreement.

"**Secured Parties**" means, collectively, the Administrative Agent, the Collateral Agent, the Lenders, the Hedge Banks, the Cash Management Banks, the Supplemental Administrative Agent and each co-agent or sub-agent appointed by the Administrative Agent from time to time pursuant to Section 9.01(c).

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

"**Security Agreement**" means, collectively, the Amended and Restated Security Agreement executed by the Loan Parties, substantially in the form of Exhibit G (as the same may be amended, restated, supplemented or otherwise modified from time to time), together with each other security agreement supplement executed and delivered pursuant to Section 6.11.

"**Security Agreement Supplement**" has the meaning specified in the Security Agreement.

"**Senior Representative**" means, with respect to any series of Permitted Pari Passu Secured Refinancing Debt, the trustee, administrative agent, collateral agent, security agent or similar agent under the indenture or agreement pursuant to which such Indebtedness is issued, incurred or otherwise obtained, as the case may be, and each of their successors in such capacities.

"**Solvent**" and "**Solvency**" mean, with respect to any Person on any date of determination, that on such date (a) the fair value of the property of such Person is greater than the total amount of liabilities, including contingent liabilities, of such Person, (b) 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, (c) such Person does not intend to, and does not believe that it will, incur debts or liabilities beyond such Person's ability to pay such debts and liabilities as they mature and (d) such Person is not engaged in business or a transaction, and is not about to engage in business or a transaction, for which such Person's property would constitute an unreasonably small capital. The amount of contingent liabilities at any time shall be computed as the amount that, in the 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.

"**SPC**" has the meaning specified in Section 10.07(h).

"**Specified Default**" means any Event of Default under Section 8.01(a), (f) or (g).

"**Specified Proceeds**" means contributions made to the common equity of the Company in cash.

"**Specified Transaction**" means (i) any Permitted Acquisition, (ii) any Disposition that results in a Subsidiary ceasing to be a Subsidiary of any Borrower, (iii) any Investment constituting an acquisition of assets constituting a business unit, line of business or division of, or all or substantially all of the Equity Interests of, another Person, (iv) any Disposition of a business unit, line of business or division of a Borrower or a Subsidiary, in each case whether by merger, consolidation, amalgamation or otherwise or any incurrence or repayment of Indebtedness (other than Indebtedness incurred or repaid under any revolving credit facility or line of credit, unless such Indebtedness (x) has been permanently repaid and has not been replaced or (y) the proceeds therefrom are used for other than working capital purposes or general corporate purposes in the ordinary course of business), Restricted Payment, Revolving Commitment Increase or Incremental Term Loan that by the terms of this Agreement requires such test to be calculated on a "Pro Forma Basis" or after giving "Pro Forma Effect."

"**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 securities or other interests having

ordinary voting power for the election of directors or other governing body (other than securities or interests having such power only by reason of the happening of a contingency) are 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 Company.

"**Subsidiary Guarantor**" means, collectively, the Subsidiaries of each Borrower that are required to guarantee the Obligations pursuant to the Collateral and Guarantee Requirement.

"**Successor Company**" has the meaning specified in Section 7.04(d).

"**Supplemental Administrative Agent**" has the meaning specified in Section 9.13 and "Supplemental Administrative Agents" shall have the corresponding meaning.

"**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 (a) 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, with respect to any Guarantor, any obligation to pay or perform under any agreement, contract or transaction that constitutes a "swap" within the meaning of section 1a(47) of the Commodity Exchange Act.

"**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 Contract has 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 Contract, 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 Borrowing**" means a borrowing of a Swing Line Loan pursuant to Section 2.04.

"**Swing Line Facility**" means the revolving credit facility made available by the Swing Line Lender pursuant to Section 2.04.

"**Swing Line Lender**" means Wells Fargo, in its capacity as provider of Swing Line Loans, or any successor 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 Swing Line Borrowing pursuant to Section 2.04(b), which, if in writing, shall be substantially in the form of Exhibit B.

"**Swing Line Note**" means a promissory note of each Borrower payable to any Swing Line Lender or its registered assigns, in substantially the form of Exhibit C-3, evidencing the aggregate Indebtedness of the Borrowers to such Swing Line Lender resulting from the Swing Line Loans made by such Swing Line Lender.

"**Swing Line Obligations**" means, as at any date of determination, the aggregate principal amount of all Swing Line Loans outstanding.

"**Swing Line Sublimit**" means an amount equal to the lesser of (a) $50,000,000 and (b) the aggregate amount of the Revolving Credit Commitments. The Swing Line Sublimit is part of, and not in addition to, the Revolving Credit Commitments.

"**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 Borrowing**" means a borrowing consisting of simultaneous Term Loans of the same Type and, in the case of Eurocurrency Rate Loans, having the same Interest Period made by each of the Term Lenders pursuant to Section 2.01 or under any Incremental Amendment, Extension Amendment or Refinancing Amendment.

"**Term Commitments**" means, as to each Term Lender, its obligation to make the Initial Term Loan to the Borrowers pursuant to Section 2.01(a) in an aggregate amount not to exceed the amount specified opposite such Lender's name in Schedule 2.01 hereto under the caption "Term Commitment" or in the Assignment and Assumption Agreement pursuant to which such Term Lender becomes a party hereto, as applicable, as such commitment may be (a) reduced from time to time pursuant to Section 2.06 and (b) reduced or increased from time to time pursuant to (i) assignments by or to such Term Lender pursuant to an Assignment and Assumption Agreement, (ii) an Incremental Amendment, (iii) a Refinancing Amendment or (iv) an Extension. The initial amount of each Term Lender's Commitment is specified in Schedule 2.01 hereto under the caption "Term Commitment" or, otherwise, in the Assignment and Assumption Agreement, Incremental Amendment, Refinancing Amendment or Extension Amendment, pursuant to which such Lender shall have assumed its Loans or Commitment, as the case may be. The initial aggregate amount of the Term Commitments is $500,000,000.

"**Term Facility**" means any Facility consisting of Term Loans and/or Term Commitments.

"**Term Lender**" means, at any time, any Lender that has a Term Commitment or an outstanding Term Loan at such time.

"**Term Loan**" means the Initial Term Loan, or any Incremental Term Loan, any Extended Term Loan or any Other Term Loan, as the context may require.

"**Term Loan Extension Request**" has the meaning specified in Section 2.14(a).

"**Term Loan Extension Series**" has the meaning specified in Section 2.14(a).

"**Term Loan Increase**" has the meaning specified in Section 2.15(a).

"**Term Note**" means, as the context requires (including with respect to any Incremental Term Loan of the same Class), a promissory note of each Borrower payable to any Term Lender or its registered assigns, in substantially the form of Exhibit C-1 evidencing the aggregate Indebtedness of the Borrowers to such Term Lender resulting from the Term Loans made by such Term Lender.

"**Test Period**" means, for any determination under this Agreement, the four consecutive fiscal quarters of the Company then last ended.

"**Threshold Amount**" means $50,000,000.

"**Total Assets**" means, as of any date of determination, the total assets of the Company and its Subsidiaries on a consolidated basis in accordance with GAAP, as shown on the most recent balance sheet of the Company delivered pursuant to Section 6.01(a) or (b) (and, in the case of any determination relating to any incurrence of Indebtedness or any Investment or other acquisition, on a Pro Forma Basis including any property or assets being acquired in connection therewith); it being understood that, for purposes of determining compliance of a transaction with any restriction set forth in Article VII that is based upon a specified percentage of Total Assets, compliance of such transaction with the applicable restriction shall be determined solely with reference to Total Assets as determined above in this definition as of the date of such transaction.

"**Total Net Leverage Ratio**" means, with respect to any Test Period, the ratio of (a) Consolidated Total Debt as of the last day of such Test Period to (b) Consolidated EBITDA for such Test Period.

"**Total Outstandings**" means, at any time, the aggregate Outstanding Amount of all Loans and all L/C Obligations at such time.

"**Transaction**" means the borrowings hereunder on the Closing Date, the refinancing of the Existing Credit Agreement, the consummation of any other transactions in connection with the foregoing, and the payment of the fees and expenses incurred in connection with any of the foregoing, each as in effect on the Closing Date, and the application of proceeds therefrom.

"**Transaction Expenses**" means any fees or expenses incurred or paid by any Borrower or any Subsidiary in connection with the Transaction, this Agreement and the other Loan Documents and the transactions contemplated hereby and thereby.

"**Type**" means, with respect to a Loan, its character as a Base Rate Loan or a Eurocurrency Rate Loan.

"**Unaudited Financial Statements**" means the unaudited consolidated balance sheets and related statements of income, stockholders' equity and cash flows of the Company and its Subsidiaries, as may have been restated prior to the Closing Date, for each fiscal quarter ended after December 31, 2013 and at least forty five (45) days before the Closing Date, prepared in accordance with GAAP.

"**Uniform Commercial Code**" and "**UCC**" mean the Uniform Commercial Code as the same may from time to time be in effect in the State of New York or the Uniform Commercial Code (or similar code or statute) of another jurisdiction, to the extent it may be required to apply to any item or items of Collateral.

"**United States**" and "**U.S.**" mean the United States of America.

"**Unreimbursed Amount**" has the meaning specified in Section 2.03(c)(i).

"**U.S. Person**" means any Person that is a "United States person" as defined in Section 7701(a)(30) of the Code.

"**U.S. Tax Compliance Certificate**" has the meaning specified in Section 3.01(g).

"**Weighted Average Life to Maturity**" means, when applied to any Indebtedness at any date, the number of years obtained by dividing: (i) the sum of the products obtained by multiplying (a) the amount of each then remaining installment, sinking fund, serial maturity or other required payments of principal, including payment at final maturity, in respect thereof, by (b) the number of years (calculated to the nearest one-twelfth) that will elapse between such date and the making of such payment; by (ii) the then outstanding principal amount of such Indebtedness.

"**Wells Fargo**" means Wells Fargo Bank, National Association and any successor thereto by merger, consolidation or otherwise.

"**Wholly Owned**" means, with respect to a Subsidiary of a Person, a Subsidiary of such Person all of the outstanding Equity Interests of which (other than (a) director's qualifying shares and (b) shares issued to foreign nationals to the extent required by applicable Law) are owned by such Person and/or by one or more wholly owned Subsidiaries of such Person.

"**Withholding Agent**" means each Borrower and the Administrative Agent.

"**Write-Down and Conversion Powers**" means, 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.

Section 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 meanings of defined terms are equally applicable to the singular and plural forms of the defined terms.

(b) (i) The words "herein", "hereto", "hereof" and "hereunder" and words of similar import when used in any Loan Document shall refer to such Loan Document as a whole and not to any particular provision thereof.

(ii) Article, Section, Exhibit and Schedule references are to the Loan Document in which such reference appears.

(iii) The term "including" is by way of example and not limitation.

(iv) The term "documents" includes any and all instruments, documents, agreements, certificates, notices, reports, financial statements and other writings, however evidenced, whether in physical or electronic form.

(c) 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".

(d) 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.

(e) For purposes of determining compliance with any Section of Article VII, in the event that any Lien, Investment, Indebtedness, Disposition, Restricted Payment, Affiliate transaction, Contractual Obligation, or prepayment of Indebtedness meets the criteria of one or more of the categories of transactions permitted pursuant to any clause of such Sections, such transaction (or portion thereof) at any time, shall be permitted under one or more of such clauses as determined by the Company in its sole discretion at such time.

Section 1.03 Accounting Terms. 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, except as otherwise specifically prescribed herein. Notwithstanding the foregoing, for purposes of determining compliance with any covenant contained herein (including, without limitation, any financial covenant), any lease that is treated as an operating lease for purposes of GAAP as of the Closing Date shall not be treated as Indebtedness and shall continue to be treated as an operating lease (and any future lease that would be treated as an operating lease for purposes of GAAP as of the Closing Date shall be similarly treated).

Section 1.04 Rounding. Any financial ratios required to be maintained by the Company pursuant to this Agreement (or required to be satisfied in order for a specific action to be permitted under 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).

Section 1.05 References to Agreements, Laws, Etc. Unless otherwise expressly provided herein, (a) references to Organization Documents, agreements (including the Loan Documents) and other contractual instruments shall be deemed to include all subsequent amendments, restatements, amendments and restatements, extensions, supplements and other modifications thereto, but only to the extent that such amendments, restatements, amendments and restatements, extensions, supplements and other modifications are permitted by any Loan Document; and (b) references to any Law shall include all statutory and regulatory provisions consolidating, amending, replacing, supplementing or interpreting such Law.

Section 1.06 Times of Day. Unless otherwise specified, all references herein to times of day shall be references to Eastern time (daylight or standard, as applicable).

Section 1.07 Timing of Payment of Performance. When the payment of any obligation or the performance of any covenant, duty or obligation is stated to be due or performance required on a day which is not a Business Day, the date of such payment (other than as described in the definition of Interest Period) or performance shall extend to the immediately succeeding Business Day.

Section 1.08 Currency Equivalents Generally. Any amount specified in this Agreement (other than in Articles II, IX and X) or any of the other Loan Documents to be in Dollars shall also include the equivalent of such amount in any currency other than Dollars, such equivalent amount to be determined at the rate of exchange quoted by the Reuters World Currency Page for the applicable currency at 11:00 a.m. (London time)

on such day (or, in the event such rate does not appear on any Reuters World Currency Page, by reference to such other publicly available service for displaying exchange rates as may be agreed upon by the Administrative Agent and each Borrower, or, in the absence of such agreement, such rate shall instead be the arithmetic average of the spot rates of exchange of the Administrative Agent in the market where its foreign currency exchange operations in respect of such currency are then being conducted, at or about 10:00 a.m. (New York City time) on such date for the purchase of Dollars for delivery two (2) Business Days later). Notwithstanding the foregoing, for purposes of determining compliance with Sections 7.01, 7.02 and 7.03 with respect to any amount of Indebtedness or Investment in a currency other than Dollars, no Default shall be deemed to have occurred solely as a result of changes in rates of exchange occurring after the time such Indebtedness or Investment is incurred; provided that, for the avoidance of doubt, the foregoing provisions of this Section 1.08 shall otherwise apply to such Sections, including with respect to determining whether any Indebtedness or Investment may be incurred at any time under such Sections.

Section 1.09 Change of Currency. Each provision of this Agreement shall be subject to such reasonable changes of construction as the Administrative Agent may from time to time specify with each Borrower's consent to appropriately reflect a change in currency of any country and any relevant market conventions or practices relating to such change in currency.

Section 1.10 Cumulative Growth Amount Transactions. If more than one action occurs on any given date the permissibility of the taking of which is determined hereunder by reference to the amount of the Cumulative Growth Amount immediately prior to the taking of such action, the permissibility of the taking of such action shall be determined independently and in no event may any two or more such actions be treated as occurring simultaneously.

Section 1.11 Pro Forma and Other Calculations. (a) Notwithstanding anything to the contrary herein, financial ratios and tests, including the Consolidated Senior Secured Net Leverage Ratio and the Total Net Leverage Ratio shall be calculated in the manner prescribed by this Section 1.11; provided, that notwithstanding anything to the contrary in clauses (b), (c), (d) or (e) of this Section 1.11, when calculating the Total Net Leverage Ratio for purposes of the definition of "Applicable Rate" and Section 7.10 (other than for the purpose of determining pro forma compliance with Section 7.10), the events described in this Section 1.11 that occurred subsequent to the end of the applicable Test Period shall not be given pro forma effect. In addition, whenever a financial ratio or test is to be calculated on a pro forma basis, the reference to "Test Period" for purposes of calculating such financial ratio or test shall be deemed to be a reference to, and shall be based on, the most recently ended Test Period for which financial statements of the Company have been delivered to the Lenders pursuant to Section 6.01(a) or (b) (it being understood that for purposes of determining pro forma compliance with Section 7.10, if no Test Period with an applicable level cited in Section 7.10 has passed, the applicable level shall be the level for the first Test Period cited in Section 7.10 with an indicated level).

(b) For purposes of calculating any financial ratio or test (or Total Assets), Specified Transactions (with any incurrence or repayment of any Indebtedness in connection therewith to be subject to clause (d) of this Section 1.11) that have been made (i) during the applicable Test Period or (ii) if applicable as described in clause (a) above, subsequent to such Test Period and prior to or simultaneously with the event for which the calculation of any such ratio is made shall be calculated on a pro forma basis assuming that all such Specified Transactions (and any increase or decrease in Consolidated EBITDA and the component financial definitions used therein attributable to any Specified Transaction) had occurred on the first day of the applicable Test Period (or, in the case of Total Assets, on the last day of the applicable Test Period).

(c) Whenever pro forma effect is to be given to a Specified Transaction, the pro forma calculations shall be made in good faith by a responsible financial or accounting officer of the Company and may include, for the avoidance of doubt, the amount of "run-rate" cost savings, operating expense reductions and synergies

projected by the Company in good faith to be realized as a result of specified actions taken, committed to be taken or expected to be taken (calculated on a pro forma basis as though such cost savings, operating expense reductions and synergies had been realized on the first day of such period and as if such cost savings, operating expense reductions and synergies were realized during the entirety of such period and "run-rate" means the full recurring benefit for a period that is associated with any action taken, committed to be taken or expected to be taken (including any savings expected to result from the elimination of a public target's compliance costs with public company requirements) net of the amount of actual benefits realized during such period from such actions, and any such adjustments shall be included in the initial pro forma calculations of such financial ratios or tests and during any subsequent Test Period in which the effects thereof are expected to be realized) relating to such Specified Transaction; provided that (A) such amounts are reasonably identifiable and factually supportable in the good faith judgment of the Company, (B) such actions are taken, committed to be taken or with respect to which substantial steps have been taken or are expected in good faith to be taken no later than eighteen (18) months after the date of such Specified Transaction, (C) no amounts shall be added to the extent duplicative of any amounts that are otherwise added back in computing Consolidated EBITDA (or any other components thereof), whether through a pro forma adjustment or otherwise, with respect to such period and (D) any increase to Consolidated EBITDA as a result of cost savings, operating expense reductions and synergies pursuant to this Section 1.11(c) shall be subject to the limitation set forth in the further proviso of clause (xi) of the definition of "Consolidated EBITDA".

(d) In the event that (w) any Borrower or any Subsidiary incurs (including by assumption or guarantees) or repays (including by redemption, repayment, retirement or extinguishment) any Indebtedness (other than Indebtedness incurred or repaid under any revolving credit facility unless such Indebtedness (a) has been permanently repaid and not replaced or (b) the proceeds therefrom are used for other than working capital purposes or general corporate purposes in the ordinary course of business), (x) any Borrower or any Subsidiary issues, repurchases or redeems Disqualified Equity Interests or (y) any Subsidiary issues, repurchases or redeems preferred stock, (i) during the applicable Test Period or (ii) subsequent to the end of the applicable Test Period and prior to or simultaneously with the event for which the calculation of any such ratio is made, then such financial ratio or test shall be calculated giving pro forma effect to such incurrence or repayment of Indebtedness, or such issuance or redemption of Disqualified Equity Interests or preferred stock, in each case to the extent required, as if the same had occurred on the last day of the applicable Test Period.

(e) Interest on a Capitalized Lease Obligation shall be deemed to accrue at an interest rate reasonably determined by a Responsible Officer of the Company to be the rate of interest implicit in such Capitalized Lease Obligation in accordance with GAAP. Interest on Indebtedness that may optionally be determined at an interest rate based upon a factor of a prime or similar rate, a Eurocurrency interbank offered rate, or other rate, shall be determined to have been based upon the rate actually chosen, or if none, then based upon such optional rate chosen as any Borrower or Subsidiary may designate.

Section 1.12 Limited Condition Acquisitions. In the event that the Company notifies the Administrative Agent in writing that any proposed acquisition is a Limited Condition Acquisition and that the Company wishes to test the conditions to such acquisition and the availability of the Incremental Term Loans that is to be used to finance such acquisition in accordance with this Section 1.12, then, so long as agreed to by the lenders providing such Incremental Term Loan, the following provisions shall apply:

(a) any condition to such acquisition or such Incremental Term Loan that requires that no Default or Event of Default shall have occurred and be continuing at the time of such acquisition or the incurrence of such Incremental Term Loan, shall be satisfied if (i) no Default or Event of Default shall have occurred and be continuing at the time of the execution of the definitive purchase agreement, merger agreement or other acquisition agreement governing such acquisition and (ii) no Event of Default under any of Sections

8.01(a), 8.01(f) or 8.01(g) shall have occurred and be continuing both immediately before and immediately after giving effect to such acquisition and any Indebtedness incurred in connection therewith (including such Incremental Term Loan);

(b) any condition to such acquisition or such Incremental Term Loan that the representations and warranties in this Agreement and the other Loan Documents shall be true and correct in all material respects (except to the extent any such representation and warranty is qualified by materiality or reference to Material Adverse Effect, in which case, such representation and warranty shall be true and correct in all respects) at the time of such acquisition or the incurrence of such Incremental Term Loan shall be subject to customary "SunGard" or other customary applicable "certain funds" conditionality provisions (including, without limitation, a condition that the representations and warranties under the relevant agreements relating to such Limited Condition Acquisition as are material to the lenders providing such Incremental Term Loan shall be true and correct, but only to the extent that the Company or its applicable Subsidiary has the right to terminate its obligations under such agreement as a result of a breach of such representations and warranties or the failure of those representations and warranties to be true and correct), so long as all representations and warranties in this Agreement and the other Loan Documents are true and correct in all material respects (except to the extent any such representation and warranty is qualified by materiality or reference to Material Adverse Effect, in which case, such representation and warranty shall be true and correct in all respects) at the time of execution of the definitive purchase agreement, merger agreement or other acquisition agreement governing such acquisition;

(c) any financial ratio test or condition, may upon the written election of the Company delivered to the Administrative Agent on or prior to the date of execution of the definitive agreement for such acquisition, be tested either (i) upon the execution of the definitive agreement with respect to such Limited Condition Acquisition or (ii) upon the consummation of the Limited Condition Acquisition and related incurrence of Indebtedness, in each case, after giving effect to the relevant Limited Condition Acquisition and related incurrence of Indebtedness, on a Pro Forma Basis; provided that the failure to deliver a notice under this Section 1.12(c) on or prior to the date of execution of the definitive agreement for such Limited Condition Acquisition shall be deemed an election to test the applicable financial ratio under subclause (ii) of this Section 1.12(c); and

(d) if the Company has made an election with respect to any Limited Condition Acquisition to test a financial ratio test or condition at the time specified in clause (c)(i) of this Section, then, except as provided in the next sentence, in connection with any subsequent calculation of any ratio or basket on or following the relevant date of execution of the definitive agreement with respect to such Limited Condition Acquisition and prior to the earlier of (i) the date on which such Limited Condition Acquisition is consummated or (ii) the date that the definitive agreement for such Limited Condition Acquisition is terminated or expires without consummation of such Limited Condition Acquisition, any such ratio or basket shall be required to be satisfied (x) on a Pro Forma Basis assuming such Limited Condition Acquisition and other transactions in connection therewith (including the incurrence or assumption of Indebtedness) have been consummated and (y) assuming such Limited Condition Acquisition and other transactions in connection therewith (including the incurrence or assumption of Indebtedness) have not been consummated. Notwithstanding the foregoing, any calculation of a ratio in connection with determining the Applicable Rate and determining whether or not the Borrower is in compliance with the requirements of Section 7.10 shall, in each case be calculated assuming such Limited Condition Acquisition and other transactions in connection therewith (including the incurrence or assumption of Indebtedness) have not been consummated.

The foregoing provisions shall apply with similar effect during the pendency of multiple Limited Condition Acquisitions such that each of the possible scenarios is separately tested. Notwithstanding anything to the

contrary herein, in no event shall there be more than two Limited Condition Acquisitions at any time outstanding.

ARTICLE II
The Commitments and Credit Extensions

Section 2.01 The Loans.

(a) The Term Borrowing. Subject to the terms and conditions set forth herein, each Term Lender severally agrees to make to the Borrowers a single loan denominated in Dollars in a principal amount equal to such Term Lender's Term Commitment on the Closing Date. Amounts borrowed under this Section 2.01(a) and repaid or prepaid may not be reborrowed. Term Loans may be Base Rate Loans or Eurocurrency Rate Loans, as further provided herein.

(b) The Revolving Credit Borrowings. Subject to the terms and conditions set forth herein, each Revolving Credit Lender severally agrees to make loans denominated in Dollars to the Borrowers (each such loan, a "Revolving Credit Loan") from time to time, on any Business Day from and including the Closing Date until the Maturity Date for the Revolving Credit Facility, in an aggregate principal amount not to exceed at any time outstanding the amount of such Revolving Credit Lender's Revolving Credit Commitment; provided that after giving effect to any Revolving Credit Borrowing, the aggregate Outstanding Amount of the Revolving Credit Loans of any Revolving Credit Lender, plus such Revolving Credit Lender's Pro Rata Share of the Outstanding Amount of all L/C Obligations, plus such Revolving Credit Lender's Pro Rata Share of the Outstanding Amount of all Swing Line Loans shall not exceed such Revolving Credit Lender's Revolving Credit Commitment. Within the limits of each Revolving Credit Lender's Revolving Credit Commitment, and subject to the other terms and conditions hereof, the Borrowers may borrow under this Section 2.01(b), prepay under Section 2.05, and reborrow under this Section 2.01(b). Revolving Credit Loans may be Base Rate Loans or Eurocurrency Rate Loans, as further provided herein.

Section 2.02 Borrowings, Conversions and Continuations of Loans. (a) Each Term Borrowing, each Revolving Credit Borrowing, each conversion of Term Loans or Revolving Credit Loans from one Type to the other, and each continuation of Eurocurrency Rate Loans shall be made upon the applicable Borrower's irrevocable notice to the Administrative Agent, which may be given by telephone. Each such notice must be received by the Administrative Agent not later than 12:00 p.m. (i) three (3) Business Days prior to the requested date of any Borrowing or continuation of Eurocurrency Rate Loans or any conversion of Base Rate Loans to Eurocurrency Rate Loans, and (ii) one (1) Business Day before the requested date of any Borrowing of Base Rate Loans or conversion of any Eurocurrency Rate Loans to Base Rate Loans. Each telephonic notice by the applicable Borrower pursuant to this Section 2.02(a) must be confirmed promptly by delivery to the Administrative Agent of a written Committed Loan Notice, appropriately completed and signed by a Responsible Officer of such Borrower. Each Borrowing of, conversion to or continuation of Eurocurrency Rate Loans shall be in a principal amount of $1,000,000 or a whole multiple of $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 shall be in a principal amount of $500,000 or a whole multiple of $100,000 in excess thereof. Each Committed Loan Notice (whether telephonic or written) shall specify (i) whether the applicable Borrower is requesting a Term Borrowing, a Revolving Credit Borrowing, a conversion of Term Loans or Revolving Credit Loans from one Type to the other, or a continuation of Eurocurrency Rate 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 Term Loans or Revolving Credit Loans are to be converted, and (v) if applicable, the duration of the Interest Period with respect thereto. If the applicable Borrower fails to specify a Type of Loan in a Committed Loan Notice or fails to give a timely notice requesting a conversion or continuation, then the

applicable Term Loans or Revolving Credit Loans shall be made as, or converted to, Base Rate Loans. Any such automatic conversion to Base Rate Loans shall be effective as of the last day of the Interest Period then in effect with respect to the applicable Eurocurrency Rate Loans. If the applicable Borrower requests a Borrowing of, conversion to, or continuation of Eurocurrency Rate Loans in any such Committed Loan Notice, but fails to specify an Interest Period, it will be deemed to have specified an Interest Period of one
(1) month.

(b) Following receipt of a Committed Loan Notice, the Administrative Agent shall promptly notify each Lender of the amount of its Pro Rata Share of the applicable Class of 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 described in Section 2.02(a). In the case of each Borrowing, each Appropriate Lender shall make the amount of its Loan available to the Administrative Agent in Same Day Funds at the Administrative Agent's Office not later than 1:00 p.m., in each case on the Business Day specified in the applicable Committed Loan Notice. Upon satisfaction of the applicable conditions set forth in Section 4.02 (and, if such Borrowing is the initial Credit Extension, Section 4.01), the Administrative Agent shall make all funds so received available to the Borrowers in like funds as received by the Administrative Agent either by (i) crediting the account of the Borrowers 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 reasonably acceptable to) the Administrative Agent by the applicable Borrower; provided that if, on the date the Committed Loan Notice with respect to such Borrowing is given by the such Borrower, there are Swing Line Loans or L/C Borrowings outstanding, then the proceeds of such Borrowing shall be applied, first, to the payment in full of any such L/C Borrowings, second, to the payment in full of any such Swing Line Loans, and third, to the Borrowers as provided above.

(c) Except as otherwise provided herein, a Eurocurrency Rate Loan may be continued or converted only on the last day of an Interest Period for such Eurocurrency Rate Loan unless the Borrowers pay the amount due, if any, under Section 3.05 in connection therewith. During the existence of an Event of Default, the Administrative Agent or the Required Lenders may require that no Loans may be converted to or continued as Eurocurrency Rate Loans.

(d) The Administrative Agent shall promptly notify the Borrowers and the Lenders of the interest rate applicable to any Interest Period for Eurocurrency Rate Loans upon determination of such interest rate. The determination of the Eurocurrency Rate by the Administrative Agent shall be conclusive in the absence of manifest error. At any time that Base Rate Loans are outstanding, the Administrative Agent shall notify the Borrowers and the Lenders of any change in the Administrative Agent's prime rate used in determining the Base Rate promptly following the public announcement of such change.

(e) After giving effect to all Term Borrowings, all Revolving Credit Borrowings, all conversions of Term Loans or Revolving Credit Loans from one Type to the other, and all continuations of Term Loans or Revolving Credit Loans as the same Type, there shall not be more than ten (10) Interest Periods in effect (or such greater number as may be acceptable to the Administrative Agent).

(f) The failure of any Lender to make the Loan to be made by it as part of any Borrowing shall not relieve any other Lender of its obligation, if any, hereunder to make its Loan on the date of such Borrowing, but no Lender shall be responsible for the failure of any other Lender to make the Loan to be made by such other Lender on the date of any Borrowing.

(g) Unless the Administrative Agent shall have received notice from a Lender prior to the date of any Borrowing, or in the case of any Borrowing of Base Rate Loans, prior to 1:00 p.m. on the date of such Borrowing, that such Lender will not make available to the Administrative Agent such Lender's Pro Rata Share or other applicable share provided for under this Agreement of such Borrowing, the Administrative Agent may assume that such Lender has made such Pro Rata Share or other applicable share provided for under this Agreement available to the Administrative Agent on the date of such Borrowing in accordance with paragraph (b) above, and the Administrative Agent may, in reliance upon such assumption, make available to the Borrowers on such date a corresponding amount. If the Administrative Agent shall have so made funds available, then, to the extent that such Lender and the Borrowers severally agree to repay to the Administrative Agent forthwith on demand such corresponding amount together with interest thereon, for each day from the date such amount is made available to the Borrowers until the date such amount is repaid to the Administrative Agent at (i) in the case of the Borrowers, the interest rate applicable at the time to the Loans comprising such Borrowing and (ii) in the case of such Lender, the Federal Funds Rate, plus any administrative, processing or similar fees customarily charged by the Administrative Agent in accordance with the foregoing. A certificate of the Administrative Agent submitted to any Lender with respect to any amounts owing under this Section 2.02(g) shall be conclusive in the absence of manifest error. If the Borrowers 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 the Borrowers the amount of such interest paid by the Borrowers 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 the Borrowers shall be without prejudice to any claim the Borrowers may have against a Lender that shall have failed to make such payment to the Administrative Agent.

Section 2.03 Letters of Credit.

(a) The Letter of Credit Commitment.

(i) On and after the Closing Date, the Existing Letters of Credit for purposes hereof will be deemed to have been issued on the Closing Date under the Revolving Credit Facility. Subject to the terms and conditions set forth herein, (A) each L/C Issuer agrees, in reliance upon the agreements of the other Revolving Credit Lenders set forth in this Section 2.03, (1) from time to time on any Business Day during the period from and including the Closing Date until the Letter of Credit Expiration Date, to issue Letters of Credit denominated in Dollars on a sight basis for the account of the Borrowers (provided that any Letter of Credit may be for the benefit of any Subsidiary of any Borrower) and to amend or renew Letters of Credit previously issued by it, in accordance with Section 2.03(b), and (2) to honor drafts under the Letters of Credit and (B) the Revolving Credit Lenders severally agree to participate in Letters of Credit issued pursuant to this Section 2.03; provided that no L/C Issuer shall be obligated to make any L/C Credit Extension with respect to any Letter of Credit, and no Lender shall be obligated to participate in any Letter of Credit if as of the date of such L/C Credit Extension, (x) the Revolving Credit Exposure of any Lender would exceed such Lender's Revolving Credit Commitment, (y) the L/C Commitment of any L/C Issuer would exceed such L/C Issuer's L/C Commitment or (z) the Outstanding Amount of the L/C Obligations would exceed the Letter of Credit Sublimit. Within the foregoing limits, and subject to the terms and conditions hereof, each Borrower's ability to obtain Letters of Credit shall be fully revolving, and accordingly each Borrower may, during the foregoing period, obtain Letters of Credit to replace Letters of Credit that have expired or that have been drawn upon and reimbursed.

(ii) An L/C Issuer shall be under no obligation to issue any Letter of Credit if:

(A) any order, judgment or decree of any Governmental Authority or arbitrator shall by its terms purport to enjoin or restrain such L/C Issuer from issuing such Letter of Credit, or any Law applicable to such L/C Issuer or any directive (whether or not having the force of law) from any Governmental Authority with jurisdiction over such L/C Issuer shall prohibit, or direct that such L/C Issuer refrain from, the issuance of letters of credit generally or such Letter of Credit in particular or shall impose upon such L/C Issuer with respect to such Letter of Credit any restriction, reserve or capital requirement (for which such L/C Issuer is not otherwise compensated hereunder) not in effect on the Closing Date, or shall impose upon such L/C Issuer any unreimbursed loss, cost or expense which was not applicable on the Closing Date (for which such L/C Issuer is not otherwise compensated hereunder);

(B) subject to Section 2.03(b)(iii), the expiry date of such requested Letter of Credit would occur more than twelve months after the date of issuance or last renewal, unless the Required Lenders have approved such expiry date;

(C) the expiry date of such requested Letter of Credit would occur after the Letter of Credit Expiration Date, unless all the Revolving Credit Lenders have approved such expiry date;

(D) the issuance of such Letter of Credit would violate any Laws binding upon such L/C Issuer; or

(E) any Revolving Credit Lender is a Defaulting Lender at such time, unless such L/C Issuer has entered into arrangements reasonably satisfactory to it and the Borrowers to eliminate such L/C Issuer's risk (after giving effect to Section 2.17(a)) with respect to the participation in Letters of Credit by such Defaulting Lender, including by cash collateralizing such Defaulting Lender's Pro Rata Share of the L/C Obligations.

(iii) An L/C Issuer shall be under no obligation to amend any Letter of Credit if (A) such L/C Issuer would have no obligation at such time to issue such Letter of Credit in its amended form under the terms hereof, or (B) the beneficiary of such Letter of Credit does not accept the proposed amendment to such Letter of Credit.

(b) Procedures for Issuance and Amendment of Letters of Credit; Auto-Renewal Letters of Credit.

(i) Each Letter of Credit shall be issued or amended, as the case may be, upon the request of any Borrower delivered to an L/C Issuer (with a copy to the Administrative Agent) in the form of a Letter of Credit Application, appropriately completed and signed by a Responsible Officer of the relevant Borrower. Such Letter of Credit Application must be received by the relevant L/C Issuer and the Administrative Agent not later than 12:00 p.m. at least two (2) Business Days prior to the proposed issuance date or date of amendment, as the case may be; or, in each case, such later date and time as the relevant L/C Issuer may agree in a particular instance in its sole discretion. In the case of a request for an initial issuance of a Letter of Credit, such Letter of Credit Application shall specify in form and detail reasonably satisfactory to the relevant L/C Issuer: (a) the proposed issuance date of the requested Letter of Credit (which shall be a Business Day); (b) the amount thereof; (c) the expiry date thereof; (d) the name and address of the beneficiary thereof; (e) the documents to be presented by such

beneficiary in case of any drawing thereunder; (f) the full text of any certificate to be presented by such beneficiary in case of any drawing thereunder; and (g) such other matters as the relevant L/C Issuer may reasonably request. In the case of a request for an amendment of any outstanding Letter of Credit, such Letter of Credit Application shall specify in form and detail reasonably satisfactory to the relevant L/C Issuer (1) the Letter of Credit to be amended; (2) the proposed date of amendment thereof (which shall be a Business Day); (3) the nature of the proposed amendment; and (4) such other matters as the relevant L/C Issuer may reasonably request.

(ii) Promptly after receipt of any Letter of Credit Application, the relevant L/C Issuer will confirm with the Administrative Agent (by telephone or in writing) that the Administrative Agent has received a copy of such Letter of Credit Application from any Borrower and, if not, such L/C Issuer will provide the Administrative Agent with a copy thereof. Upon receipt by the relevant L/C Issuer of confirmation from the Administrative Agent that the requested issuance or amendment is permitted in accordance with the terms hereof, then, subject to the terms and conditions hereof, such L/C Issuer shall, on the requested date, issue a Letter of Credit for the account of the relevant Borrower or enter into the applicable amendment, as the case may be. Immediately upon the issuance of each Letter of Credit, each Revolving Credit Lender shall be deemed to, and hereby irrevocably and unconditionally agrees to, purchase from the relevant L/C Issuer a risk participation in such Letter of Credit in an amount equal to the product of such Lender's Pro Rata Share times the amount of such Letter of Credit.

(iii) If any Borrower so requests in any applicable Letter of Credit Application, the relevant L/C Issuer shall agree to issue a Letter of Credit that has automatic renewal provisions (each, an "Auto-Renewal Letter of Credit"); provided that any such Auto-Renewal Letter of Credit must permit the relevant L/C Issuer to prevent any such renewal at least once in each twelve month period (commencing with the date of issuance of such Letter of Credit) by giving prior notice to the beneficiary thereof not later than a day (the "Nonrenewal Notice Date") in each such twelve month period to be agreed upon at the time such Letter of Credit is issued. Unless otherwise directed by the relevant L/C Issuer, the relevant Borrower shall not be required to make a specific request to the relevant L/C Issuer for any such renewal. Once an Auto-Renewal Letter of Credit has been issued, the Lenders shall be deemed to have authorized (but may not require) the relevant L/C Issuer to permit the renewal of such Letter of Credit at any time to an expiry date not later than the Letter of Credit Expiration Date; provided that the relevant L/C Issuer shall not permit any such renewal if (A) the relevant L/C Issuer has determined that it would have no obligation at such time to issue such Letter of Credit in its renewed form under the terms hereof (by reason of the provisions of Section 2.03(a)(ii) or otherwise), or (B) it has received notice (which may be by telephone or in writing) on or before the day that is five (5) Business Days before the Nonrenewal Notice Date from the Administrative Agent, any Revolving Credit Lender or the relevant Borrower that one or more of the applicable conditions specified in Section 4.02 is not then satisfied.

(iv) Promptly after its delivery of any Letter of Credit or any amendment to a Letter of Credit to an advising bank with respect thereto or to the beneficiary thereof, the relevant L/C Issuer will also deliver to the relevant Borrower and the Administrative Agent a true and complete copy of such Letter of Credit or amendment.

(c) Drawings and Reimbursements; Funding of Participations.

(i) Upon receipt from the beneficiary of any Letter of Credit of any notice of a drawing under such Letter of Credit, the relevant L/C Issuer shall notify promptly the relevant Borrower and the Administrative Agent thereof. Not later than 11:00 a.m. on the second Business Day following any payment by an L/C Issuer under a Letter of Credit (each such date, an "Honor Date"), the Borrowers shall reimburse such L/C Issuer through the Administrative Agent in an amount equal to the amount of such drawing, together with interest on the amount so paid or disbursed by such L/C Issuer, to the extent not reimbursed on the date of such payment of disbursement. If the Borrowers do not reimburse such L/C Issuer by such time, the Administrative Agent shall promptly notify each Appropriate Lender of the Honor Date, the amount of the unreimbursed drawing (the "Unreimbursed Amount"), and the amount of such Appropriate Lender's Pro Rata Share thereof. In such event, the Borrowers shall be deemed to have requested a Revolving Credit Borrowing of Base Rate Loans to be disbursed on the Honor Date in an amount equal to the Unreimbursed Amount, without regard to the minimum and multiples specified in Section 2.02 for the principal amount of Base Rate Loans but subject to the amount of the unutilized portion of the Revolving Credit Commitments of the Appropriate Lenders and the conditions set forth in Section 4.02 (other than the delivery of a Committed Loan Notice). Any notice given by an L/C Issuer or the Administrative Agent pursuant to this Section 2.03(c)(i) may be given by telephone if immediately confirmed in writing; provided that the lack of such an immediate confirmation shall not affect the conclusiveness or binding effect of such notice.

(ii) Each Appropriate Lender (including any Appropriate Lender acting as an L/C Issuer) shall upon any notice pursuant to Section 2.03(c)(i) make funds available to the Administrative Agent for the account of the relevant L/C Issuer, in Dollars, at the Administrative Agent's Office for payments in an amount equal to its Pro Rata Share of the Unreimbursed Amount not later than 1:00 p.m. on the Business Day specified in such notice by the Administrative Agent, whereupon, subject to the provisions of Section 2.03(c)(iii), each Appropriate Lender that so makes funds available shall be deemed to have made a Base Rate Loan to the Borrowers in such amount. The Administrative Agent shall remit the funds so received to the relevant L/C Issuer.

(iii) With respect to any Unreimbursed Amount that is not fully refinanced by a Revolving Credit Borrowing of Base Rate Loans because the conditions set forth in Section 4.02 cannot be satisfied or for any other reason, the Borrowers shall be deemed to have incurred from the relevant L/C Issuer an L/C Borrowing in the amount of the Unreimbursed Amount that is not so refinanced, which L/C Borrowing shall be due and payable on demand (together with interest) and shall bear interest at the Default Rate. In such event, each Appropriate Lender's payment to the Administrative Agent for the account of the relevant L/C Issuer pursuant to Section 2.03(c)(ii) shall be deemed payment in respect of its participation in such L/C Borrowing and shall constitute an L/C Advance from such Lender in satisfaction of its participation obligation under this Section 2.03.

(iv) Until each Appropriate Lender funds its Revolving Credit Loan or L/C Advance pursuant to this Section 2.03(c) to reimburse the relevant L/C Issuer for any amount drawn under any Letter of Credit, interest in respect of such Lender's Pro Rata Share of such amount shall be solely for the account of the relevant L/C Issuer.

(v) Each Revolving Credit Lender's obligation to make Revolving Credit Loans or L/C Advances to reimburse an L/C Issuer for amounts drawn under Letters of Credit, as contemplated by this Section 2.03(c), shall be absolute and unconditional and shall not be affected by any circumstance, including (A) any setoff, counterclaim, recoupment, defense or other right which such Lender may have against the relevant L/C Issuer, any 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 that each Revolving Credit Lender's obligation to make Revolving Credit Loans pursuant to this Section 2.03(c) is subject to the conditions set forth in Section 4.02 (other than delivery by the Company of a Committed Loan Notice). No such making of an L/C Advance shall relieve or otherwise impair the obligation of the Borrowers to reimburse the relevant L/C Issuer for the amount of any payment made by such L/C Issuer under any Letter of Credit, together with interest as provided herein.

(vi) If any Revolving Credit Lender fails to make available to the Administrative Agent for the account of the relevant L/C Issuer any amount required to be paid by such Lender pursuant to the foregoing provisions of this Section 2.03(c) by the time specified in Section 2.03(c)(ii), such L/C Issuer 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 such L/C Issuer at a rate per annum equal to the Federal Funds Rate from time to time in effect. A certificate of the relevant L/C Issuer submitted to any Revolving Credit Lender (through the Administrative Agent) with respect to any amounts owing under this Section 2.03(c)(vi) shall be conclusive absent manifest error.

(d) Repayment of Participations.

(i) If, at any time after an L/C Issuer has made a payment under any Letter of Credit and has received from any Revolving Credit Lender such Lender's L/C Advance in respect of such payment in accordance with Section 2.03(c), the Administrative Agent receives for the account of such L/C Issuer any payment in respect of the related Unreimbursed Amount or interest thereon (whether directly from the Borrowers or otherwise, including proceeds of Cash Collateral applied thereto by the Administrative Agent), the Administrative Agent will distribute to such Lender its Pro Rata Share thereof (appropriately adjusted, in the case of interest payments, to reflect the period of time during which such Lender's L/C Advance was outstanding) in the same funds as those received by the Administrative Agent.

(ii) If any payment received by the Administrative Agent for the account of an L/C Issuer pursuant to Section 2.03(c)(i) is required to be returned under any of the circumstances described in Section 10.06 (including pursuant to any settlement entered into by such L/C Issuer in its discretion), each Appropriate Lender shall pay to the Administrative Agent for the account of such L/C Issuer its Pro Rata Share thereof on demand of the Administrative Agent, plus interest thereon from the date of such demand to the date such amount is returned by such Lender, at a rate per annum equal to the Federal Funds Rate from time to time in effect.

(e) Obligations Absolute. The obligation of the Borrowers to reimburse the relevant L/C Issuer for each drawing under each Letter of Credit issued by it and to repay each L/C Borrowing shall be absolute, unconditional and irrevocable, and shall be paid strictly in accordance with the terms of this Agreement under all circumstances, including the following:

(i) any lack of validity or enforceability of such Letter of Credit, this Agreement, or any other agreement or instrument relating thereto;

(ii) the existence of any claim, counterclaim, setoff, defense or other right that any Loan Party may have at any time against any beneficiary or any transferee of such Letter of Credit (or any Person for whom any such beneficiary or any such transferee may be acting), the relevant L/C Issuer or any other Person, whether in connection with this Agreement, the transactions contemplated hereby or by such Letter of Credit or any agreement or instrument relating thereto, or any unrelated transaction;

(iii) any draft, demand, certificate or other document presented under such Letter of Credit proving to be forged, fraudulent, invalid or insufficient in any respect or any statement therein being untrue or inaccurate in any respect; or any loss or delay in the transmission or otherwise of any document required in order to make a drawing under such Letter of Credit;

(iv) any payment by the relevant L/C Issuer under such Letter of Credit against presentation of a draft or certificate that does not strictly comply with the terms of such Letter of Credit; or any payment made by the relevant L/C Issuer under such Letter of Credit to any Person purporting to be a trustee in bankruptcy, debtor-in-possession, assignee for the benefit of creditors, liquidator, receiver or other representative of or successor to any beneficiary or any transferee of such Letter of Credit, including any arising in connection with any proceeding under any Debtor Relief Law;

(v) any exchange, release or nonperfection of any Collateral, or any release or amendment or waiver of or consent to departure from the Guaranty or any other guarantee, for all or any of the Obligations any Loan Party in respect of such Letter of Credit; or

(vi) any other circumstance or happening whatsoever, whether or not similar to any of the foregoing, including any other circumstance that might otherwise constitute a defense available to, or a discharge of, any Loan Party;

provided that the foregoing shall not excuse any L/C Issuer from liability to any Borrower to the extent of any direct damages (as opposed to special, punitive, indirect or consequential damages, claims in respect of which are waived by each Borrower to the extent permitted by applicable Law) suffered by such Borrower that are caused by such L/C Issuer's gross negligence or willful misconduct (in each case, as determined by a court of competent jurisdiction in a final and non- appealable judgment) when determining whether drafts and other documents presented under a Letter of Credit comply with the terms thereof.

(f) Role of L/C Issuers. Each Lender and each Borrower agree that, in paying any drawing under a Letter of Credit, the relevant L/C Issuer shall not have any responsibility to obtain any document (other than any draft, demand, certificate or other document expressly required by the Letter of Credit) or to ascertain or inquire as to the validity or accuracy of any such document or the authority of the Person executing or delivering any such document. None of the L/C Issuers, any Agent-Related Person nor any of the respective correspondents, participants or assignees of any L/C Issuer shall be liable to any Lender for (i) any action taken or omitted in connection herewith at the request or with the approval of the Lenders or the Required Lenders, as applicable; (ii) any action taken or omitted in the absence of gross negligence or willful misconduct; or (iii) the due execution, effectiveness, validity or enforceability of any document or instrument related to any Letter of Credit or Letter of Credit Application. Each Borrower hereby assumes all risks of the acts or omissions of any beneficiary or transferee with respect to its use of any Letter of Credit; provided that this assumption is not intended to, and shall not, preclude such Borrower's pursuing such rights and remedies as

it may have against the beneficiary or transferee at law or under any other agreement. None of the L/C Issuers, any Agent-Related Person, nor any of the respective correspondents, participants or assignees of any L/C Issuer, shall be liable or responsible for any of the matters described in clauses (i) through (vi) of Section 2.03(e); provided that anything in such clauses to the contrary notwithstanding, any Borrower may have a claim against an L/C Issuer, and such L/C Issuer may be liable to such Borrower, to the extent, but only to the extent, of any direct, as opposed to special, punitive, indirect, consequential or exemplary damages suffered by such Borrower which such Borrower proves were caused by such L/C Issuer's willful misconduct or gross negligence or such L/C Issuer's willful or grossly negligent failure to pay under any Letter of Credit after the presentation to it by the beneficiary of a draft, demand, certificate or other document strictly complying with the terms and conditions of a Letter of Credit (in each case, as determined by a court of competent jurisdiction in a final and non-appealable judgment). In furtherance and not in limitation of the foregoing, each L/C Issuer may accept documents that appear on their face to be in order, without responsibility for further investigation, regardless of any notice or information to the contrary, and no L/C Issuer shall be responsible for the validity or sufficiency of any instrument transferring or assigning or purporting to transfer or assign a Letter of Credit or the rights or benefits thereunder or proceeds thereof, in whole or in part, which may prove to be invalid or ineffective for any reason.

(g) Cash Collateral. (i) If any Event of Default occurs and is continuing and the Administrative Agent or the Required Lenders, as applicable, require the Borrowers to Cash Collateralize the L/C Obligations pursuant to Section 8.02(c) or (ii) an Event of Default set forth under Section 8.01(f) occurs and is continuing, then the Borrowers shall Cash Collateralize the then Outstanding Amount of all L/C Obligations (in an amount equal to such Outstanding Amount determined as of the date of such Event of Default), and shall do so not later than 2:00 p.m. on (x) in the case of the immediately preceding clause (i), (1) the Business Day that the Borrowers receive notice thereof, if such notice is received on such day prior to 12:00 Noon, or (2) if clause (1) above does not apply, the Business Day immediately following the day that the Borrowers receive such notice and (y) in the case of the immediately preceding clause (ii), the Business Day on which an Event of Default set forth under Section 8.01(f) occurs or, if such day is not a Business Day, the Business Day immediately succeeding such day. For purposes hereof, "Cash Collateralize" means to pledge and deposit with or deliver to the Administrative Agent, for the benefit of the relevant L/C Issuer and the Lenders, as collateral for the L/C Obligations, cash or deposit account balances ("Cash Collateral") pursuant to documentation in form and substance reasonably satisfactory to the Administrative Agent and the relevant L/C Issuer (which documents are hereby consented to by the Lenders). Derivatives of such term have corresponding meanings. Each Borrower hereby grants to the Administrative Agent, for the benefit of the L/C Issuers and the Lenders, a security interest in all such cash, deposit accounts and all balances therein and all proceeds of the foregoing. Cash Collateral shall be maintained in blocked accounts at the Administrative Agent and may be invested in readily available Cash Equivalents. If at any time the Administrative Agent determines that any funds held as Cash Collateral are subject to any right or claim of any Person other than the Administrative Agent (on behalf of the Secured Parties) or that the total amount of such funds is less than the aggregate Outstanding Amount of all L/C Obligations, the Borrowers will, forthwith upon demand by the Administrative Agent, pay to the Administrative Agent, as additional funds to be deposited and held in the deposit accounts at the Administrative Agent as aforesaid, an amount equal to the excess of (a) such aggregate Outstanding Amount over (b) the total amount of funds, if any, then held as Cash Collateral that the Administrative Agent reasonably determines to be free and clear of any such right and claim. Upon the drawing of any Letter of Credit for which funds are on deposit as Cash Collateral, such funds shall be applied, to the extent permitted under applicable Law, to reimburse the relevant L/C Issuer. To the extent the amount of any Cash Collateral exceeds the then Outstanding Amount of such L/C Obligations and so long as no Event of Default has occurred and is continuing, the excess shall be refunded to the Borrowers. To the extent any Event of Default giving rise to the requirement to Cash Collateralize any Letter of Credit pursuant to this Section 2.03(g) is cured or otherwise waived by the Required Lenders, then so long as no other Event of Default has

occurred and is continuing, all Cash Collateral pledged to Cash Collateralize such Letter of Credit shall be refunded to the Borrowers.

(h) Letter of Credit Fees. The Borrowers shall pay to the Administrative Agent, for the account of each Revolving Credit Lender in accordance with its Pro Rata Share, a Letter of Credit fee for each Letter of Credit issued pursuant to this Agreement equal to the Applicable Rate times the daily maximum amount then available to be drawn under such Letter of Credit (determined without regard to whether any conditions to drawing could then be met). Such Letter of Credit fees shall be computed on a quarterly basis in arrears. Such Letter of Credit fees shall be due and payable in Dollars on the first Business Day after the end of each March, June, September and December, commencing with the first such date to occur after the issuance of such Letter of Credit, on the Letter of Credit Expiration Date and thereafter on demand. If there is any change in the Applicable Rate during any quarter, the daily maximum amount of each Letter of Credit shall be computed and multiplied by the Applicable Rate separately for each period during such quarter that such Applicable Rate was in effect.

(i) Fronting Fee and Documentary and Processing Charges Payable to L/C Issuers. The relevant Borrower shall pay directly to each L/C Issuer, for its own account, a fronting fee with respect to each Letter of Credit issued by it equal to 0.125% per annum of the daily maximum amount then available to be drawn under such Letter of Credit (determined without regard to whether any conditions to drawing could then be met). Such fronting fees shall be (x) computed on a quarterly basis in arrears and (y) due and payable on the first Business Day after the end of each March, June, September and December, commencing with the first such date to occur after the issuance of such Letter of Credit, on the Letter of Credit Expiration Date and thereafter on demand. In addition, the relevant Borrower shall pay directly to each L/C Issuer for its own account the customary issuance, presentation, amendment and other processing fees, and other standard costs and charges, of such L/C Issuer relating to letters of credit as from time to time in effect. Such customary fees and standard costs and charges are due and payable within ten (10) Business Days of demand and are nonrefundable.

(j) Conflict with Letter of Credit Application. Notwithstanding anything else to the contrary in this Agreement, in the event of any conflict between the terms hereof and the terms of any Letter of Credit Application, the terms hereof shall control.

(k) Addition of an L/C Issuer. A Revolving Credit Lender may become an additional L/C Issuer hereunder pursuant to a written agreement among each Borrower, the Administrative Agent and such Revolving Credit Lender. The Administrative Agent shall notify the Revolving Credit Lenders of any such additional L/C Issuer.

(l) Provisions Related to Extended Revolving Credit Commitments. If the Letter of Credit Expiration Date in respect of any tranche of Revolving Credit Commitments occurs prior to the expiry date of any Letter of Credit, then (i) if consented to by the L/C Issuer which issued such Letter of Credit, if one or more other tranches of Revolving Credit Commitments in respect of which the Letter of Credit Expiration Date shall not have so occurred are then in effect, such Letters of Credit for which consent has been obtained shall automatically be deemed to have been issued (including for purposes of the obligations of the Revolving Credit Lenders to purchase participations therein and to make Revolving Credit Loans and payments in respect thereof pursuant to Sections 2.03(c) and (d)) under (and ratably participated in by Revolving Credit Lenders pursuant to) the Revolving Credit Commitments in respect of such non-terminating tranches up to an aggregate amount not to exceed the aggregate principal amount of the unutilized Revolving Credit Commitments thereunder at such time (it being understood that no partial face amount of any Letter of Credit may be so reallocated) and (ii) to the extent not reallocated pursuant to immediately preceding clause (i) and unless provisions reasonably satisfactory to the applicable L/C Issuer for the treatment of such Letter of Credit as a

letter of credit under a successor credit facility have been agreed upon, the applicable Borrower shall, on or prior to the applicable Maturity Date, cause all such Letters of Credit to be replaced and returned to the applicable L/C Issuer undrawn and marked "cancelled" or to the extent that the applicable Borrower is unable to so replace and return any Letter(s) of Credit, such Letter(s) of Credit shall be secured by a "back to back" letter of credit reasonably satisfactory to the applicable L/C Issuer or the Borrowers shall Cash Collateralize any such Letter of Credit in accordance with Section 2.03(g). Commencing with the Maturity Date of any tranche of Revolving Credit Commitments, the sublimit for Letters of Credit shall be agreed solely with the L/C Issuer.

(m) Reporting of Letter of Credit Information and L/C Commitment. At any time that there is an L/C Issuer that is not also the financial institution acting as Administrative Agent, then (a) on the last Business Day of each calendar month, (b) on each date that a Letter of Credit is amended, terminated or otherwise expires, (c) on each date that a Letter of Credit is issued or the expiry date of a Letter of Credit is extended, and (d) upon the request of the Administrative Agent, each L/C Issuer (or, in the case of clauses (b), (c) or (d) of this Section, the applicable L/C Issuer) shall deliver to the Administrative Agent a report setting forth in form and detail reasonably satisfactory to the Administrative Agent information (including, without limitation, any reimbursement, cash collateral, or termination in respect of Letters of Credit issued by such L/C Issuer) with respect to each Letter of Credit issued by such L/C Issuer that is outstanding hereunder. In addition, each L/C Issuer shall provide notice to the Administrative Agent of its L/C Commitment, or any change thereto, promptly upon it becoming an L/C Issuer or making any change to its L/C Commitment. No failure on the part of any L/C Issuer to provide such information pursuant to this Section 2.03(m) shall limit the obligations of any Borrower or any Revolving Credit Lender hereunder with respect to its reimbursement and participation obligations hereunder.

Section 2.04 Swing Line Loans.

(a) The Swing Line. Subject to the terms and conditions set forth herein, the Swing Line Lender agrees to make loans (each such loan, a "Swing Line Loan") to the Borrowers from time to time on any Business Day from and including the Closing Date until the Maturity Date for the Revolving Credit Facility in an aggregate amount not to exceed at any time outstanding the amount of the Swing Line Sublimit, notwithstanding the fact that such Swing Line Loans, when aggregated with the Pro Rata Share of the Outstanding Amount of Revolving Credit Loans and L/C Obligations of the Lender acting as Swing Line Lender, may exceed the amount of such Lender's Revolving Credit Commitment; provided that (i) after giving effect to any Swing Line Loan, the aggregate Outstanding Amount of the Revolving Credit Loans of any Lender, plus such Lender's Pro Rata Share of the Outstanding Amount of all L/C Obligations, plus such Lender's Pro Rata Share of the Outstanding Amount of all Swing Line Loans shall not exceed such Lender's Revolving Credit Commitment then in effect and (ii) notwithstanding the foregoing, the Swing Line Lender shall not be obligated to make any Swing Line Loans at a time when a Revolving Credit Lender is a Defaulting Lender, unless the Swing Line Lender has entered into arrangements reasonably satisfactory to it and the Borrowers to eliminate the Swing Line Lender's risk with respect to the Defaulting Lender's participation in such Swing Line Loans, including by cash collateralizing such Defaulting Lender's Pro Rata Share of the outstanding amount of Swing Line Loans; provided further that, the Borrowers shall not use the proceeds of any Swing Line Loan to refinance any outstanding Swing Line Loan. Within the foregoing limits, and subject to the other terms and conditions hereof, the Borrowers 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. Swing Line Loans shall only be denominated in Dollars. Immediately upon the making of a Swing Line Loan, each Revolving Credit 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 Pro Rata Share times the amount of such Swing Line Loan.

(b) Borrowing Procedures. Each Swing Line Borrowing shall be made upon the applicable Borrower's irrevocable notice to the Swing Line Lender and the Administrative Agent, which may be given by telephone. Each such notice must be received by the Swing Line Lender and the Administrative Agent not later than 12:00 p.m. on the requested borrowing date, and shall specify (i) the amount to be borrowed, which shall be a minimum of $100,000 or a whole multiple of $100,000 in excess thereof, and (ii) the requested borrowing date, which shall be a Business Day. 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 applicable Borrower. 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 Revolving Credit Lender) prior to 2:00 p.m. on the date of the proposed Swing Line Borrowing (A) directing the Swing Line Lender not to make such Swing Line Loan as a result of the limitations set forth in the proviso to the first sentence of Section 2.04(a), or (B) that one or more of the applicable conditions specified in Section 4.02 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 applicable Borrower.

(c) Refinancing of Swing Line Loans.

(i) The Swing Line Lender at any time in its sole and absolute discretion may request, on behalf of each Borrower (which hereby irrevocably authorizes the Swing Line Lender to so request on its behalf), that each Revolving Credit Lender make a Base Rate Loan in an amount equal to such Lender's Pro Rata Share 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 Committed 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 unutilized portion of the aggregate Revolving Credit Commitments and the conditions set forth in Section 4.02. The Swing Line Lender shall furnish the Borrowers with a copy of the applicable Committed Loan Notice promptly after delivering such notice to the Administrative Agent. Each Revolving Credit Lender shall make an amount equal to its Pro Rata Share of the amount specified in such Committed Loan Notice available to the Administrative Agent in Same Day Funds for the account of the Swing Line Lender at the Administrative Agent's Office not later than 1:00 p.m. on the day specified in such Committed Loan Notice, whereupon, subject to Section 2.04(c)(ii), each Revolving Credit Lender that so makes funds available shall be deemed to have made a Base Rate Loan to the Borrowers 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 Revolving Credit Borrowing 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 Revolving Credit Lenders fund its risk participation in the relevant Swing Line Loan and each Revolving Credit 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 Revolving Credit 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 Federal Funds Rate from time to time in effect. 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 Revolving Credit Lender's obligation to make Revolving Credit 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 which such Lender may have against the Swing Line Lender, any 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 that each Revolving Credit Lender's obligation to make Revolving Credit Loans pursuant to this Section 2.04(c) is subject to the conditions set forth in Section 4.02. No such funding of risk participations shall relieve or otherwise impair the obligation of the Borrowers to repay Swing Line Loans, together with interest as provided herein.

(d) Repayment of Participations.

(i) At any time after any Revolving Credit 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 Pro Rata Share 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 10.06 (including pursuant to any settlement entered into by the Swing Line Lender in its discretion), each Revolving Credit Lender shall pay to the Swing Line Lender its Pro Rata Share 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.

(e) Interest for Account of Swing Line Lender. The Swing Line Lender shall be responsible for invoicing the Borrowers for interest on the Swing Line Loans. Until each Revolving Credit Lender funds its Base Rate Loan or risk participation pursuant to this Section 2.04 to refinance such Lender's Pro Rata Share of any Swing Line Loan, interest in respect of such Pro Rata Share shall be solely for the account of the Swing Line Lender.

(f) Payments Directly to Swing Line Lender. The Borrowers shall make all payments of principal and interest in respect of the Swing Line Loans directly to the Swing Line Lender.

(g) Provisions Related to Extended Revolving Credit Commitments. If the Maturity Date shall have occurred in respect of any tranche of Revolving Credit Commitments (the "Expiring Credit Commitment") at a time when another tranche or tranches of Revolving Credit Commitments is or are in effect with a longer Maturity Date (each a "Non-Expiring Credit Commitment" and collectively, the "Non-Expiring Credit Commitments"), then with respect to each outstanding Swing Line Loan, if consented to by the Swing Line Lender, on the earliest occurring Maturity Date such Swing Line Loan shall be deemed reallocated to the tranche or tranches of the Non-Expiring Credit Commitments on a pro rata basis; provided that (x) to the extent that the amount of such reallocation would cause the aggregate credit exposure to exceed the aggregate amount of such Non-Expiring Credit Commitments, immediately prior to such reallocation (after giving effect to any repayments of Revolving Credit Loans and any reallocation of Letter of Credit participations as contemplated in Section 2.03(l)) the amount of Swing Line Loans to be reallocated equal to such excess shall be repaid and (y) notwithstanding the foregoing, if a Specified Default has occurred and is continuing, the Borrowers shall still be obligated to pay Swing Line Loans allocated to the Revolving Credit Lenders holding the Expiring Credit Commitments at the Maturity Date of the Expiring Credit Commitment or if the Loans have been accelerated prior to the maturity date of the Expiring Credit Commitment. Commencing with the Maturity Date of any tranche of Revolving Credit Commitments, the sublimit for Swing Line Loans shall be agreed solely with the Swing Line Lender.

Section 2.05 Prepayments.

(a) Optional.

(i) Except as otherwise provided below in this Section 2.05(a), the Borrowers may, upon notice from a Borrower to the Administrative Agent, at any time or from time to time voluntarily prepay Term Loans and Revolving Credit Loans in whole or in part without premium or penalty; provided that (1) such notice must be received by the Administrative Agent not later than 12:00 p.m. (A) three (3) Business Days prior to any date of prepayment of Eurocurrency Rate Loans and (B) on the date of prepayment of Base Rate Loans; (2) any prepayment of Eurocurrency Rate Loans shall be in a principal amount of $1,000,000 or a whole multiple of $500,000 in excess thereof; and (3) any prepayment of Base Rate Loans shall be in a principal amount of $500,000 or a whole multiple of $100,000 in excess thereof or, in each case, if less, the entire principal amount thereof then outstanding. Each such notice shall specify the date and amount of such prepayment, the Class(es) and Type(s) of Loans to be prepaid and in the case of a prepayment of Term Loans, the manner in which the Borrowers elect to have such prepayment applied to the remaining repayments thereof; provided that in the event such notice fails to specify the manner in which the respective prepayment of Term Loans shall be applied to repayments thereof required pursuant to Section 2.07(a), such prepayment of Term Loans shall be applied in direct order of maturity to repayments thereof required pursuant to Section 2.07(a). The Administrative Agent will promptly notify each Appropriate Lender of its receipt of each such notice, and of the amount of such Lender's Pro Rata Share of such prepayment. If such notice is given by a Borrower, the Borrowers 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 Eurocurrency Rate Loan shall be accompanied by all accrued interest thereon, together with any additional amounts required pursuant to Section 3.05. Each prepayment of the Loans pursuant to this Section 2.05(a) shall be paid to the Appropriate Lenders in accordance with their respective Pro Rata Shares.

(ii) The Borrowers may, upon notice to the Swing Line Lender (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 (1) such notice must be received by the Swing Line Lender and the Administrative Agent not later than 12:00 p.m. on the date of the prepayment, and (2) 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 amount thereof then outstanding. Each such notice shall specify the date and amount of such prepayment. If such notice is given by a Borrower, the Borrowers shall make such prepayment and the payment amount specified in such notice shall be due and payable on the date specified therein.

(iii) Notwithstanding anything to the contrary contained in this Agreement, the applicable Borrower may rescind any notice of prepayment under Section 2.05(a)(i) or 2.05(a)(ii) if such prepayment would have resulted from a refinancing in total of a Facility, which refinancing shall not be consummated or shall otherwise be delayed.

(b) Mandatory.

(i) Within five (5) Business Days after financial statements have been delivered pursuant to Section 6.01(a) and the related Compliance Certificate has been delivered pursuant to Section 6.02(b), the Borrowers shall cause to be prepaid Term Loans in an aggregate principal amount equal to (A) 50% of Excess Cash Flow, if any, for the fiscal year covered by such financial statements (commencing with the fiscal year ending December 30, 2018) minus (B) the sum of (without duplication) (1) all voluntary prepayments of Term Loans during such fiscal year (excluding any voluntary prepayments of Term Loans made during such fiscal year that reduced the amount required to be prepaid pursuant to this Section 2.05(b)(i) in the prior fiscal year) or after year-end and prior to when such Excess Cash Flow prepayment is due and (2) all voluntary prepayments of Revolving Credit Loans during such fiscal year (excluding any voluntary prepayments of Revolving Credit Loans made during such fiscal year that reduced the amount required to be prepaid pursuant to this Section 2.05(b)(i) in the prior fiscal year) or after year-end and prior to when such Excess Cash Flow prepayment is due to the extent the Revolving Credit Commitments are permanently reduced by the amount of such payments, but in the case of each of the immediately preceding clauses (1) and (2), to the extent such prepayments are funded with Internally Generated Cash; provided that no payment of any Term Loans shall be required under this Section 2.05(b)(i) if the Consolidated Senior Secured Net Leverage Ratio as of the last day of the fiscal year covered by such financial statements was less than or equal to 3.50:1.00.

(ii) (A) If (x) the Company or any Subsidiary Disposes of any property or assets (other than any Disposition of any property or assets permitted by Section 7.05(a), (b), (c), (d) (to the extent constituting a Disposition by any Subsidiary to a Loan Party), (e), (g), (h), (i), (j), (l), (n), (o) or (p)) or (y) any Casualty Event occurs, which in the aggregate results in the realization or receipt by the Company or such Subsidiary of Net Cash Proceeds, the Borrowers shall cause to be prepaid on or prior to the date which is ten (10) Business Days after the date of the realization or receipt of such Net Cash Proceeds, Term Loans in an aggregate principal amount equal to 100% of all Net Cash Proceeds received; provided that, if at the time that any such prepayment would be required, any Borrower is required to offer to repurchase Permitted Pari Passu Secured Refinancing Debt (or any Indebtedness pursuant to a Permitted Refinancing in respect thereof that is secured on a *pari passu* basis with the Obligations) pursuant to the terms of the documentation governing such Indebtedness with

such Net Cash Proceeds, (such Permitted Pari Passu Secured Refinancing Debt (or any Indebtedness pursuant to a Permitted Refinancing in respect thereof) required to be offered to be so repurchased, "Other Applicable Indebtedness"), then the Borrowers may apply such Net Cash Proceeds on a pro rata basis (determined on the basis of the aggregate outstanding principal amount of the Term Loans and Other Applicable Indebtedness at such time; provided, further that the portion of such net proceeds allocated to the Other Applicable Indebtedness shall not exceed the amount of such net proceeds required to be allocated to the Other Applicable Indebtedness pursuant to the terms thereof, and the remaining amount, if any, of such net proceeds shall be allocated to the Term Loans in accordance with the terms hereof) to the prepayment of the Term Loans and to the repurchase or prepayment of Other Applicable Indebtedness, and the amount of prepayment of the Term Loans that would have otherwise been required pursuant to this Section 2.05(b)(ii)(A) shall be reduced accordingly; provided, further, that to the extent the holders of Other Applicable Indebtedness decline to have such Indebtedness repurchased or prepaid, the declined amount shall promptly (and in any event within ten (10) Business Days after the date of such rejection) be applied to prepay the Term Loans in accordance with the terms hereof; provided, further that no such prepayment shall be required pursuant to this Section 2.05(b)(ii) with respect to such portion of such Net Cash Proceeds that such Borrower shall have, on or prior to such date, given written notice to the Administrative Agent of its intent to reinvest in accordance with Section 2.05(b)(ii)(B) but only so long as such Borrower is not otherwise required to pay (or make an offer to pay) any Other Applicable Indebtedness with such Net Cash Proceeds (which notice may only be provided if no Event of Default has occurred and is then continuing); provided, further that no payment of any Term Loans shall be required under this Section 2.05(b)(ii) if, on the date of such Disposition, the Consolidated Senior Secured Net Leverage Ratio is less than 3.50:1.00 as of the last day of the Test Period most recently ended for which financial statements have been delivered to the Lenders under Section 6.01(a) and (b), after giving effect to any such Disposition on a Pro Forma Basis;

(B) With respect to any Net Cash Proceeds realized or received with respect to any Disposition (other than any Disposition specifically excluded from the application of Section 2.05(b)(ii)(A)) or any Casualty Event, at the option of the applicable Borrower, such Borrower may reinvest all or any portion of such Net Cash Proceeds in assets useful for its business or its Subsidiaries within (x) twelve (12) months following receipt of such Net Cash Proceeds or (y) if such Borrower enters into a legally binding commitment to reinvest such Net Cash Proceeds within twelve (12) months following receipt thereof, within the later of (a) one hundred and eighty (180) days following the date of such legally binding commitment and (b) twelve (12) months following receipt of such Net Cash Proceeds; provided that (i) so long as an Event of Default shall have occurred and be continuing, such Borrower (x) shall not be permitted to make any such reinvestments (other than pursuant to a legally binding commitment that such Borrower entered into at a time when no Event of Default is continuing) and (y) shall not be required to apply such Net Cash Proceeds which have been previously applied to prepay Revolving Credit Loans to the prepayment of Term Loans until such time as the relevant investment period has expired and no Event of Default is continuing and (ii) if any Net Cash Proceeds are no longer intended to be or cannot be so reinvested (whether because the applicable reinvestment period has expired or otherwise) at any time after delivery of a notice of reinvestment election, an amount equal to any such Net Cash Proceeds shall be applied within five (5) Business Days after such Borrower reasonably determines

that such Net Cash Proceeds are no longer intended to be or cannot be so reinvested to the prepayment of the Term Loans as set forth in this Section 2.05.

(iii) If the Company or any Subsidiary incurs or issues any Indebtedness (A) not expressly permitted to be incurred or issued pursuant to any clause of Section 7.03 or (B) that constitute Credit Agreement Refinancing Indebtedness, the Borrowers shall cause to be prepaid Term Loans in an aggregate principal amount equal to 100% of all Net Cash Proceeds received therefrom on or prior to the date which is five (5) Business Days after the receipt of such Net Cash Proceeds.

(iv) If for any reason the aggregate Revolving Credit Exposures at any time exceeds the aggregate Revolving Credit Commitments then in effect, the Borrowers shall promptly prepay or cause to be promptly prepaid Revolving Credit Loans and Swing Line Loans and/or Cash Collateralize the L/C Obligations in an aggregate amount equal to such excess; provided that the Borrowers shall not be required to Cash Collateralize the L/C Obligations pursuant to this Section 2.05(b)(iv) unless after the prepayment in full of the Revolving Credit Loans and Swing Line Loans, such aggregate Outstanding Amount exceeds the aggregate Revolving Credit Commitments then in effect.

(v) Each prepayment of Term Loans pursuant to this Section 2.05(b) shall be applied ratably between the Initial Term Loans and (unless otherwise agreed by the applicable Incremental Lenders) any Incremental Term Loans to reduce in direct order of maturity the remaining scheduled principal installments of the Initial Term Loans (and, as determined by the Borrowers and the applicable Incremental Lenders, to reduce the remaining scheduled principal installments of any Incremental Term Loans) required pursuant to Section 2.07(a), and shall be paid to the Appropriate Lenders in accordance with their respective Pro Rata Shares. Any prepayment of a Eurocurrency Rate Loan pursuant to this Section 2.05(b) shall be accompanied by all accrued interest thereon.

(vi) Notwithstanding any other provisions of this Section 2.05, (i) to the extent that any of or all the Net Cash Proceeds of any Disposition by a Foreign Subsidiary ("Foreign Disposition"), the Net Cash Proceeds of any Casualty Event from a Foreign Subsidiary (a "Foreign Casualty Event") or Excess Cash Flow attributable to Foreign Subsidiaries are prohibited or delayed by applicable local law from being repatriated to the United States, the portion of such Net Cash Proceeds or Excess Cash Flow so affected will not be required to be applied to repay Term Loans at the times provided in this Section 2.05(b) but may be retained by the applicable Foreign Subsidiary so long, but only so long, as the applicable local law will not permit repatriation to the United States (each Borrower hereby agreeing to use commercially reasonable efforts to cause the applicable Foreign Subsidiary to promptly take all actions reasonably required by the applicable local law to permit such repatriation), and once such repatriation of any of such affected Net Cash Proceeds or Excess Cash Flow is permitted under the applicable local law, such repatriation will be promptly effected and an amount equal to such repatriated Net Cash Proceeds or Excess Cash Flow will be promptly (and in any event not later than two (2) Business Days after such repatriation) applied (net of additional taxes payable or reserved against as a result thereof) to the repayment of the Term Loans pursuant to this Section 2.05(b) to the extent provided herein and (ii) to the extent that the Borrowers have determined in good faith that repatriation of any of or all the Net Cash Proceeds of any Foreign Disposition or any Foreign Casualty Event or Excess Cash Flow attributable to Foreign Subsidiaries would have material adverse tax consequences with respect to such Net Cash Proceeds or Excess Cash Flow, such Net Cash Proceeds or Excess Cash

Flow so affected will not be required to be applied to repay Term Loans at the times provided in this Section 2.05(b) but may be retained by the applicable Foreign Subsidiary until such time as it may repatriate such amount without incurring such material adverse tax consequences (at which time such amount shall be repatriated to the Borrowers and applied to repay the Term Loans).

(c) Funding Losses, Etc. All prepayments under this Section 2.05 shall be made together with, in the case of any such prepayment of a Eurocurrency Rate Loan on a date prior to the last day of an Interest Period therefor, any amounts owing in respect of such Eurocurrency Rate Loan pursuant to Section 3.05. Notwithstanding any of the other provisions of Section 2.05(b), so long as no Event of Default shall have occurred and be continuing, if any prepayment of Eurocurrency Rate Loans is required to be made under Section 2.05(b) (but excluding prepayments required under clause (iv) of Section 2.05(b)), prior to the last day of the Interest Period therefor, in lieu of making any payment pursuant to Section 2.05(b) in respect of any such Eurocurrency Rate Loan prior to the last day of the Interest Period therefor, the Borrowers may, in their sole discretion, deposit the amount of any such prepayment otherwise required to be made thereunder into a Cash Collateral Account until the last day of such Interest Period, at which time the Administrative Agent shall be authorized (without any further action by or notice to or from any Borrower or any other Loan Party) to apply such amount to the prepayment of such Loans in accordance with Section 2.05(b). Upon the occurrence and during the continuance of any Event of Default, the Administrative Agent shall also be authorized (without any further action by or notice to or from any Borrower or any other Loan Party) to apply such amount to the prepayment of the outstanding Loans in accordance with Section 2.05(b) and the Borrowers shall be responsible for any amounts owing in respect of any Eurocurrency Rate Loan pursuant to Section 3.05.

Section 2.06 Termination or Reduction of Commitments.

(a) Optional. The Company may, upon written notice to the Administrative Agent, terminate the unused Commitments of any Class, or from time to time permanently reduce the unused Commitments of any Class; provided that (i) any such notice shall be received by the Administrative Agent at least three (3) Business Days prior to the date of termination or reduction, (ii) any such partial reduction shall be in an aggregate amount of $500,000 or any whole multiple of $100,000 in excess thereof and (iii) if, after giving effect to any reduction of the Revolving Credit Commitments, the Letter of Credit Sublimit or the Swing Line Sublimit exceeds the amount of the Revolving Credit Facility, such sublimit shall be automatically reduced by the amount of such excess. The amount of any such Revolving Credit Commitment reduction shall not be applied to the Letter of Credit Sublimit or the Swing Line Sublimit unless otherwise specified by the Company or as otherwise provided in the immediately preceding sentence. Notwithstanding the foregoing, the Company may rescind or postpone any notice of termination of the Commitments if such termination would have resulted from a refinancing in total of a Facility, which refinancing shall not be consummated or otherwise shall be delayed.

(b) Mandatory. The Term Commitment of each Term Lender shall be automatically and permanently reduced to $0 upon the making of such Term Lender's Term Loans pursuant to Section 2.01(a). The Revolving Credit Commitment of each Revolving Credit Lender shall automatically and permanently terminate on the Maturity Date for the Revolving Credit Facility; provided that (x) the foregoing shall not release any Revolving Credit Lender from any liability it may have for its failure to fund Revolving Credit Loans, L/C Advances or participations in Swing Line Loans that were required to be funded by it on or prior to such Maturity Date and (y) the foregoing will not release any Revolving

Credit Lender from any obligation to fund its portion of L/C Advances or participations in Swing Line Loans with respect to Letters of Credit issued or Swing Line Loans made prior to such Maturity Date

(c) Application of Commitment Reductions; Payment of Fees. The Administrative Agent will promptly notify the Lenders of any termination or reduction of unused portions of the Letter of Credit Sublimit, the Swing Line Sublimit or the unused Commitments of any Class under this Section 2.06. Upon any reduction of unused Commitments of any Class, the Commitment of each Lender of such Class shall be reduced by such Lender's Pro Rata Share of the amount by which such Commitments are reduced (other than the termination of the Commitment of any Lender as provided in Section 3.07). All commitment fees accrued until the effective date of any termination of the Aggregate Commitments shall be paid on the effective date of such termination.

Section 2.07 Repayment of Loans

(a) Term Loan.

(i) The Borrowers shall repay to the Administrative Agent for the ratable account of the Term Lenders (A) in consecutive quarterly installments on the last day of each fiscal quarter of the Company, commencing with April 1, 2018, the aggregate outstanding principal amount of the Term Loan as set forth below (which payments shall be reduced as a result of the application of prepayments in accordance with the order of priority set forth in Section 2.05):

FISCAL YEAR	**PAYMENT DATE**	**PRINCIPAL INSTALLMENT ($)**
2018	April 1, 2018	$6,250,000
	July 1, 2018	$6,250,000
	September 30, 2018	$6,250,000
	December 30, 2018	$6,250,000
2019	March 31, 2019	$6,250,000
	June 30, 2019	$6,250,000
	September 29, 2019	$6,250,000
	December 29, 2019	$6,250,000
2020	March 29, 2020	$6,250,000
	June 28, 2020	$6,250,000
	September 27, 2020	$6,250,000
	December 27, 2020	$6,250,000
2021	March 28, 2021	$9,375,000
	June 27, 2021	$9,375,000
	September 26, 2021	$9,375,000
	December 26, 2021	$9,375,000
2022	March 27, 2022	$12,500,000
	June 26, 2022	$12,500,000
	September 25, 2022	$12,500,000
	Maturity Date for Term Loans	The aggregate outstanding principal amount of all Term Loans

and (B) on the Maturity Date for the Term Loans, the aggregate principal amount of all Term Loans outstanding on such date.

(ii) The amount of any such payment set forth in clause (i) above shall be adjusted to account for the addition of any Incremental Term Loans, Extended Term Loans or Other Term Loans to contemplate (A) the reduction in the aggregate principal amount of any Term Loans that were paid down in connection with the incurrence of such Incremental Term Loans, Extended Term Loans or Other Term Loans, and (B) any increase to payments to the extent and as required pursuant to the terms of any applicable Incremental Amendment, Extension Amendment or Refinancing Amendment.

(b) Revolving Credit Loans. The Borrowers shall repay to the Administrative Agent for the ratable account of the Appropriate Lenders on the Maturity Date for the Revolving Credit Facility the aggregate principal amount of all of their Revolving Credit Loans outstanding on such date.

(c) Swing Line Loans. The Borrowers shall repay their Swing Line Loans on the earlier to occur of (i) the date five (5) Business Days after such Swing Line Loan is made and (ii) the Maturity Date for the Revolving Credit Facility.

Section 2.08 Interest. (a) Subject to the provisions of Section 2.08(b), (i) each Eurocurrency Rate Loan shall bear interest on the outstanding principal amount thereof for each Interest Period at a rate per annum equal to the Eurocurrency Rate for such Interest Period plus the Applicable Rate; (ii) 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; and (iii) 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 for Revolving Credit Loans.

(b) The Borrowers shall pay interest on past due amounts hereunder at a fluctuating interest rate per annum at all times equal to the Default Rate to the fullest extent permitted by applicable Laws. 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) All computations of interest hereunder shall be made in accordance with Section 2.10.

Section 2.09 Fees. In addition to certain fees described in Sections 2.03(h) and (i):

(a) Commitment Fee. The Borrowers shall pay to the Administrative Agent for the account of each Revolving Credit Lender in accordance with its Pro Rata Share, a commitment fee equal to the Applicable Rate with respect to commitment fees times the actual daily amount by which the aggregate Revolving Credit Commitment exceeds the sum of (A) Outstanding Amount of Revolving Credit Loans (for the avoidance of doubt, excluding any Swing Line Loans) and (B) the Outstanding Amount of L/C Obligations; provided that any commitment fee accrued with respect to any of the Revolving Credit Commitments 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 Borrowers so long as such Lender shall be a Defaulting Lender except to the extent that such commitment fee shall otherwise have been due and payable by the Borrowers prior to such time; and provided, further,

that no commitment fee shall accrue on any of the Revolving Credit Commitments of a Defaulting Lender so long as such Lender shall be a Defaulting Lender. The commitment fee shall accrue at all times from the Closing Date until the Maturity Date for the Revolving Credit Facility, including at any time during which one or more of the conditions in Article IV 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 for the Revolving Credit Facility. The commitment fee shall be calculated quarterly in arrears, and if there is any change in the Applicable Rate during any quarter, the actual daily amount shall be computed and multiplied by the Applicable Rate separately for each period during such quarter that such Applicable Rate was in effect.

(b) Other Fees. The Borrower shall pay to the Agents 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 expressly agreed between the Borrowers and the applicable Agent).

Section 2.10 Computation of Interest and Fees. All computations of interest for Base Rate Loans when the Base Rate is determined by the Administrative Agent's "prime rate" shall be made on the basis of a year of three hundred and sixty-five (365) days (or three hundred and sixty six (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 three hundred and sixty (360) day year and actual days elapsed. 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 (1) day. In computing interest on any Loan, the first day of an Interest Period applicable to such Loan or, with respect to a Base Rate Loan being converted from a Eurocurrency Rate Loan, the date of conversion of such Eurocurrency Rate Loan to such Base Rate Loan, as the case may be, shall be included, and the expiration date of an Interest Period applicable to such Loan or, with respect to a Base Rate Loan being converted to a Eurocurrency Rate Loan, the date of conversion of such Base Rate Loan to such Eurocurrency Rate Loan, as the case may be, shall be excluded. Each determination by the Administrative Agent of an interest rate or fee hereunder shall be conclusive and binding for all purposes, absent manifest error.

Section 2.11 Evidence of Indebtedness. (a) The Credit Extensions made by each Lender shall be evidenced by one or more accounts or records maintained by such Lender and evidenced by one or more entries in the Register maintained by the Administrative Agent, acting solely for purposes of Treasury Regulation Section 5f.103-1(c), as agent for each Borrower, in each case in the ordinary course of business. The accounts or records maintained by the Administrative Agent and each Lender shall be *prima facie* evidence absent manifest error of the amount of the Credit Extensions made by the Lenders to the Borrowers 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 each 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 Note payable to such Lender, which shall evidence such Lender's Loans in addition to such accounts or records. Each Lender may attach schedules to its Note and endorse thereon the date, Type (if applicable), amount and maturity of its Loans and payments with respect thereto.

(b) In addition to the accounts and records referred to in Section 2.11(a), each Lender and the Administrative Agent shall maintain in accordance with its usual practice accounts or records and, in the case

of the Administrative Agent, entries in the Register in accordance with the provisions of Section 10.07(d), evidencing the purchases and sales by such 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 in the Register and the accounts and records of any Lender in respect of such matters, the Register shall control in the absence of manifest error.

(c) Entries made in good faith by the Administrative Agent in the Register, and by each Lender in its account or accounts pursuant to Sections 2.11(a) and (b), shall be *prima facie* evidence of the amount of principal and interest due and payable or to become due and payable from the Borrowers to, in the case of the Register, each Lender and, in the case of such account or accounts, such Lender, under this Agreement and the other Loan Documents, absent manifest error; provided that the failure of the Administrative Agent or such Lender to make an entry, or any finding that an entry is incorrect, in the Register or such account or accounts shall not limit or otherwise affect the obligations of the Borrowers under this Agreement and the other Loan Documents.

Section 2.12 Payments Generally. (a) All payments to be made by the Borrowers shall be made without condition or deduction for any counterclaim, defense, recoupment or setoff. Except as otherwise expressly provided herein, 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 applicable Administrative Agent's Office in Dollars and in Same Day Funds not later than 2:00 p.m. on the date specified herein. The Administrative Agent will promptly distribute to each Lender its Pro Rata Share (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 after 2:00
p.m. shall in each case be deemed received on the next succeeding Business Day and any applicable interest or fee shall continue to accrue.

(b) If any payment to be made by the Borrowers 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; provided that, if such extension would cause payment of interest on or principal of Eurocurrency Rate Loans to be made in the next succeeding calendar month, such payment shall be made on the immediately preceding Business Day.

(c) Unless the Company or any Lender has notified the Administrative Agent, prior to the date any payment is required to be made by it to the Administrative Agent hereunder, that the Borrowers or such Lender, as the case may be, will not make such payment, the Administrative Agent may assume that the Borrowers or such Lender, as the case may be, has timely made such payment and may (but shall not be so required to), in reliance thereon, make available a corresponding amount to the Person entitled thereto. If and to the extent that such payment was not in fact made to the Administrative Agent in Same Day Funds, then:

(i) if the Borrowers failed to make such payment, each Lender shall forthwith on demand repay to the Administrative Agent the portion of such assumed payment that was made available to such Lender in Same Day Funds, together with interest thereon in respect of each day from and including the date such amount was made available by the Administrative Agent to such Lender to the date such amount is repaid to the Administrative Agent in Same Day Funds at the Federal Funds Rate from time to time in effect; and

(ii) if any Lender failed to make such payment, such Lender shall forthwith on demand pay to the Administrative Agent the amount thereof in Same Day Funds, together with interest thereon for the period from the date such amount was made available by the Administrative Agent to the Borrowers to the date such amount is recovered by the Administrative Agent (the "Compensation Period") at a rate per annum equal to the applicable

Federal Funds Rate from time to time in effect. When such Lender makes payment to the Administrative Agent (together with all accrued interest thereon), then such payment amount (excluding the amount of any interest which may have accrued and been paid in respect of such late payment) shall constitute such Lender's Loan included in the applicable Borrowing. If such Lender does not pay such amount forthwith upon the Administrative Agent's demand therefor, the Administrative Agent may make a demand therefor upon the Borrowers, and the Borrowers shall pay such amount to the Administrative Agent, together with interest thereon for the Compensation Period at a rate per annum equal to the rate of interest applicable to the applicable Borrowing. Nothing herein shall be deemed to relieve any Lender from its obligation to fulfill its Commitment or to prejudice any rights which the Administrative Agent or any Borrower may have against any Lender as a result of any default by such Lender hereunder.

A notice of the Administrative Agent to any Lender or any Borrower with respect to any amount owing under this Section 2.12(c) shall be conclusive, absent manifest error.

(d) 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 Borrowers by the Administrative Agent because the conditions to the applicable Credit Extension set forth in Article IV are not satisfied or waived in accordance with the terms hereof, the Administrative Agent shall promptly return such funds (in like funds as received from such Lender) to such Lender, without interest.

(e) The obligations of the Lenders hereunder to make Loans and to fund participations in Letters of Credit and Swing Line Loans are several and not joint. The failure of any Lender to make any Loan or to fund any such participation 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 or purchase its participation.

(f) 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.

(g) Whenever any payment received by the Administrative Agent under this Agreement or any of the other Loan Documents is insufficient to pay in full all amounts due and payable to the Administrative Agent and the Lenders under or in respect of this Agreement and the other Loan Documents on any date, such payment shall be distributed by the Administrative Agent and applied by the Administrative Agent and the Lenders in the order of priority set forth in Section 8.04. If the Administrative Agent receives funds for application to the Obligations of the Loan Parties under or in respect of the Loan Documents under circumstances for which the Loan Documents do not specify the manner in which such funds are to be applied, the Administrative Agent may, but shall not be obligated to, elect to distribute such funds to each of the Lenders in accordance with such Lender's Pro Rata Share of the sum of (a) the Outstanding Amount of all Loans outstanding at such time and (b) the Outstanding Amount of all L/C Obligations outstanding at such time, in repayment or prepayment of such of the outstanding Loans or other Obligations then owing to such Lender.

(h) The Borrowers shall be jointly and severally liable for the Obligations. The obligations of each Borrower hereunder are independent of the obligations of any other Borrower and a separate action or actions may be brought and prosecuted against each Borrower whether or not action is brought against any other Borrower and whether or not any other Borrower be joined in any such action or actions. The Administrative Agent and the other Secured Parties may in accordance with the terms of the Loan Documents, at their election, exercise any right or remedy available to them against any Borrower, without affecting or impairing in any way the liability of any other Borrower hereunder except to the extent the Obligations have been indefeasibly paid in full in cash. To the fullest extent permitted by applicable Law, each Borrower waives any defense arising out of any such election even though such election operates, pursuant to applicable Law, to impair or to extinguish any right of reimbursement or subrogation or other right or remedy of such Borrower against the other Borrower.

Section 2.13 Sharing of Payments. If, other than as expressly provided elsewhere herein, any Lender shall obtain on account of the Loans made by it, or the participations in L/C Obligations and Swing Line Loans held by it, any payment (whether voluntary, involuntary, through the exercise of any right of setoff, or otherwise) in excess of its ratable share (or other share contemplated hereunder) thereof, such Lender shall immediately (a) notify the Administrative Agent of such fact, and (b) purchase from the other Lenders such participations in the Loans made by them and/or such subparticipations in the participations in L/C Obligations or Swing Line Loans held by them, as the case may be, as shall be necessary to cause such purchasing Lender to share the excess payment in respect of such Loans or such participations, as the case may be, pro rata with each of them; provided that if all or any portion of such excess payment is thereafter recovered from the purchasing Lender under any of the circumstances described in Section 10.06 (including pursuant to any settlement entered into by the purchasing Lender in its discretion), such purchase shall to that extent be rescinded and each other Lender shall repay to the purchasing Lender the purchase price paid therefor, together with an amount equal to such paying Lender's ratable share (according to the proportion of (i) the amount of such paying Lender's required repayment to (ii) the total amount so recovered from the purchasing Lender) of any interest or other amount paid or payable by the purchasing Lender in respect of the total amount so recovered, without further interest thereon. For the avoidance of doubt, the provisions of this paragraph shall not be construed to apply to (A) any payment made by the Borrowers pursuant to and in accordance with the express terms of this Agreement as in effect from time to time (including the application of funds arising from the existence of a Defaulting Lender) or (B) any payment obtained by a Lender as consideration for the assignment of or sale of a participation in any of its Loans to any assignee or participant permitted hereunder. The Borrowers agree that any Lender so purchasing a participation from another Lender may, to the fullest extent permitted by applicable Law, exercise all its rights of payment (including the right of setoff, but subject to Section 10.09) with respect to such participation as fully as if such Lender were the direct creditor of the Borrowers in the amount of such participation. The Administrative Agent will keep records (which shall be conclusive and binding in the absence of manifest error) of participations purchased under this Section 2.13 and will in each case notify the Lenders following any such purchases or repayments. Each Lender that purchases a participation pursuant to this Section 2.13 shall from and after such purchase have the right to give all notices, requests, demands, directions and other communications under this Agreement with respect to the portion of the Obligations purchased to the same extent as though the purchasing Lender were the original owner of the Obligations purchased.

Section 2.14 Extension of Term Loans; Extension of Revolving Credit Loans.

(a) Extension of Term Loans. The Borrowers may at any time and from time to time request that all or a portion of the Term Loans of a given Class (each, an "Existing Term Loan Tranche") be amended to extend the scheduled Maturity Date(s) with respect to all or a portion of any principal amount of such Term Loans (any such Term Loans which have been so amended, "Extended Term Loans" and the Term

Commitments relating thereto, the "Extended Term Loan Commitments") and to provide for other terms consistent with this Section 2.14. In order to establish any Extended Term Loans, the Company shall provide a notice to the Administrative Agent (who shall provide a copy of such notice to each of the Lenders under the applicable Existing Term Loan Tranche) (each, a "Term Loan Extension Request") setting forth the proposed terms of the Extended Term Loans to be established, which shall (x) be identical as offered to each Lender under such Existing Term Loan Tranche (including as to the proposed interest rates and fees payable, but excluding any arrangement, structuring or other fees payable in connection therewith that are not generally shared with all relevant Lenders) and offered pro rata to each Lender under such Existing Term Loan Tranche and (y) be identical to the Term Loans under the Existing Term Loan Tranche from which such Extended Term Loans are intended to be amended, except that: (i) all or any of the scheduled amortization payments of principal of the Extended Term Loans may be delayed to later dates than the scheduled amortization payments of principal of the Term Loans of such Existing Term Loan Tranche, to the extent provided in the applicable Extension Amendment; provided, however, that at no time shall there be Classes of Term Loans hereunder (including Other Term Loans, Incremental Term Loans and Extended Term Loans) which have more than three (3) different Maturity Dates (unless otherwise consented to by the Administrative Agent); (ii) the All-In Yield with respect to the Extended Term Loans (whether in the form of interest rate margin, upfront fees, original issue discount or otherwise) may be different from the All-In Yield for the Term Loans of such Existing Term Loan Tranche, in each case, to the extent provided in the applicable Extension Amendment; (iii) the Extension Amendment may provide for other covenants and terms that apply solely to any period after the Latest Maturity Date that is in effect on the effective date of the Extension Amendment (immediately prior to the establishment of such Extended Term Loans); and (iv) Extended Term Loans may have call protection as may be agreed by the Borrowers and the Lenders thereof; provided that no Extended Term Loans may be optionally prepaid prior to the date on which all Term Loans with an earlier final stated maturity (including Term Loans under the Existing Term Loan Tranche from which they were amended) are repaid in full, unless such optional prepayment of principal is accompanied by a pro rata optional prepayment of such other Term Loans; provided, however, that (A) no Default shall have occurred and be continuing at the time a Term Loan Extension Request is delivered to Lenders, (B) in no event shall the Maturity Date of any Extended Term Loans of a given Term Loan Extension Series at the time of establishment thereof be earlier than the then Latest Maturity Date of any other Term Loans hereunder, (C) the Weighted Average Life to Maturity of any Extended Term Loans of a given Term Loan Extension Series at the time of establishment thereof shall be no shorter than the remaining Weighted Average Life to Maturity of any Existing Term Loan Tranche (as originally in effect prior to any amortization or prepayments thereto), (D) any such Extended Term Loans (and the Liens securing the same) shall be permitted by the terms of the First Lien Intercreditor Agreement (to the extent any First Lien Intercreditor Agreement is then in effect), (E) all documentation in respect of such Extension Amendment shall be consistent with the foregoing and (F) any Extended Term Loans may participate on a pro rata basis or less than a pro rata basis (but not greater than a pro rata basis) in any voluntary or mandatory repayments or prepayments of principal hereunder, in each case as specified in the respective Term Loan Extension Request. Any Extended Term Loans amended pursuant to any Term Loan Extension Request shall be designated a series (each, a "Term Loan Extension Series") of Extended Term Loans for all purposes of this Agreement; provided that any Extended Term Loans amended from an Existing Term Loan Tranche may, to the extent provided in the applicable Extension Amendment, be designated as an increase in any previously established Term Loan Extension Series with respect to such Existing Term Loan Tranche (in which case scheduled amortization with respect thereto shall be proportionately increased). Each request for a Term Loan Extension Series of Extended Term Loans proposed to be incurred under this Section 2.14 shall be in an aggregate principal amount that is not less than $25,000,000 (it being understood that the actual principal amount thereof provided by the applicable Lenders may be lower than such minimum amount).

(b) Extension of Revolving Credit Commitments. The Borrowers may, at any time and from time to time request that all or a portion of the Revolving Credit Commitments (and related Revolving Credit Loans and other related extensions of credit) of a given Class (each, an "Existing Revolver Tranche") be amended

to extend the scheduled Maturity Date(s) with respect to all or a portion of such Revolving Credit Commitments (any such Revolving Credit Commitments which have been so amended, "Extended Revolving Credit Commitments" and the revolving loans thereunder, "Extended Revolving Credit Loans") and to provide for other terms consistent with this Section 2.14. In order to establish any Extended Revolving Credit Commitments, the Company shall provide a notice to the Administrative Agent (who shall provide a copy of such notice to each of the Lenders under the applicable Existing Revolver Tranche) (each, a "Revolver Extension Request") setting forth the proposed terms of the Extended Revolving Credit Commitments to be established, which shall (x) be identical as offered to each Lender under such Existing Revolver Tranche (including as to the proposed interest rates and fees payable, but excluding any arrangement, structuring or other fees payable in connection therewith that are not generally shared with all relevant Lenders) and offered pro rata to each Lender under such Existing Revolver Tranche and (y) be identical to the Revolving Credit Commitments under the Existing Revolver Tranche from which such Extended Revolving Credit Commitments are to be amended, except that: (i) the Maturity Date of the Extended Revolving Credit Commitments may be delayed to a later date than the Maturity Date of the Revolving Credit Commitments of such Existing Revolver Tranche, to the extent provided in the applicable Extension Amendment; provided, however, that at no time shall there be Classes of Revolving Credit Commitments hereunder (including Other Revolving Credit Commitments and Extended Revolving Credit Commitments) which have more than three (3) different Maturity Dates (unless otherwise consented to by the Administrative Agent); (ii) the All-In Yield with respect to extensions of credit under the Extended Revolving Credit Commitments (whether in the form of interest rate margin, upfront fees or otherwise) may be different than the All-In Yield for extensions of credit under the Revolving Credit Commitments of such Existing Revolver Tranche, in each case, to the extent provided in the applicable Extension Amendment; (iii) the Extension Amendment may provide for other covenants and terms that apply solely to any period after the Latest Maturity Date that is in effect on the effective date of the Extension Amendment (immediately prior to the establishment of such Extended Revolving Credit Commitments); and (iv) all borrowings under the applicable Revolving Credit Commitments (i.e., the Existing Revolver Tranche and the Extended Revolving Credit Commitments of the applicable Revolver Extension Series) and repayments and commitment reductions thereunder shall be made on a pro rata basis (except for (I) payments of interest and fees at different rates on Extended Revolving Credit Commitments (and related outstandings) and (II) repayments and commitment reductions required upon the Maturity Date of the non-extending Revolving Credit Commitments) and all Swing Line Loans and Letters of Credit shall be participated on a pro rata basis by all Lenders with Revolving Credit Commitments (subject to the provisions of Sections 2.03(l) and 2.04(g)); provided, further, that (A) no Default shall have occurred and be continuing at the time a Revolver Extension Request is delivered to Lenders, (B) in no event shall the Maturity Date of any Extended Revolving Credit Commitments of a given Revolver Extension Series at the time of establishment thereof be earlier than the then Latest Maturity Date of any other Revolving Credit Commitments hereunder, (C) any such Extended Revolving Credit Commitments (and the Liens securing the same) shall be permitted by the terms of the First Lien Intercreditor Agreement (to the extent any First Lien Intercreditor Agreement is then in effect) and (D) all documentation in respect of such Extension Amendment shall be consistent with the foregoing. Any Extended Revolving Credit Commitments amended pursuant to any Revolver Extension Request shall be designated a series (each, a "Revolver Extension Series") of Extended Revolving Credit Commitments for all purposes of this Agreement; provided that any Extended Revolving Credit Commitments amended from an Existing Revolver Tranche may, to the extent provided in the applicable Extension Amendment, be designated as an increase in any previously established Revolver Extension Series with respect to such Existing Revolver Tranche. Each Revolver Extension Series of Extended Revolving Credit Commitments incurred under this Section 2.14 shall be in an aggregate amount that is not less than $25,000,000.

(c) Extension Request. The Company shall provide the applicable Extension Request at least five (5) Business Days prior to the date on which Lenders under the Existing Term Loan Tranche or Existing Revolver Tranche, as applicable, are requested to respond, and shall agree to such procedures, if any, as may be established by, or acceptable to, the Administrative Agent, in each case acting reasonably to accomplish

the purposes of this Section 2.14. No Lender shall have any obligation to agree to have any of its Term Loans of any Existing Term Loan Tranche amended into Extended Term Loans or any of its Revolving Credit Commitments amended into Extended Revolving Credit Commitments, as applicable, pursuant to any Extension Request. Any Lender holding a Loan under an Existing Term Loan Tranche wishing to have all or a portion of its Term Loans under the Existing Term Loan Tranche subject to such Extension Request amended into Extended Term Loans (each, an "Extending Term Lender") and any Revolving Credit Lender wishing to have all or a portion of its Revolving Credit Commitments under the Existing Revolver Tranche subject to such Extension Request amended into Extended Revolving Credit Commitments (each, an "Extending Revolving Credit Lender"), as applicable, shall notify the Administrative Agent (each, an "Extension Election") on or prior to the date specified in such Extension Request of the amount of its Term Loans under the Existing Term Loan Tranche or Revolving Credit Commitments under the Existing Revolver Tranche, as applicable, which it has elected to request be amended into Extended Term Loans or Extended Revolving Credit Commitments, as applicable (subject to any minimum denomination requirements imposed by the Administrative Agent). In the event that the aggregate principal amount of Term Loans under the Existing Term Loan Tranche or Revolving Credit Commitments under the Existing Revolver Tranche, as applicable, in respect of which applicable Term Lenders or Revolving Credit Lenders, as the case may be, shall have accepted the relevant Extension Request exceeds the amount of Extended Term Loans or Extended Revolving Credit Commitments, as applicable, requested to be extended pursuant to the Extension Request, Term Loans or Revolving Credit Commitments, as applicable, subject to Extension Elections shall be amended to Extended Term Loans or Revolving Credit Commitments, as applicable, on a pro rata basis (subject to rounding by the Administrative Agent, which shall be conclusive) based on the aggregate principal amount of Term Loans or Revolving Credit Commitments, as applicable, included in each such Extension Election.

(d) Extension Amendment. Extended Term Loans and Extended Revolving Credit Commitments shall be established pursuant to one or more amendments (each, an "Extension Amendment") to this Agreement among each Borrower, the other Loan Parties, the Administrative Agent and each Extending Term Lender or Extending Revolving Credit Lender, as applicable, providing an Extended Term Loan or Extended Revolving Credit Commitment, as applicable, thereunder, which shall be consistent with the provisions set forth in Sections 2.14(a) or (b) above, respectively (but which shall not require the consent of any other Lender) and otherwise reasonably satisfactory to the Administrative Agent. The Commitments to provide Extended Term Loans or Extended Revolving Credit Commitments, as applicable, shall become effective on the date specified in the applicable Extension Amendment, subject to the satisfaction of each of the conditions set forth in Section 4.02 (which, for the avoidance of doubt, shall not require compliance with the Financial Covenant for any Extended Term Loans) and such other conditions as may be specified in the applicable Extension Amendment and, to the extent reasonably requested by the Administrative Agent, receipt by the Administrative Agent of (i) legal opinions, board resolutions and officers' certificates consistent with those delivered on the Closing Date (conformed as appropriate) other than changes to such legal opinions resulting from a change in law, change in fact or change to counsel's form of opinion reasonably satisfactory to the Administrative Agent and (ii) reaffirmation agreements and/or such amendments to the Collateral Documents as may be reasonably requested by the Administrative Agent in order to ensure that the Extended Term Loans or Extended Revolving Credit Commitments, as applicable, are provided with the benefit of the applicable Loan Documents. The Administrative Agent shall promptly notify each Lender as to the effectiveness of each Extension Amendment. Each of the parties hereto hereby (A) agrees that this Agreement and the other Loan Documents may be amended pursuant to an Extension Amendment, without the consent of any other Lenders, to the extent (but only to the extent) necessary to (i) reflect the existence and terms of the Extended Term Loans or Extended Revolving Credit Commitments, as applicable, incurred pursuant thereto, (ii) modify the scheduled repayments set forth in Section 2.07 with respect to any Existing Term Loan Tranche subject to an Extension Election to reflect a reduction in the principal amount of the Term Loans thereunder in an amount equal to the aggregate principal amount of the Extended Term Loans amended pursuant to the applicable Extension (with such amount to be applied ratably to reduce scheduled repayments of such Term Loans required pursuant

to Section 2.07), (iii) modify the prepayments set forth in Section 2.05 to reflect the existence of the Extended Term Loans and the application of prepayments with respect thereto and (iv) effect such other amendments to this Agreement and the other Loan Documents as may be necessary or appropriate, in the reasonable opinion of the Administrative Agent and the Borrowers, to effect the provisions of this Section 2.14, and the Required Lenders (by executing and delivering the Extension Amendment and thereby binding themselves and all successors and assigns) hereby expressly and irrevocably, for the benefit of all parties hereto, authorize the Administrative Agent to enter into any such Extension Amendment and (B) consent to the transactions contemplated by this Section 2.14 (including, for the avoidance of doubt, payment of interest, fees or premiums in respect of any Extended Term Loans or Extended Revolving Credit Commitments on such terms as may be set forth in the relevant Extension Amendment.

(e) No Prepayment. No conversion or extension of Loans or Commitments pursuant to any Extension Amendment in accordance with this Section 2.14 shall constitute a voluntary or mandatory payment or prepayment for purposes of this Agreement.

Section 2.15 Incremental Borrowings.

(a) Incremental Commitments. The Company may at any time or from time to time after the Closing Date, by notice to the Administrative Agent (an "Incremental Loan Request"), request (A) one or more new commitments which may be of the same Class as any outstanding Term Loans (a "Term Loan Increase") or a new Class of term loans (collectively with any Term Loan Increase, the "Incremental Term Commitments") and/or (B) one or more increases in the amount of the Revolving Credit Commitments (a "Revolving Commitment Increase", and collectively with any Incremental Term Commitments, the "Incremental Commitments"), whereupon the Administrative Agent shall promptly deliver a copy to each of the Lenders.

(b) Incremental Loans. Any Incremental Term Loans effected through the establishment of one or more new Term Loans made on an Incremental Facility Closing Date shall be designated a separate Class of Incremental Term Loans for all purposes of this Agreement. On any Incremental Facility Closing Date on which any Incremental Term Commitments of any Class are effected (including through any Term Loan Increase), subject to the satisfaction of the terms and conditions in this Section 2.15, (i) each Incremental Term Lender of such Class shall make a Loan to the Borrowers (an "Incremental Term Loan") in an amount equal to its Incremental Term Commitment of such Class and (ii) each Incremental Term Lender of such Class shall become a Lender hereunder with respect to the Incremental Term Commitment of such Class and the Incremental Term Loans of such Class made pursuant thereto. On any Incremental Facility Closing Date on which any Revolving Commitment Increase is effected, subject to the satisfaction of the terms and conditions in this Section 2.15, (i) each Incremental Revolving Credit Lender shall make its Revolving Credit Commitment available to the Borrowers and (ii) each Incremental Revolving Credit Lender shall become a Lender hereunder with respect to its portion of the Revolving Commitment Increase. Notwithstanding the foregoing, Incremental Term Loans may have identical terms to any of the Term Loans and be treated as the same Class as any of such Term Loans.

(c) Incremental Loan Request. Each Incremental Loan Request from the Company pursuant to this Section 2.15 shall set forth the requested amount and proposed terms of the relevant Incremental Term Loans or Revolving Commitment Increase. Incremental Term Loans may be made, and Revolving Commitment Increases may be provided, by any existing Lender (but no existing Lender will have an obligation to make any Incremental Commitment, nor will the Borrowers have any obligation to approach any existing Lenders to provide any Incremental Commitment) or by any other bank or other financial institution or other institutional lenders (any such other bank, other financial institution or other institutional lenders being called an "Additional Lender") (each such existing Lender or Additional Lender providing such Commitment or

Loan, an "Incremental Revolving Credit Lender" or "Incremental Term Lender," as applicable, and, collectively, the "Incremental Lenders"); provided that the Administrative Agent, each Swing Line Lender and each L/C Issuer shall have consented (not to be unreasonably withheld or delayed) to such Additional Lender's making such Incremental Term Loans or providing such Revolving Commitment Increase to the extent such consent, if any, would be required under Section 10.07(b) for an assignment of Loans or Revolving Credit Commitments, as applicable, to such Additional Lender.

(d) Effectiveness of Incremental Amendment. The effectiveness of any Incremental Amendment, and the Incremental Commitments thereunder, shall be subject to the satisfaction on the date thereof (the "Incremental Facility Closing Date") of each of the following conditions, which in the case of an Incremental Term Loan to be used to finance a Limited Condition Acquisition, shall be subject to Section 1.12:

(i) no Default or Event of Default shall exist after giving effect to such Incremental Commitments;

(ii) the representations and warranties of each Loan Party set forth in Article V and in each other Loan Document shall be true and correct in all material respects on and as of the Incremental Facility Closing Date with the same effect as though made on and as of such date, except to the extent such representations and warranties expressly relate to an earlier date, in which case they shall be true and correct in all material respects as of such earlier date; provided that any representation and warranty that is qualified as to "materiality," "Material Adverse Effect" or similar language shall be true and correct (after giving effect to any qualification therein) in all respects on such respective dates;

(iii) each Incremental Term Commitment shall be in an aggregate principal amount that is not less than $25,000,000 and shall be in an increment of $1,000,000 (provided that such amount may be less than $25,000,000 if such amount represents all remaining availability under the limit set forth in the next sentence) and each Revolving Commitment Increase shall be in an aggregate principal amount that is not less than $10,000,000 and shall be in an increment of $1,000,000 (provided that such amount may be less than $10,000,000 if such amount represents all remaining availability under the limit set forth in the next sentence);

(iv) the aggregate principal amount of the Incremental Term Loans and the Revolving Commitment Increases (together with the aggregate amount of Incremental Equivalent Debt incurred pursuant to Section 7.03(s)) incurred after the Closing Date shall not exceed (A) $425,000,000 in the aggregate pursuant to this clause (A) or (B) at its option, up to an amount of Incremental Term Loans or Revolving Commitment Increases (and Incremental Equivalent Debt) so long as the Consolidated Senior Secured Net Leverage Ratio is no more than 3.50:1.00 as of the last day of the Test Period most recently ended for which financial statements have been delivered to the Lenders under Section 6.01(a) and (b), after giving effect to any such incurrence on a Pro Forma Basis (but without giving effect to any use of the proceeds thereof to repay or prepay any revolving Indebtedness, including under the Revolving Credit Facility), and, in each case, with respect to any Revolving Commitment Increase, assuming a borrowing of the maximum amount of Loans available thereunder (such amounts under this clause (A) and (B), the "Available Incremental Amount");

(v) (A) to the extent reasonably requested by the Administrative Agent, the receipt by the Administrative Agent of (i) legal opinions, board resolutions and officers' certificates consistent with those delivered on the Closing Date (conformed as appropriate) (other than changes to such legal opinions resulting from a change in law, change in fact or change to counsel's form of opinion reasonably satisfactory to the Administrative Agent) and (ii) reaffirmation agreements and/or such amendments to the Collateral Documents as may be reasonably requested by the Administrative Agent in order to ensure that the Incremental Term Loans or Incremental Commitments, as applicable, are provided with the benefit of the applicable Loan Documents, and (B) to the extent provided in the applicable Incremental Amendment, such other conditions as the Borrowers and the Lenders providing such Incremental Commitments may agree; and

(vi) the Company and its Subsidiaries shall be in Pro Forma Compliance with the Financial Covenant after giving effect to such Incremental Commitments.

(e) Required Terms. The terms, provisions and documentation of the Incremental Term Loans and Incremental Term Commitments of any Class shall be as agreed between the Borrowers and the applicable Incremental Lenders providing such Incremental Commitments, and except as otherwise set forth herein, to the extent not identical to the Term Loans, each existing on the Incremental Facility Closing Date, shall be consistent with clauses (i) through (iii) below, as applicable, and otherwise as reasonably satisfactory to Administrative Agent (but in no event shall any such Incremental Facility have covenants and defaults materially more restrictive (taken as a whole) than those under this Agreement except for covenants and defaults applicable only to periods after the Latest Maturity Date at the time of such Incremental Facility Closing Date); provided that in the case of a Term Loan Increase, the terms, provisions and documentation shall be identical (other than with respect to upfront fees, original issue discount or similar fees) to the applicable Term Loans being increased, as existing on the Incremental Facility Closing Date. In any event:

(i) the Incremental Term Loans:

(A) shall rank (I) *pari passu* in right of payment and (II) *pari passu* in right of security with the Revolving Credit Loans and the Term Loans,

(B) as of the Incremental Facility Closing Date, shall not have a Maturity Date earlier than the Maturity Date with respect to the Term Loans (prior to giving effect to any extensions thereof occurring after the Maturity Date),

(C) shall have an amortization schedule as determined by the Borrowers and the applicable new Lenders, provided that, as of the Incremental Facility Closing Date, such Incremental Term Loans shall have a Weighted Average Life to Maturity not shorter than the remaining Weighted Average Life to Maturity of the Term Loans (as originally in effect prior to any amortization or prepayments thereto) on the date of incurrence of such Incremental Term Loans,

(D) shall have, subject to clause (e)(iii) below, an Applicable Rate and, subject to clauses (e)(i)(B) and (e)(i)(C) above, amortization determined by the Borrowers and the applicable Incremental Term Lenders,

(E) shall have fees determined by the Borrowers and the applicable Incremental Term Loan arranger(s),

(F) with respect to any Incremental Term Loans structured as term B loans, may include such "most favored nation" pricing protections and a lower minimum assignment amount than is required under Section 10.07(b)(ii)(A), as determined by the Borrowers and the applicable Lenders,

(G) may participate on a pro rata basis or less than pro rata basis (but not on a greater than pro rata basis) in any voluntary or mandatory prepayments of principal of Term Loans hereunder, as specified in the applicable Incremental Amendment, including, for the avoidance of doubt, on a less than pro rata basis permitting the Borrowers to repay any earlier maturing Term Loans prior to the repayment of the applicable Incremental Term Loans, and

(H) may not be (x) secured by any assets other than Collateral or (y) guaranteed by any Person other than a Guarantor;

(ii) the terms, provisions and documentation of any Revolving Commitment Increase shall be identical to the Revolving Credit Commitments being increased, as existing on the Incremental Facility Closing Date; provided that the Borrowers and the applicable new Lenders may agree to higher interest rates, upfront fees and Eurocurrency Rate or Base Rate floors in each applicable Incremental Amendment if the interest rate margins, upfront fees and Eurocurrency Rate or Base Rate floors with respect to the existing Revolving Credit Commitments are increased so as to cause the then applicable interest rate, upfront fees, and Eurocurrency Rate or Base Rate floors under this Agreement on such Revolving Credit Commitments to equal the interest rate, upfront fees, and Eurocurrency Rate or Base Rate floors then applicable to the Revolving Commitment Increase; and

(iii) the All-In Yield applicable to the Incremental Term Loans of each Class shall be determined by the Borrowers and the applicable new Lenders and shall be set forth in each applicable Incremental Amendment; provided, however, that the All-In Yield applicable to any Incremental Term Loans that are structured as term A loans (each, an "Incremental Term A Loan") shall not be greater than the applicable All-In Yield payable pursuant to the terms of this Agreement as amended through the date of such calculation with respect to the Initial Term Loan plus 50 basis points per annum unless, (x) if the Incremental Amendment provides for a new Class of Incremental Term A Loan, the interest rate (together with, as provided in the proviso below, the Eurocurrency Rate or Base Rate floor) with respect to the Initial Term Loan is increased so as to cause the then applicable All-In Yield under this Agreement on the Initial Term Loan to equal the All-In Yield then applicable to the Incremental Term A Loan minus 50 basis points; provided that any increase in All-In Yield to the Incremental Term Loan due to the application of a Eurocurrency Rate or Base Rate floor on any Incremental Term A Loan shall be effected solely through an increase in (or implementation of, as applicable) any Eurocurrency Rate or Base Rate floor applicable to the Initial Term Loan or (y) if the Incremental Amendment provides for a Term Loan Increase to the Initial Term Loan, the Borrowers pay upfront fees to the Lenders with respect to the Initial Term Loan in an aggregate amount so as to cause the then applicable All-In Yield under this Agreement on the Initial Term Loan to equal the All-In Yield then applicable to the Term Loan Increase to the Initial Term Loan minus 50 basis points.

(f) Incremental Amendment. Commitments in respect of Incremental Term Loans shall become Commitments (or in the case of a Revolving Commitment Increase, an increase in such Lender's applicable Revolving Credit Commitment), under this Agreement pursuant to an amendment (an "Incremental Amendment") to this Agreement and, as appropriate, the other Loan Documents, executed by each Borrower, each Incremental Lender providing such Commitments and the Administrative Agent. The Incremental Amendment may, without the consent of any other Loan Party, Agent or Lender, effect such amendments to this Agreement and the other Loan Documents as may be necessary or appropriate, in the reasonable opinion of the Administrative Agent and the Borrowers, to effect the provisions of this Section 2.15. The Borrowers will use the proceeds of the Incremental Term Loans and Revolving Commitment Increases for any purpose not prohibited by this Agreement. No Lender shall be obligated to provide any Incremental Term Loans or Revolving Commitment Increase unless it so agrees.

(g) Reallocation of Revolving Credit Exposure. Upon any Incremental Facility Closing Date on which any Revolving Commitment Increase is effected pursuant to this Section 2.15, (a) each of the Revolving Credit Lenders shall assign to each of the Incremental Revolving Credit Lenders, and each of the Incremental Revolving Credit Lenders shall purchase from each of the Revolving Credit Lenders, at the principal amount thereof, such interests in the Revolving Credit Loans outstanding on such Incremental Facility Closing Date as shall be necessary in order that, after giving effect to all such assignments and purchases, such Revolving Credit Loans will be held by existing Revolving Credit Lenders and Incremental Revolving Credit Lenders ratably in accordance with their Revolving Credit Commitments after giving effect to such Revolving Commitment Increase, (b) each Revolving Commitment Increase shall be deemed for all purposes a Revolving Credit Commitment and each Loan made thereunder shall be deemed, for all purposes, a Revolving Credit Loan and (c) each Incremental Revolving Credit Lender shall become a Lender with respect to such Revolving Commitment Increase and all matters relating thereto. The Administrative Agent and the Lenders hereby agree that the minimum borrowing and prepayment requirements in Section 2.02 and 2.05(a) of this Agreement shall not apply to the transactions effected pursuant to the immediately preceding sentence.

(h) This Section 2.15 shall supersede any provisions in Section 2.13 or 10.01 to the contrary.

Section 2.16 Refinancing Amendments. (a) On one or more occasions after the Closing Date, the Borrowers may obtain, from any Lender or any Additional Refinancing Lender, Credit Agreement Refinancing Indebtedness in respect of all or any portion of any Class of Term Loans and the Revolving Credit Loans (or unused Revolving Credit Commitments) then outstanding under this Agreement (which for purposes of this clause (a) will be deemed to include any then outstanding Extended Term Loans, Other Term Loans or Incremental Term Loans), in the form of Other Term Loans, Other Term Loan Commitments, Other Revolving Credit Commitments or Other Revolving Credit Loans pursuant to a Refinancing Amendment; provided that notwithstanding anything to the contrary in this Section 2.16 or otherwise, (1) the borrowing and repayment (except for (A) payments of interest and fees at different rates on Other Revolving Credit Commitments (and related outstandings), (B) repayments required upon the Maturity Date of the Other Revolving Credit Commitments and (C) repayment of principal made in connection with a permanent repayment and termination of commitments (subject to clause (3) below)) of Loans with respect to Other Revolving Credit Commitments after the date of obtaining any Other Revolving Credit Commitments shall be made on a pro rata basis with all other Revolving Credit Commitments, (2) subject to the provisions of Section 2.03(l) and Section 2.04(g) to the extent dealing with Swing Line Loans and Letters of Credit which mature or expire after a Maturity Date when there exist Extended Revolving Credit Commitments with a longer Maturity Date, all Swing Line Loans and Letters of Credit shall be participated on a pro rata basis by all Lenders with Commitments in accordance with their percentage of the Revolving Credit Commitments (and except as provided in Section 2.03(l) and Section 2.04(g), without giving effect to changes thereto on an earlier Maturity Date with respect to Swing Line Loans and Letters of Credit theretofore incurred or issued), (3) the permanent repayment of

Revolving Credit Loans with respect to, and termination of, Other Revolving Credit Commitments after the date of obtaining any Other Revolving Credit Commitments shall be made on a pro rata basis with all other Revolving Credit Commitments, except that the Borrowers shall be permitted to permanently repay and terminate commitments of any such Class on a better than a pro rata basis as compared to any other Class with a later Maturity Date than such Class and (4) assignments and participations of Other Revolving Credit Commitments and Other Revolving Credit Loans shall be governed by the same assignment and participation provisions applicable to Revolving Credit Commitments and Revolving Credit Loans.

(b) The effectiveness of any Refinancing Amendment shall be subject to the satisfaction on the date thereof of each of the conditions set forth in Section 4.02 (which, for the avoidance of doubt, shall not require compliance with Section 7.10 for any incurrence of Other Term Loans) and, to the extent reasonably requested by the Administrative Agent, receipt by the Administrative Agent of (i) customary legal opinions, board resolutions and officers' certificates consistent with those delivered on the Closing Date (conformed as appropriate) other than changes to such legal opinions resulting from a change in law, change in fact or change to counsel's form of opinion reasonably satisfactory to the Administrative Agent and (ii) reaffirmation agreements and/or such amendments to the Collateral Documents as may be reasonably requested by the Administrative Agent in order to ensure that such Credit Agreement Refinancing Indebtedness is provided with the benefit of the applicable Loan Documents.

(c) Each issuance of Credit Agreement Refinancing Indebtedness under Section 2.16(a) shall be in an aggregate principal amount that is (x) not less than $25,000,000 and (y) an integral multiple of $1,000,000 in excess thereof.

(d) Each of the parties hereto hereby agrees that this Agreement and the other Loan Documents may be amended pursuant to a Refinancing Amendment, without the consent of any other Lenders, to the extent (but only to the extent) necessary to (i) reflect the existence and terms of the Credit Agreement Refinancing Indebtedness incurred pursuant thereto and (ii) effect such other amendments to this Agreement and the other Loan Documents as may be necessary or appropriate, in the reasonable opinion of the Administrative Agent and the Borrowers, to effect the provisions of this Section 2.16, and the Required Lenders hereby expressly authorize the Administrative Agent to enter into any such Refinancing Amendment.

Section 2.17 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 Amendments. That 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 Section 10.01.

(ii) Reallocation of Payments. Any payment of principal, interest, fees or other amounts received by the Administrative Agent for the account of that Defaulting Lender (whether voluntary or mandatory, at maturity, pursuant to Article VIII or otherwise) 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 Administrative Agent 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, if so determined by the Administrative Agent or requested by the L/C Issuer or Swing Line Lender, to be held as Cash Collateral for future funding obligations of that Defaulting Lender of any participation in any Swing Line Loan or Letter of Credit; fourth, as the Company may request (so long as

no Default has occurred and is continuing), 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 Borrowers, to be held in a non-interest bearing deposit account and released in order to (x) satisfy obligations of that Defaulting Lender to fund Loans under this Agreement or (y) Cash Collateralize the L/C Issuer's future funding obligations with respect to such Defaulting Lender with respect to future Letters of Credit issued under this Agreement; 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 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 has occurred and is continuing, 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 or L/C Borrowings were made at a time when the conditions set forth in Section 4.02 were satisfied or waived, such payment shall be applied solely to pay the Loans of, and L/C Borrowings 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 Borrowings owed to, that Defaulting Lender. 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 2.17(a)(ii) shall be deemed paid to and redirected by that Defaulting Lender, and each Lender irrevocably consents hereto.

(iii) Certain Fees. That Defaulting Lender (x) shall not be entitled to receive any commitment fee pursuant to Section 2.09(a) for any period during which that 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 that Defaulting Lender) and (y) shall be limited in its right to receive Letter of Credit fees as provided in Section 2.03(h) to the extent allocable to its Pro Rata Share of the stated amount of Letters of Credit for which it has provided Cash Collateral. With respect to any commitment fee or Letter of Credit fee not required to be paid to any Defaulting Lender pursuant to the foregoing clauses (x) or (y), the Borrowers shall (1) 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 or Swing Line Loans that has been reallocated to such Non-Defaulting Lender pursuant to clause (iv) below, (2) pay to the L/C Issuer and Swing Line Lender, as applicable, the amount of any such fee otherwise payable to such Defaulting Lender to the extent allocable to the L/C Issuer's or Swing Line Lender's future funding obligations with respect to any portion of such Defaulting Lender's participation in L/C Obligations or Swing Line Loans that has not been reallocated to non-Defaulting Lenders or cash collateralized pursuant to this Section 2.17(a), and (3) not be required to pay the remaining amount of any such fee.

(iv) Reallocation of Pro Rata Share to Reduce Fronting Exposure. During any period in which there is a Defaulting Lender, for purposes of computing the amount of the obligation of each Non-Defaulting Lender to acquire, refinance or fund participations in Letters of Credit or Swing Line Loans pursuant to Sections 2.03 and 2.04, the "Pro Rata Share" of each Non-Defaulting Lender's Revolving Credit Loans and L/C Obligations shall be computed without giving effect to the Commitment of that Defaulting Lender; provided that (i) each such reallocation shall be given effect only if, at the date the applicable Lender becomes a Defaulting Lender, no Default has occurred and is continuing; and (ii) the aggregate obligation of each Non-Defaulting Lender to acquire, refinance or fund participations in Letters of Credit and Swing Line Loans shall not exceed the positive difference, if any, of (1) the Commitment of that Non-Defaulting Lender minus (2) the aggregate Outstanding Amount of the Loans of that Non-Defaulting Lender. Subject to Section 10.23, 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 (iv) above cannot, or can only partially, be effected, the Borrowers shall, without prejudice to any right or remedy available to it hereunder or under law, (x) first, repay Swing Line Loans in an amount equal to the Swing Line Lender's future funding obligations and (y) second, Cash Collateralize the L/C Issuer's future funding obligations.

(b) Defaulting Lender Cure. If each Borrower, the Administrative Agent, the Swing Line Lender and each L/C Issuer agree in writing in their sole discretion 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 that portion of outstanding Loans of the other Lenders or take such other actions as the Administrative Agent may determine to be necessary to cause the Revolving Credit Loans of the applicable Facility 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 Pro Rata Share of the applicable Facility (without giving effect to Section 2.17(a)(iv)), whereupon that 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 Borrowers while that Lender was a Defaulting Lender; and 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's having been a Defaulting Lender.

ARTICLE III

Taxes, Increased Costs Protection and Illegality

Section 3.01 Taxes. (a) For purposes of this Section 3.01, the term "Lender" includes each L/C Issuer and the Swing Line Lender.

(b) Any and all payments by or on account of any obligation of any Borrower (the term Borrower under this Article III being deemed to include any Subsidiary for whose account a Letter of Credit is issued) under any Loan Document shall be made without deduction or withholding for any Taxes, except as required by applicable Law. If any applicable Law requires the deduction or withholding of any Tax from any such

payment by a Withholding Agent, then the applicable Withholding Agent shall be entitled to make such deduction or withholding and shall timely pay the full amount deducted or withheld to the relevant Governmental Authority in accordance with applicable Law and, if such Tax is an Indemnified Tax, then the sum payable by the Borrowers shall be increased as necessary so that after such deduction or withholding has been made (including such deductions and withholdings 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 deduction or withholding been made.

(c) The Borrowers shall timely pay to the relevant Governmental Authority in accordance with applicable Law any Other Taxes imposed on the Borrowers, and shall timely pay or reimburse any Recipient, as the case may be, for any Other Taxes paid or payable by such Recipient upon written demand (accompanied by a certificate complying with the requirements set forth in clause (d) below) therefor.

(d) Each Borrower shall severally indemnify each Recipient, within 10 Business Days after written demand (accompanied by a certificate complying with the requirements set forth below) 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 whether or not such Indemnified Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate setting forth in reasonable detail a description of such Indemnified Taxes and the amount of such payment or liability for Indemnified Taxes delivered to the Borrowers by a Lender (with a copy to the Administrative Agent), or by the Administrative Agent on its own behalf or on behalf of a Lender, shall be conclusive absent manifest error.

(e) Each Lender shall severally indemnify the Administrative Agent, within 10 Business Days after demand therefor, for (i) any Indemnified Taxes attributable to such Lender (but only to the extent that the Borrowers have not already indemnified the Administrative Agent for such Indemnified Taxes and without limiting the obligation of the Borrowers to do so), (ii) any Taxes attributable to such Lender's failure to comply with the provisions of Section 10.07(e) relating to the maintenance of a Participant Register and (iii) any Excluded Taxes attributable to such Lender, in each case, that are payable or paid by the Administrative Agent 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 hereby authorizes the Administrative Agent to set off and apply any and all amounts at any time owing to such Lender under any Loan Document or otherwise payable by the Administrative Agent to the Lender from any other source against any amount due to the Administrative Agent under this paragraph (e).

(f) As soon as practicable after any payment of Taxes by the Borrowers to a Governmental Authority pursuant to this Section 3.01, the Borrowers shall deliver to the Administrative Agent the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment, a copy of the return reporting such payment or other evidence of such payment reasonably satisfactory to the Administrative Agent.

(g) (i) any Lender that is a U.S. Person and the Administrative Agent (if such Agent is a U.S. Person) shall deliver to the Borrowers and the Administrative Agent on or prior to the date on which such Recipient becomes a Recipient under this Agreement (and from time to time thereafter upon the reasonable request of any Borrower or the Administrative Agent), executed originals of IRS Form W-9 (or any successor form) certifying that such Recipient is exempt from U.S. federal backup withholding Tax;

(ii) any Foreign Lender shall, to the extent it is legally entitled to do so, deliver to the Borrowers 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 upon the reasonable request of any Borrower or the Administrative Agent), whichever of the following is applicable:

(A) 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, duly executed originals of IRS Form W-8BEN or W-8BEN-E (or any successor form) 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 (or any successor form) 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;

(B) duly executed originals of IRS Form W-8ECI (or any successor form);

(C) in the case of a Foreign Lender claiming the benefits of the exemption for portfolio interest under Section 881(c) or 871(h) of the Code, (x) a duly executed certificate substantially in the form of Exhibit J-1 to the effect that such Foreign Lender is not a "bank" within the meaning of Section 881(c)(3)(A) of the Code, a "10 percent shareholder" of any Borrower within the meaning of Section 881(c)(3)(B) of the Code, or a "controlled foreign corporation" described in Section 881(c)(3)(C) of the Code (a "U.S. Tax Compliance Certificate") and (D) (y) duly executed originals of IRS Form W-8BEN or W-8BEN-E (or any successor form); or

(D) to the extent a Foreign Lender is not the beneficial owner, executed originals of IRS Form W-8IMY (or any successor form), accompanied by IRS Form W-8ECI, IRS Form W-8BEN or W-8BEN-E, a duly executed U.S. Tax Compliance Certificate substantially in the form of Exhibit J-2 or Exhibit J- 3, IRS Form W-9, and/or successor forms thereof 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 duly executed U.S. Tax Compliance Certificate substantially in the form of Exhibit J-4 on behalf of each such direct and indirect partner;

(iii) any Foreign Lender shall, to the extent it is legally entitled to do so, deliver to the Borrowers 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 upon the reasonable request of any 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 U.S. federal withholding Tax, duly completed, together with such supplementary documentation as may be prescribed by applicable Law to permit the Borrowers or the Administrative Agent to determine the withholding or deduction required to be made; and

(iv) if a payment made to a Recipient under any Loan Document would be subject to U.S. federal withholding Tax imposed by FATCA if such Recipient were to fail to comply with the applicable reporting requirements of FATCA (including those contained in Section 1471(b) or 1472(b) of the Code, as applicable), such Recipient shall deliver to the Borrowers and the Administrative Agent at the time or times prescribed by law and at such time or times reasonably requested by any Borrower or the Administrative Agent such documentation prescribed by applicable law (including as prescribed by Section 1471(b)(3)(C)(i) of the Code) and such additional documentation reasonably requested by any Borrower or the Administrative Agent as may be necessary for the Borrowers and the Administrative Agent to comply with their obligations under FATCA and to determine that such Recipient has complied with such Recipient's obligations under FATCA or to determine the amount to deduct and withhold from such payment. Solely for purposes of this clause (iv), "FATCA" shall include any amendments made to FATCA after the date of this Agreement.

Each Recipient agrees that if any form or certification it previously delivered expires or becomes obsolete or inaccurate in any respect, it shall update such form or certification or promptly notify the Borrowers and the Administrative Agent in writing of its legal inability to do so.

(h) If any Recipient determines, in its reasonable discretion exercised in good faith, that it has received a refund or overpayment credit in respect of any Taxes as to which it has been indemnified pursuant to this Section 3.01 (including by the payment of additional amounts pursuant to this Section 3.01), it shall pay to the indemnifying party an amount equal to such refund or credit (but only to the extent of indemnity payments made under this Section 3.01 with respect to the Taxes giving rise to such refund or credit), net of all out-of-pocket expenses (including Taxes) of such indemnified party and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund or credit). Such indemnifying party, upon the request of such indemnified party, shall repay to such indemnified party the amount paid over pursuant to this paragraph (h) (plus any penalties, interest or other charges imposed by the relevant Governmental Authority) in the event that such indemnified party is required to repay such refund or credit to such Governmental Authority. Notwithstanding anything to the contrary in this paragraph (h), in no event will the indemnified party be required to pay any amount to an indemnifying party pursuant to this paragraph (h) the payment of which would place the indemnified party in a less favorable net after-Tax position than the indemnified party would have been in if the Tax subject to indemnification and giving rise to such refund or credit 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 paragraph shall not be construed to require any indemnified party to make available its Tax returns (or any other information relating to its Taxes that it deems confidential) to the indemnifying party or any other Person.

(i) Each Lender agrees that, upon the occurrence of any event giving rise to the operation of Section 3.01(b) with respect to such Lender it will, if requested by any Borrower, use commercially

reasonable efforts (subject to such Lender's overall internal policies of general application and legal and regulatory restrictions) to designate another Lending Office for any Loan or Letter of Credit affected by such event; provided that such efforts are made on terms that, in the sole judgment of such Lender, cause such Lender and its Lending Office(s) to suffer no economic, legal or regulatory disadvantage, and provided, further, that nothing in this Section 3.01(i) shall affect or postpone any of the Obligations of the Borrowers or the rights of such Lender pursuant to Section 3.01(b).

Section 3.02 Illegality. If any Lender 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 Eurocurrency Rate Loans, or to determine or charge interest rates based upon the Eurocurrency Rate, then, on notice thereof by such Lender to the Borrowers through the Administrative Agent, any obligation of such Lender to make or continue Eurocurrency Rate Loans or to convert Base Rate Loans to Eurocurrency Rate Loans shall be suspended until such Lender notifies the Administrative Agent and the Borrowers that the circumstances giving rise to such determination no longer exist. Upon receipt of such notice, the Borrowers shall upon demand from such Lender (with a copy to the Administrative Agent), prepay or, if applicable, convert all Eurocurrency Rate Loans of such Lender to Base Rate Loans, either on the last day of the Interest Period therefor, if such Lender may lawfully continue to maintain such Eurocurrency Rate Loans to such day, or promptly, if such Lender may not lawfully continue to maintain such Eurocurrency Rate Loans. Upon any such prepayment or conversion, the Borrowers shall also pay accrued interest on the amount so prepaid or converted and all amounts due, if any, in connection with such prepayment or conversion under Section 3.05. Each Lender agrees to designate a different Lending Office if such designation will avoid the need for such notice and will not, in the good faith judgment of such Lender, otherwise be materially disadvantageous to such Lender.

Section 3.03 Inability to Determine Rates. (a) Unless and until a Replacement Rate is implemented in accordance with clause (b) below, if the Required Lenders determine that for any reason adequate and reasonable means do not exist for determining the Eurocurrency Rate for any requested Interest Period with respect to a proposed Eurocurrency Rate Loan, or that the Eurocurrency Rate for any requested Interest Period with respect to a proposed Eurocurrency Rate Loan does not adequately and fairly reflect the cost to such Lenders of funding such Loan, or that Dollar deposits are not being offered to banks in the applicable interbank eurodollar market for the applicable amount and the Interest Period of such Eurocurrency Rate Loan, the Administrative Agent will promptly so notify the Company and each Lender. Thereafter, the obligation of the Lenders to make or maintain Eurocurrency Rate Loans shall be suspended until the Administrative Agent (upon the instruction of the Required Lenders) revokes such notice. Upon receipt of such notice, the Company may revoke any pending request for a Borrowing of, conversion to or continuation of Eurocurrency Rate Loans or, failing that, will be deemed to have converted such request into a request for a Borrowing of Base Rate Loans in the amount specified therein.

(b) Notwithstanding anything to the contrary in Section 3.03(a) above, if the Required Lenders have made the determination (such determination to be conclusive absent manifest error) that (i) the circumstances described in Section 3.03(a) have arisen, (ii) any applicable interest rate specified herein is no longer a widely recognized benchmark rate for newly originated loans in the U.S. syndicated loan market in the applicable currency or (iii) the applicable supervisor or administrator (if any) of any applicable interest rate specified herein or any Governmental Authority having or purporting to have jurisdiction over the Administrative Agent has made a public statement identifying a specific date after which any applicable interest rate specified herein shall no longer be used for determining interest rates for loans in the U.S. syndicated loan market in the applicable currency, then the Administrative Agent may, to the extent practicable (in consultation with the Company and as determined by the Administrative Agent to be generally in accordance with similar situations in other transactions in which it is serving as administrative agent or otherwise consistent with market practice generally), establish a replacement interest rate (the "Replacement Rate"), in which case,

the Replacement Rate shall, subject to the next two sentences, replace such applicable interest rate for all purposes under the Loan Documents unless and until (A) an event described in Section 3.02 or Section 3.03(a) occurs with respect to the Replacement Rate or (B) the Administrative Agent (or the Required Lenders through the Administrative Agent) notifies the Borrower that the Replacement Rate does not adequately and fairly reflect the cost to the Lenders of funding the Loans bearing interest at the Replacement Rate. In connection with the establishment and application of the Replacement Rate, this Agreement and the other Loan Documents shall be amended solely with the consent of the Administrative Agent and the Company, as may be necessary or appropriate, in the opinion of the Administrative Agent, to effect the provisions of this Section 3.03(b). Notwithstanding anything to the contrary in this Agreement or the other Loan Documents (including, without limitation, Section 10.01), such amendment shall become effective without any further action or consent of any other party to this Agreement so long as the Administrative Agent shall not have received, within five (5) Business Days of the delivery of such amendment to the Lenders, written notice from Lenders constituting Required Lenders stating in each case that such Lender objects to such amendment (which such notice shall note with specificity the particular provisions of the amendment to which such Lender objects). To the extent the Replacement Rate is approved by the Administrative Agent in connection with this clause (b), the Replacement Rate shall be applied in a manner consistent with market practice; provided that, in each case, to the extent such market practice is not administratively feasible for the Administrative Agent, such Replacement Rate shall be applied as otherwise reasonably determined by the Administrative Agent (it being understood that any such modification by the Administrative Agent shall not require the consent of, or consultation with, any of the Lenders).

Section 3.04 Increased Cost and Reduced Return; Capital Adequacy; Reserves on Eurocurrency Rate Loans. (a) If any Lender reasonably determines that as a result of the introduction of or any change in or in the interpretation of any Law, in each case after the Closing Date, or such Lender's compliance therewith, there shall be any increase in the cost to such Lender of agreeing to make or making, funding or maintaining Eurocurrency Rate Loans or (as the case may be) issuing or participating in Letters of Credit, or a reduction in the amount received or receivable by such Lender in connection with any of the foregoing (including any Taxes (other than (i) Indemnified Taxes or (ii) Excluded Taxes) on its loans, loan principal, letters of credit, commitments, or other obligations, or its deposits, reserves, other liabilities or capital attributable thereto and excluding for purposes of this Section 3.04(a) any such increased costs or reduction in amount resulting from reserve requirements contemplated by Section 3.04(c)), then from time to time within fifteen (15) days after demand by such Lender setting forth in reasonable detail such increased costs (with a copy of such demand to the Administrative Agent given in accordance with Section 3.06), the Borrowers shall pay to such Lender such additional amounts as will compensate such Lender for such increased cost or reduction. Notwithstanding anything herein to the contrary, for all purposes under this Agreement, (x) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines or directives thereunder or issued in connection therewith or in implementation thereof and (y) all requests, rules, guidelines or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States or foreign regulatory authorities, in each case pursuant to Basel III, shall in each case be deemed to be a change in Law after the Closing Date, regardless of the date enacted, adopted or issued.

(b) If any Lender determines that the introduction of any Law regarding capital adequacy or liquidity requirements or any change therein or in the interpretation thereof, in each case after the Closing Date, or compliance by such Lender (or its Lending Office) therewith, has the effect of reducing the rate of return on the capital of such Lender or any corporation controlling such Lender as a consequence of such Lender's obligations hereunder (taking into consideration its policies with respect to capital adequacy and such Lender's desired return on capital), then from time to time upon demand of such Lender setting forth in reasonable detail the charge and the calculation of such reduced rate of return (with a copy of such demand to the Administrative Agent given in accordance with Section 3.06), the Borrowers shall pay to such Lender

such additional amounts as will compensate such Lender for such reduction within fifteen (15) days after receipt of such demand.

(c) The Borrowers shall pay to each Lender, (i) as long as such Lender shall be required to maintain reserves with respect to liabilities or assets consisting of or including Eurocurrency funds or deposits, additional interest on the unpaid principal amount of each Eurocurrency Rate Loan equal to the actual costs of such reserves allocated to such Loan by such Lender (as determined by such Lender in good faith, which determination shall be conclusive in the absence of manifest error), and (ii) as long as such Lender shall be required to comply with any reserve ratio requirement or analogous requirement of any other central banking or financial regulatory authority imposed in respect of the maintenance of the Commitments or the funding of the Eurocurrency Rate Loans, such additional costs (expressed as a percentage per annum and rounded upwards, if necessary, to the nearest five decimal places) equal to the actual costs allocated to such Commitment or Loan by such Lender (as determined by such Lender in good faith, which determination shall be conclusive absent manifest error) which in each case shall be due and payable on each date on which interest is payable on such Loan, provided the Borrowers shall have received at least fifteen (15) days' prior notice (with a copy to the Administrative Agent) of such additional interest or cost from such Lender. If a Lender fails to give notice fifteen (15) days prior to the relevant Interest Payment Date, such additional interest or cost shall be due and payable fifteen (15) days from receipt of such notice.

(d) Failure or delay on the part of any Lender to demand compensation pursuant to this Section 3.04 shall not constitute a waiver of such Lender's right to demand such compensation except to the extent set forth in the first sentence of Section 3.06(b).

(e) If any Lender requests compensation under this Section 3.04, then such Lender will, if requested by any Borrower, use commercially reasonable efforts to designate another Lending Office for any Loan or Letter of Credit affected by such event; provided that such efforts are made on terms that, in the reasonable judgment of such Lender, cause such Lender and its Lending Office(s) to suffer no material economic, legal or regulatory disadvantage, and provided, further, that nothing in this Section 3.04(e) shall affect or postpone any of the Obligations of the Borrowers or the rights of such Lender pursuant to Section 3.04(a), (b), (c) or (d).

Section 3.05 Funding Losses. Upon written demand of any Lender (with a copy to the Administrative Agent) from time to time, which demand shall set forth in reasonable detail the basis for requesting such amount, the Borrowers shall promptly compensate such Lender for and hold such Lender harmless from any loss, cost or expense actually incurred by it as a result of:

(i) 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; or

(ii) any failure by any 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 on the date or in the amount notified by such Borrower;

including any loss or expense (excluding loss of anticipated profits) 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.

For purposes of calculating amounts payable by the Borrowers to the Lenders under this Section 3.05, each Lender shall be deemed to have funded each Eurocurrency Rate Loan made by it at the Eurocurrency Rate for such Loan by a matching deposit or other borrowing in the London interbank eurodollar market for a comparable amount and for a comparable period, whether or not such Eurocurrency Rate Loan was in fact so funded.

Section 3.06 Matters Applicable to All Requests for Compensation. (a) Any Agent or Lender claiming compensation under this Article III shall deliver a certificate to the Borrowers setting forth the additional amount or amounts to be paid to it hereunder which shall be conclusive in the absence of manifest error. In determining such amount, such Agent or such Lender may use any reasonable averaging and attribution methods.

(b) With respect to any Lender's claim for compensation under Section 3.01, 3.02, 3.03 or 3.04, the Borrowers shall not be required to compensate such Lender for any amount incurred more than one hundred and eighty (180) days prior to the date that such Lender notifies the Borrowers of the event that gives rise to such claim; provided that, if the circumstance giving rise to such claim is retroactive, then such 180-day period referred to above shall be extended to include the period of retroactive effect thereof. If any Lender requests compensation by the Borrowers under Section 3.04, the Company may, by notice to such Lender (with a copy to the Administrative Agent), suspend the obligation of such Lender to make or continue from one Interest Period to another Eurocurrency Rate Loans, or to convert Base Rate Loans into Eurocurrency Rate Loans, until the event or condition giving rise to such request ceases to be in effect (in which case the provisions of Section 3.06(c) shall be applicable); provided that such suspension shall not affect the right of such Lender to receive the compensation so requested.

(c) If the obligation of any Lender to make or continue from one Interest Period to another any Eurocurrency Rate Loan, or to convert Base Rate Loans into Eurocurrency Rate Loans shall be suspended pursuant to Section 3.06(b) hereof, such Lender's Eurocurrency Rate Loans shall be automatically converted into Base Rate Loans on the last day(s) of the then current Interest Period(s) for such Eurocurrency Rate Loans (or, in the case of an immediate conversion required by Section 3.02, on such earlier date as required by Law) and, unless and until such Lender gives notice as provided below that the circumstances specified in Section 3.01, 3.02, 3.03 or 3.04 hereof that gave rise to such conversion no longer exist:

(i) to the extent that such Lender's Eurocurrency Rate Loans have been so converted, all payments and prepayments of principal that would otherwise be applied to such Lender's Eurocurrency Rate Loans shall be applied instead to its Base Rate Loans; and

(ii) all Loans that would otherwise be made or continued from one Interest Period to another by such Lender as Eurocurrency Rate Loans shall be made or continued instead as Base Rate Loans, and all Base Rate Loans of such Lender that would otherwise be converted into Eurocurrency Rate Loans shall remain as Base Rate Loans.

(d) If any Lender gives notice to the Borrowers (with a copy to the Administrative Agent) that the circumstances specified in Section 3.01, 3.02, 3.03 or 3.04 hereof that gave rise to the conversion of such Lender's Eurocurrency Rate Loans pursuant to this Section 3.06 no longer exist (which such Lender agrees to do promptly upon such circumstances ceasing to exist) at a time when Eurocurrency Rate Loans made by other Lenders are outstanding, such Lender's Base Rate Loans shall be automatically converted, on the first day(s) of the next succeeding Interest Period(s) for such outstanding Eurocurrency Rate Loans, to the extent necessary so that, after giving effect thereto, all Loans held by the Lenders holding Eurocurrency Rate Loans and by such Lender are held pro rata (as to principal amounts, interest rate basis, and Interest Periods) in accordance with their respective Commitments.

Section 3.07 Replacement of Lenders under Certain Circumstances. (a) If at any time (i) the Borrowers become obligated to pay additional amounts or indemnity payments described in Section 3.01 or Section 3.04 as a result of any condition described in such Sections or any Lender ceases to make Eurocurrency Rate Loans as a result of any condition described in Section 3.02 or Section 3.04, (ii) any Lender becomes a Defaulting Lender or (iii) any Lender becomes a Non-Consenting Lender, then the Company may, on five (5) Business Days' prior written notice to the Administrative Agent and such Lender, (x) replace such Lender by causing such Lender to (and such Lender shall be obligated to) assign pursuant to Section 10.07(b) (with the assignment fee to be paid by the Borrowers in such instance) all of its rights and obligations under this Agreement to one or more Eligible Assignees; provided that neither the Administrative Agent nor any Lender shall have any obligation to the Borrowers to find a replacement Lender or other such Person; and provided, further, that (A) 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 and (B) in the case of any such assignment resulting from a Lender becoming a Non-Consenting Lender, the applicable Eligible Assignees shall have agreed to, and shall be sufficient (together with all other consenting Lenders) to cause the adoption of, the applicable departure, waiver or amendment of the Loan Documents; or (y) terminate the Commitment of such Lender or L/C Issuer, as the case may be, and (1) in the case of a Lender (other than an L/C Issuer), repay all Obligations of the Borrowers owing to such Lender relating to the Loans and participations held by such Lender as of such termination date and (2) in the case of an L/C Issuer, repay all Obligations of the Borrowers owing to such L/C Issuer relating to the Loans and participations held by the L/C Issuer as of such termination date and cancel or backstop on terms satisfactory to such L/C Issuer any Letters of Credit issued by it; provided that in the case of any such termination of a Non-Consenting Lender such termination shall be sufficient (together with all other consenting Lenders) to cause the adoption of the applicable departure, waiver or amendment of the Loan Documents and such termination shall be in respect of any applicable Facility only in the case of clause (i) or, with respect to a Class vote, clause (iii).

(b) Any Lender being replaced pursuant to Section 3.07(a) above shall (i) execute and deliver an Assignment and Assumption Agreement with respect to such Lender's Commitment and outstanding Loans and participations in L/C Obligations and Swing Line Loans, and (ii) deliver any Notes evidencing such Loans to the Borrowers or Administrative Agent. Pursuant to such Assignment and Assumption Agreement, (A) the assignee Lender shall acquire all or a portion, as the case may be, of the assigning Lender's Commitment and outstanding Loans and participations in L/C Obligations and Swing Line Loans, (B) all obligations of the Borrowers owing to the assigning Lender relating to the Loans and participations so assigned shall be paid in full by the assignee Lender to such assigning Lender concurrently with such Assignment and Assumption Agreement and (C) upon such payment and, if so requested by the assignee Lender, delivery to the assignee Lender of the appropriate Note or Notes executed by each Borrower, the assignee Lender shall become a Lender hereunder and the assigning Lender shall cease to constitute a Lender hereunder with respect to such assigned Loans, Commitments and participations, except with respect to indemnification provisions under this Agreement, which shall survive as to such assigning Lender. In connection with any such replacement, if any such Non- Consenting Lender or Defaulting Lender does not execute and deliver to the Administrative Agent a duly executed Assignment and Assumption Agreement reflecting such replacement within five (5) Business Days of the date on which the assignee Lender executes and delivers such Assignment and Assumption Agreement to such Non-Consenting Lender or Defaulting Lender, then such Non-Consenting Lender or Defaulting Lender shall be deemed to have executed and delivered such Assignment and Assumption Agreement without any action on the part of the Non-Consenting Lender or Defaulting Lender.

(c) Notwithstanding anything to the contrary contained above, any Lender that acts as an L/C Issuer may not be replaced hereunder at any time that it has any Letter of Credit outstanding hereunder unless arrangements reasonably satisfactory to such L/C Issuer (including the furnishing of a back-up standby letter of credit in form and substance, and issued by an issuer, reasonably satisfactory to such L/C Issuer or the

depositing of cash collateral into a cash collateral account in amounts and pursuant to arrangements reasonably satisfactory to such L/C Issuer) have been made with respect to each such outstanding Letter of Credit and the Lender that acts as the Administrative Agent may not be replaced hereunder except in accordance with the terms of Section 9.09.

(d) In the event that (i) any Borrower or the Administrative Agent has requested that the Lenders consent to a departure or waiver of any provisions of the Loan Documents or agree to any amendment thereto, (ii) the consent, waiver or amendment in question requires the agreement of all affected Lenders in accordance with the terms of Section 10.01 or all the Lenders with respect to a certain Class of the Loans and (iii) the Required Lenders (or, in the case of a consent, waiver or amendment involving all affected Lenders of a certain Facility, the Required Facility Lenders) have agreed to such consent, waiver or amendment, then any Lender who does not agree to such consent, waiver or amendment shall be deemed a "Non-Consenting Lender".

Section 3.08 Survival. All of the Borrowers' obligations under this Article III shall survive termination of the Aggregate Commitments and repayment of all other Obligations hereunder.

ARTICLE IV

Conditions Precedent to Credit Extensions

Section 4.01 Conditions of Initial Credit Extension. The obligation of each Lender to close this Agreement and make its initial Credit Extension hereunder or participate in the initial Letters of Credit, if any, is subject to the satisfaction of each of the following conditions precedent:

(a) Executed Loan Documents. This Agreement, a Revolving Credit Note in favor of each Revolving Credit Lender requesting a Revolving Credit Note, a Term Note in favor of each Term Lender requesting a Term Note, a Swing Line Note in favor of the Swing Line Lender (in each case, if requested thereby), the Collateral Documents and the Guaranty, together with any other applicable Loan Documents, shall have been duly authorized, executed and delivered to the Administrative Agent by the parties thereto, shall be in full force and effect and no Default or Event of Default shall exist hereunder or thereunder.

(b) Closing Certificates; Etc. The Administrative Agent shall have received each of the following in form and substance reasonably satisfactory to the Administrative Agent.

(i) Officer's Certificate. A certificate from a Responsible Officer of the Company to the effect that (A) all representations and warranties of the Loan Parties contained in this Agreement and the other Loan Documents are true and correct in all material respects; provided that, any representation and warranty that is qualified as to "materiality," "Material Adverse Effect" or similar language shall be true and correct in all respects; (B) none of the Loan Parties is in violation of any of the covenants contained in this Agreement and the other Loan Documents; (C) after giving effect to the Transactions, no Default or Event of Default has occurred and is continuing; (D) since December 31, 2016, no event has occurred or condition arisen, either individually or in the aggregate, that has had or could reasonably be expected to have a Material Adverse Effect; and (E) each of the Loan Parties, as applicable, has satisfied each of the conditions set forth in Section 4.01 and Section 4.02.

(ii) Certificate of Secretary of each Loan Party. A certificate of a Responsible Officer of each Loan Party certifying as to the incumbency and genuineness of the signature of each officer of such Loan Party executing Loan Documents to which it is a party and certifying that attached thereto is a true, correct and complete copy of (A) the articles or certificate of incorporation or formation (or equivalent), as applicable, of such Loan Party and all amendments thereto, certified as of a recent date by the appropriate Governmental Authority in its jurisdiction of incorporation, organization or formation (or equivalent), as applicable, (B) the bylaws or other governing document of such Loan Party as in effect on the Closing Date, (C) resolutions duly adopted by the board of directors (or other governing body) of such Loan Party authorizing and approving the transactions contemplated hereunder and the execution, delivery and performance of this Agreement and the other Loan Documents to which it is a party, and (D) each certificate required to be delivered pursuant to Section 4.01(b)(iii).

(iii) Certificates of Good Standing. Certificates as of a recent date of the good standing of each Loan Party under the laws of its jurisdiction of incorporation, organization or formation (or equivalent), as applicable, and, to the extent requested by the Administrative Agent, each other jurisdiction where such Loan Party is qualified to do business.

(iv) Opinions of Counsel. Opinions of counsel to the Loan Parties addressed to the Administrative Agent and the Lenders with respect to the Loan Parties, the Loan Documents and such other matters as the Administrative Agent shall request (which such opinions shall expressly permit reliance by permitted successors and assigns of the Administrative Agent and the Lenders).

(c) Personal Property Collateral.

(i) Filings and Recordings. The Administrative Agent shall have received all filings and recordations that are necessary to perfect the security interests of the Administrative Agent, on behalf of the Secured Parties, in the Collateral and the Administrative Agent shall have received evidence reasonably satisfactory to the Administrative Agent that upon such filings and recordations such security interests constitute valid and perfected first priority Liens thereon (subject to Permitted Liens).

(ii) Pledged Collateral. The Administrative Agent shall have received (A) original stock certificates or other certificates evidencing the certificated Equity Interests pledged pursuant to the Collateral Documents, together with an undated stock power for each such certificate duly executed in blank by the registered owner thereof and (B) each original promissory note pledged pursuant to the Collateral Documents together with an undated allonge for each such promissory note duly executed in blank by the holder thereof.

(iii) Lien Search. The Administrative Agent shall have received the results of a Lien search (including a search as to judgments, bankruptcy, tax and intellectual property matters), in form and substance reasonably satisfactory thereto, made against the Loan Parties under the Uniform Commercial Code (or applicable judicial docket) as in effect in each jurisdiction in which filings or recordations under the Uniform Commercial Code should be made to evidence or perfect security interests in all assets of such Loan Party, indicating among other things that the assets of each such Loan Party are free and clear of any Lien (except for Permitted Liens).

(iv) Property and Liability Insurance. The Administrative Agent shall have received, in each case in form and substance reasonably satisfactory to the Administrative Agent, evidence of property, business interruption and liability insurance covering each Loan Party, evidence of payment of all insurance premiums for the current policy year of each policy (with appropriate endorsements

naming the Administrative Agent as lender's loss payee (and mortgagee, as applicable) on all policies for property hazard insurance and as additional insured on all policies for liability insurance), and if requested by the Administrative Agent, copies of such insurance policies.

(v) Intellectual Property. The Administrative Agent shall have received security agreements duly executed by the applicable Loan Parties for all federally registered copyrights, copyright applications, patents, patent applications, trademarks and trademark applications included in the Collateral, in each case in proper form for filing with the U.S. Patent and Trademark Office or U.S. Copyright Office, as applicable.

(vi) Other Collateral Documentation. The Administrative Agent shall have received any documents reasonably requested thereby or as required by the terms of the Security Documents to evidence its security interest in the Collateral (including, without limitation, account control agreements for each deposit account and securities account included within the Collateral).

(d) Consents; Defaults.

(i) Governmental and Third Party Approvals. The Loan Parties shall have received all material governmental, shareholder and third party consents and approvals necessary (or any other material consents as determined in the reasonable discretion of the Administrative Agent) in connection with the transactions contemplated by this Agreement and the other Loan Documents and all applicable waiting periods shall have expired without any action being taken by any Person that could reasonably be expected to restrain, prevent or impose any material adverse conditions on any of the Loan Parties or such other transactions or that could seek or threaten any of the foregoing, and no law or regulation shall be applicable which in the reasonable judgment of the Administrative Agent could reasonably be expected to have such effect.

(ii) No Injunction, Etc. No action, proceeding or investigation shall have been instituted, or to the knowledge of Company, threatened or proposed before any Governmental Authority to enjoin, restrain, or prohibit, or to obtain substantial damages in respect of, or which is related to or arises out of this Agreement or the other Loan Documents or the consummation of the transactions contemplated hereby or thereby, that could reasonably be expected to have a Material Adverse Effect.

(e) Financial Matters.

(i) Financial Projections. The Administrative Agent shall have received pro forma consolidated financial statements for the Company and its Subsidiaries, and projections prepared by management of the Company, of balance sheets, income statements and cash flow statements on a quarterly basis for the first year following the Closing Date and on an annual basis for each year thereafter during the term of the Facilities, which shall not be inconsistent with any financial information or projections previously delivered to the Administrative Agent.

(ii) Solvency Certificate. The Company shall have delivered to the Administrative Agent a certificate, in form and substance satisfactory to the Administrative Agent, and certified as accurate by the chief financial officer of the Company, that after giving effect to the Transactions, the Borrowers and the Guarantors (taken as a whole) are Solvent.

(iii) Payment at Closing. The Borrowers shall have paid or made arrangements to pay contemporaneously with closing (A) to the Administrative Agent, the Joint Lead Arrangers and the Lenders the fees set forth or referenced in Section 2.09 and any other accrued and unpaid fees or commissions due hereunder, (B) all fees, charges and disbursements of counsel to the Administrative Agent (directly to such counsel if requested by the Administrative Agent) to the extent accrued and unpaid prior to or on the Closing Date, plus such additional amounts of such fees, charges and disbursements as shall constitute its reasonable estimate of such fees, charges and disbursements incurred or to be incurred by it through the closing proceedings (provided that such estimate shall not thereafter preclude a final settling of accounts between the Borrowers and the Administrative Agent) and (C) to any other Person such amount as may be due thereto in connection with the transactions contemplated hereby, including all taxes, fees and other charges in connection with the execution, delivery, recording, filing and registration of any of the Loan Documents.

(f) Miscellaneous.

(i) Notice of Account Designation. The Administrative Agent shall have received a notice of account designation specifying the account or accounts to which the proceeds of any Loans made on or after the Closing Date are to be disbursed.

(ii) Existing Indebtedness. All existing Indebtedness of the Company and its Subsidiaries (including Indebtedness under the Existing Credit Agreement but excluding Indebtedness permitted pursuant to Section 7.03) shall be refinanced, and the Administrative Agent shall have received pay-off letters in form and substance satisfactory to it in connection therewith.

(iii) PATRIOT Act, etc . Each Borrower and each of the Guarantors shall have provided to the Administrative Agent and the Lenders, at least five (5) Business Days prior to the Closing Date, the documentation and other information requested at least ten (10) Business Days prior to the Closing Date by the Administrative Agent in order to comply with requirements of any Anti-Money Laundering Laws, including, without limitation, the Act and any applicable "know your customer" rules and regulations.

(iv) Other Documents. All opinions, certificates and other instruments and all proceedings in connection with the transactions contemplated by this Agreement shall be satisfactory in form and substance to the Administrative Agent. The Administrative Agent shall have received copies of all other documents, certificates and instruments reasonably requested thereby, with respect to the transactions contemplated by this Agreement.

Without limiting the generality of the provisions of Section 9.03, for purposes of determining compliance with the conditions specified in this Section 4.01, the Administrative Agent and 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.

Section 4.02 Conditions to All Credit Extensions. The obligation of each Lender to honor any Request for Credit Extension (other than a Committed Loan Notice requesting only a conversion of Loans to the other Type, or a continuation of Eurocurrency Rate Loans) is subject to the following conditions precedent, which in the case of an Incremental Term Loan to be used to finance a Limited Condition Acquisition, shall be subject to Section 1.12:

(a) The representations and warranties of each Borrower and each other Loan Party contained in Article V and in any other Loan Document shall be true and correct in all material respects on and as of the date of such Credit Extension; provided that, to the extent that such representations and warranties specifically refer to an earlier date, they shall be true and correct in all material respects as of such earlier date; provided, further, that, any representation and warranty that is qualified as to "materiality," "Material Adverse Effect" or similar language shall be true and correct in all respects on such respective dates.

(b) No Default shall exist, or would result from such proposed Credit Extension or from the application of the proceeds therefrom.

(c) The Administrative Agent and, if applicable, the relevant L/C Issuer or the Swing Line Lender shall have received a Request for Credit Extension in accordance with the requirements hereof.

Each Request for Credit Extension (other than a Committed Loan Notice requesting only a conversion of Loans to the other Type or a continuation of Eurocurrency Rate Loans) submitted by the Company shall be deemed to be a representation and warranty that the conditions specified in Sections 4.02(a) and (b) have been satisfied on and as of the date of the applicable Credit Extension.

ARTICLE V

Representations and Warranties

Each Borrower represents and warrants to the Agents and the Lenders that:

Section 5.01 Existence, Qualification and Power; Compliance with Laws. Each Loan Party and each of its Subsidiaries (a) is a Person 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 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, (c) is duly qualified 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, (d) is in compliance with all Laws, orders, writs, injunctions and orders and (e) has all requisite governmental licenses, authorizations, consents and approvals to operate its business as currently conducted; except in each case referred to in clause (c), (d) or (e) above, to the extent that failure to do so, either individually or in the aggregate, could not reasonably be expected to have a Material Adverse Effect. No Loan Party nor any Subsidiary thereof is an EEA Financial Institution.

Section 5.02 Authorization; No Contravention. The execution, delivery and performance by each Loan Party of each Loan Document to which such Person is a party, and the consummation of the Transaction, are within such Loan Party's corporate or other powers, have been duly authorized by all necessary corporate or other organizational action, and do not and will 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 (other than as permitted by Section 7.01), or require any payment to be made under (i) (x) any Junior Financing Documentation and any other indenture, mortgage, deed of trust or loan agreement evidencing Indebtedness in an aggregate principal amount in excess of the Threshold Amount or (y) any 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 material 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 material Law; except with respect to any conflict, breach or contravention or payment (but not creation of Liens)

referred to in clause (b)(i)(y) above, to the extent that such conflict, breach, contravention or payment, either individually or in the aggregate, could not reasonably be expected to have a Material Adverse Effect.

Section 5.03 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 (a) the execution, delivery or performance by, or enforcement against, any Loan Party of this Agreement or any other Loan Document, or for the consummation of the Transaction, (b) the grant by any Loan Party of the Liens granted by it pursuant to the Collateral Documents, (c) the perfection or maintenance of the Liens created under the Collateral Documents (including the priority thereof) or (d) the exercise by the Administrative Agent or any Lender of its rights under the Loan Documents or the remedies in respect of the Collateral pursuant to the Collateral Documents, except for (i) filings necessary to perfect the Liens on the Collateral granted by the Loan Parties in favor of the Secured Parties, (ii) the approvals, consents, exemptions, authorizations, actions, notices and filings which have been duly obtained, taken, given or made and are in full force and effect, and (iii) those approvals, consents, exemptions, authorizations or other actions, notices or filings, the failure of which to obtain or make, either individually or in the aggregate, could not reasonably be expected to have a Material Adverse Effect.

Section 5.04 Binding Effect. This Agreement and each other Loan Document has been duly executed and delivered by each Loan Party that is party thereto. This Agreement and each other Loan Document constitutes a legal, valid and binding obligation of such Loan Party, enforceable against each Loan Party that is party thereto in accordance with its terms, subject to Debtor Relief Laws, general principles of equity (whether considered in a proceeding in equity or law) and an implied covenant of good faith and fair dealing.

Section 5.05 Financial Statements; No Material Adverse Effect. (a) The Audited Financial Statements and the Unaudited Financial Statements fairly present in all material respects the financial condition of the Company and its Subsidiaries as of the dates thereof and their results of operations for the period covered thereby in accordance with GAAP consistently applied throughout the periods covered thereby, except as otherwise expressly noted therein (subject, in the case of the Unaudited Financial Statements, to normal year-end audit adjustments and the absence of footnotes).

(b) Since December 31, 2016, 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.

(c) The forecasts of consolidated balance sheets, income statements and cash flow statements of the Company and its Subsidiaries for each fiscal years 2018 through 2022, copies of which have been furnished to the Administrative Agent prior to the Closing Date in a form reasonably satisfactory to it, have been prepared in good faith on the basis of the assumptions stated therein, which assumptions were believed to be reasonable at the time of preparation of such forecasts, it being understood that actual results may vary from such forecasts and that such variations may be material.

(d) As of the Closing Date, neither any Borrower nor any Subsidiary has any Indebtedness or other obligations or liabilities, direct or contingent (other than (i) such liabilities as are set forth in the financial statements described in clause (a) of this Section 5.05, (ii) obligations arising under the Loan Documents or otherwise permitted under Article VII and (iii) liabilities incurred in the ordinary course of business) that, either individually or in the aggregate, have had or could reasonably be expected to have a Material Adverse Effect.

Section 5.06 Litigation. Except as set forth on Schedule 5.06, there are no actions, suits, proceedings, claims or disputes pending or, to the knowledge of any Borrower, threatened in writing or contemplated, at law, in equity, in arbitration or before any Governmental Authority, by or against the Company or any of its Subsidiaries or against any of their properties or revenues that, either individually or in the aggregate, could reasonably be expected to have a Material Adverse Effect.

Section 5.07 No Default. Neither any Borrower nor any Subsidiary is in default under or with respect to, or a party to, any Contractual Obligation that could, either individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

Section 5.08 Ownership of Property; Liens. Each Borrower and each of its Subsidiaries has good record and marketable title in fee simple to, or valid leasehold interests in, or easements or other limited property interests in, all real property necessary in the ordinary conduct of its business, free and clear of all Liens except for minor defects in title that do not materially interfere with its ability to conduct its business or to utilize such assets for their intended purposes and Liens permitted by Section 7.01 and except where the failure to have such title could not reasonably be expected to have, either individually or in the aggregate, a Material Adverse Effect.

Section 5.09 Environmental Compliance. (a) There are no claims, actions, suits, or proceedings alleging potential liability or responsibility for violation of, or otherwise relating to, any Environmental Law that could, either individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

(b) Except as could not reasonably be expected to have, either individually or in the aggregate, a Material Adverse Effect: (i) none of the properties currently or formerly owned, leased or operated by the Company or any of the Company's Subsidiaries is listed or proposed for listing on the NPL or on the CERCLIS or any analogous foreign, state or local list or is adjacent to any such property; (ii) there are no and never have been any underground or aboveground storage tanks or any surface impoundments, septic tanks, pits, sumps or lagoons in which Hazardous Materials are being or have been treated, stored or disposed on any property currently owned, leased or operated by the Company or any of the Company's Subsidiaries or, to its knowledge, on any property formerly owned or operated by the Company or any of the Company's Subsidiaries; (iii) there is no asbestos or asbestos-containing material on any property currently owned or operated by the Company or any of the Company's Subsidiaries; and (iv) Hazardous Materials have not been released, discharged or disposed of by any Person on any property currently or formerly owned, leased or operated by the Company or any of the Company's Subsidiaries and Hazardous Materials have not otherwise been released, discharged or disposed of by the Company or any of the Company's Subsidiaries at any other location.

(c) The properties owned, leased or operated by the Company or any of the Company's Subsidiaries do not contain any Hazardous Materials in amounts or concentrations which (i) constitute, or constituted a violation of, (ii) require remedial action under, or (iii) could reasonably be expected to give rise to liability under, Environmental Laws, which violations, remedial actions and liabilities, either individually or in the aggregate, could reasonably be expected to result in a Material Adverse Effect.

(d) None of the Company or any of the Company's Subsidiaries is undertaking, and has not completed, either individually or together with other potentially responsible parties, any investigation or assessment or remedial or response action relating to any actual or threatened release, discharge or disposal of Hazardous Materials at any site, location or operation, either voluntarily or pursuant to the order of any Governmental Authority or the requirements of any Environmental Law except for such investigation or assessment or remedial or response action that, either individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect.

(e) All Hazardous Materials generated, used, treated, handled or stored at, or transported to or from, any property currently or formerly owned or operated by the Company or any of the Company's Subsidiaries have been disposed of in a manner not reasonably expected to result, either individually or in the aggregate, in a Material Adverse Effect.

(f) Except as could not reasonably be expected to result, either individually or in the aggregate, in a Material Adverse Effect, none of the Company or any of the Company's Subsidiaries has contractually assumed any liability or obligation under or relating to any Environmental Law.

Section 5.10 Taxes. Except as could not, either individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect, each Borrower and each Borrower's Subsidiaries have filed all Federal and other tax returns and reports required to be filed by them, and have paid all Federal and state and other taxes, assessments, fees and other governmental charges levied or imposed upon them or their properties, income or assets otherwise due and payable, except those (a) which are not overdue by more than thirty (30) days or (b) which are being contested in good faith by appropriate proceedings diligently conducted and for which adequate reserves have been provided in accordance with GAAP.

Section 5.11 ERISA Compliance. (a) Except as could not, either individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect, each Plan is in compliance in with the applicable provisions of ERISA, the Code and other Federal or state Laws.

(b) (i) No ERISA Event has occurred during the five year period prior to the date on which this representation is made or deemed made with respect to any Pension Plan; (ii) neither any Loan Party nor any ERISA Affiliate has incurred, or reasonably expects to incur, any liability under Title IV of ERISA with respect to any Pension Plan (other than premiums due and not delinquent under Section 4007 of ERISA); (iii) neither any Loan Party nor any ERISA Affiliate has incurred, or reasonably expects to incur, any liability (and no event has occurred which, with the giving of notice under Section 4219 of ERISA, would result in such liability) under Sections 4201 or 4243 of ERISA with respect to a Multiemployer Plan; and (iv) neither any Loan Party nor any ERISA Affiliate has engaged in a transaction that could be subject to Sections 4069 or 4212(c) of ERISA, except, with respect to each of the foregoing clauses of this Section 5.11(b), as could not reasonably be expected, either individually or in the aggregate, to result in a Material Adverse Effect.

(c) There are no pending or, to the knowledge of any Loan Party, threatened claims, actions or lawsuits, or action by any Governmental Authority, with respect to any Plan that could reasonably be expected to have a Material Adverse Effect. To the knowledge of each Borrower, there has been no prohibited transaction or violation of any fiduciary duty under ERISA with respect to any Plan that has resulted or could reasonably be expected to result in a Material Adverse Effect.

(d) As of the Closing Date, each Borrower is not and will not be using "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 in connection with the Loans, the Letters of Credit or the Commitments.

Section 5.12 Subsidiaries; Equity Interests. As of the Closing Date, (a) neither Borrower has any Subsidiaries other than those specifically disclosed in Schedule 5.12, (b) all of the outstanding Equity Interests in each Borrower and in the material Subsidiaries of each Borrower have been validly issued, are fully paid and nonassessable and (c) all Equity Interests owned by each Borrower and the Subsidiary Guarantors are (in each case) owned free and clear of all Liens except (i) those created under the Collateral Documents and (ii) any nonconsensual Lien that is permitted under Section 7.01. As of the Closing Date, Schedule 5.12 (a) sets forth the name and jurisdiction of each Borrower and each Subsidiary of each Borrower, (b) sets forth the ownership interest of each Borrower and any other Subsidiary of any Borrower in each Borrower and in

each Subsidiary of each Borrower (excluding any Restaurant LP set forth on Schedule 1.01E and any Employment Participation Subsidiary), including the percentage of such ownership and (c) identifies each Subsidiary of each Borrower, the Equity Interests of which are required to be pledged on the Closing Date pursuant to the Collateral and Guarantee Requirement.

Section 5.13 Margin Regulations; Investment Company Act. (a) No Borrower is engaged nor will engage, principally or as one of its important activities, in the business of purchasing or carrying Margin Stock, or extending credit for the purpose of purchasing or carrying Margin Stock, and no proceeds of any Borrowings or drawings under any Letter of Credit will be used for the purpose of purchasing or carrying Margin Stock or any other any purpose that violates Regulation U.

(b) None of any Borrower, any Person Controlling any Borrower, or any Subsidiary is or is required to be registered as an "investment company" under the Investment Company Act of 1940.

Section 5.14 Disclosure. No report, financial statement, certificate or other written information furnished by or on behalf of any Loan Party to any Agent or any Lender in connection with the transactions contemplated hereby and the negotiation of this Agreement or delivered hereunder or any other Loan Document (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 and pro forma financial information, each Borrower represents only that such information was prepared in good faith based upon assumptions believed to be reasonable at the time of preparation; it being understood that such projections may vary from actual results and that such variances may be material.

Section 5.15 Intellectual Property; Licenses, Etc. Each Borrower and each of its Subsidiaries own, license or possess the right to use, all of the trademarks, service marks, trade names, domain names, copyrights, patents, patent rights, licenses, technology, software, know-how, database rights, right of privacy and publicity, and all other intellectual property rights (collectively, "IP Rights") that are necessary for the operation of their respective businesses as currently conducted, and, without conflict with the rights of any Person, except to the extent such conflicts, either individually or in the aggregate, could not reasonably be expected to have a Material Adverse Effect. The operation of the respective businesses of any Borrower or any Subsidiary as currently conducted does not infringe upon, misuse, misappropriate or violate any rights held by any Person, except for such infringements, misuses, misappropriations or violations which could not, either individually or in the aggregate, reasonably be expected to have a Material Adverse Effect. No claim or litigation regarding any IP Rights is pending or threatened in writing against any Borrower or any of its Subsidiaries, which, either individually or in the aggregate, could reasonably be expected to have a Material Adverse Effect.

Section 5.16 Solvency. On the Closing Date after giving effect to the Transaction, the Loan Parties, on a consolidated basis, are Solvent.

Section 5.17 Subordination of Junior Financing. The Obligations are "Senior Debt," "Senior Indebtedness," "Guarantor Senior Debt" or "Senior Secured Financing" (or any comparable term) under, and as defined in, any Junior Financing Documentation that is (or is required to be) subordinated to the Obligations.

Section 5.18 Labor Matters. Except as could not, either individually or in the aggregate, reasonably be expected to have a Material Adverse Effect: (a) there are no strikes or other labor disputes against the Company or any of the Company's Subsidiaries pending or, to the knowledge of any Borrower, threatened; (b) hours worked by and payment made to employees of each of the Company or any of the Company's Subsidiaries have not been in violation of the Fair Labor Standards Act or any other applicable Laws dealing

with such matters; and (c) all payments due from the Company or any of the Company's Subsidiaries on account of employee health and welfare insurance have been paid or accrued as a liability on the books of the relevant party.

Section 5.19 Perfection, Etc. All filings and other actions necessary or desirable to perfect and protect the Lien in the Collateral created under the Collateral Documents (except for such actions that the Security Agreement specifically excepts the Borrowers from performing) have been or will, within the required time periods under the Collateral Documents, be duly made or taken or otherwise provided for and are (or so will be) in full force and effect, and the Collateral Documents create in favor of the Administrative Agent for the benefit of the Secured Parties a valid and, together with such filings and other actions, perfected first priority Lien in the Collateral to the extent required by the Collateral Documents, securing the payment of the Secured Obligations, subject only to Permitted Liens.

Section 5.20 Anti-Money Laundering Laws, Anti-Corruption Laws and Sanctions. (a) To the extent applicable, each of the Company and the Company's Subsidiaries is in compliance, in all material respects, with (i) Sanctions, including the Trading with the Enemy Act, as amended, and each of the foreign assets control regulations of the United States Treasury Department (31 CFR Subtitle B, Chapter V, as amended) and any other enabling legislation or executive order relating thereto and (ii) Anti-Money Laundering Laws.

(b) (i) No part of the proceeds of the Loans (or any Letters of Credit) will be used directly or, to the knowledge of the Company and the Company's Subsidiaries, indirectly, (A) 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 (the "FCPA") or (B) except as would not reasonably be expected to have a Material Adverse Effect, in violation of any other Anti-Corruption Laws and (ii) the Company and each of the Company's Subsidiaries and, to the knowledge of the Company or any of the Company's Subsidiaries, their respective directors, officers and employees, are currently in compliance with (A) the FCPA in all material respects and (B) except as would not reasonably be expected to have a Material Adverse Effect, any other Anti-Corruption Laws.

(c) (i) None of the Company or any of the Company's Subsidiaries will directly or, to the knowledge of the Company or any of the Company's Subsidiaries, indirectly, use the proceeds of the Loans in violation of applicable Sanctions or otherwise knowingly make available such proceeds to any Person for the purpose of financing the activities of any Sanctioned Person, except to the extent licensed, exempted or otherwise approved by a competent governmental body responsible for enforcing such Sanctions, (ii) none of the Company or any of the Company's Subsidiaries or to the knowledge of the Company or any of the Company's Subsidiaries, their respective directors, officers or employees or, to the knowledge of any Borrower, any controlled Affiliate any Borrower or any of the Company's Subsidiaries that will act in any capacity in connection with or benefit from any Facility, is a Sanctioned Person and (iii) none of the Company or any of the Company's Subsidiaries or, to the knowledge of the Company or any of the Company's Subsidiaries, their respective directors, officers and employees, are in violation of applicable Sanctions in any material respect.

ARTICLE VI

Affirmative Covenants

So long as any Lender shall have any Commitment hereunder, or any Loan or other Obligation hereunder (other than (i) contingent indemnification obligations as to which no claim has been asserted and (ii) Cash Management Obligations and Obligations under Secured Hedge Agreements) shall remain unpaid or unsatisfied, or any Letter of Credit shall remain outstanding (unless the Outstanding Amount of the L/C Obligations related thereto has been Cash Collateralized, back-stopped by a letter of credit reasonably satisfactory to the applicable L/C Issuer or deemed reissued under another agreement reasonably acceptable to the applicable L/C Issuer), each Borrower shall, and shall (except in the case of the covenants set forth in Sections 6.01, 6.02 and 6.03) cause each Subsidiary to:

Section 6.01 Financial Statements. Deliver to the Administrative Agent for prompt further distribution to each Lender:

(a) As soon as available, but in any event within ninety (90) days after the end of each fiscal year of the Company beginning with the 2017 fiscal year, a consolidated balance sheet of the Company and its Subsidiaries as at the end of such fiscal year, and the related consolidated statements of income or operations, stockholders' 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, audited and accompanied by a report and opinion of PricewaterhouseCoopers LLP or any other independent registered public accounting firm of nationally recognized standing, which report and opinion (i) shall be prepared in accordance with Public Company Oversight Board ("PCAOB") or American Institute of Certified Public Accountants ("AICPA") auditing standards, as applicable, and (ii) 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 (except as may be required as a result of (x) a prospective Event of Default with respect to the Financial Covenant or (y) the impending maturity of the Loans hereunder).

(b) As soon as available, but in any event within forty-five (45) days after the end of each of the first three (3) fiscal quarters of each fiscal year of the Company, a consolidated balance sheet of the Company and its Subsidiaries as at the end of such fiscal quarter, and the related (x) consolidated statements of income or operations for such fiscal quarter and for the portion of the fiscal year then ended and (y) consolidated statements of cash flows for the portion of the 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 certified by a Responsible Officer of the Company as fairly presenting in all material respects the financial condition, results of operations, stockholders' equity and cash flows of the Company and its Subsidiaries in accordance with GAAP, subject only to normal year-end audit adjustments and the absence of footnotes; and

(c) As soon as available, and in any event no later than ninety (90) days after the end of each fiscal year of the Company, a detailed consolidated budget for the following fiscal year (including a projected consolidated balance sheet of the Company and its Subsidiaries as of the end of the following fiscal year, the related consolidated statements of projected cash flow and projected income and a summary of the material underlying assumptions applicable thereto) (collectively, the "Projections").

Notwithstanding the foregoing, the obligations in paragraphs (a) and (b) of this Section 6.01 may be satisfied with respect to financial information of the Company and its Subsidiaries by furnishing the Company's Form 10-K or 10-Q, as applicable, filed with the SEC; provided that, to the extent such information is in lieu of information required to be provided under Section 6.01(a), such materials are, to the extent applicable, accompanied by a report and opinion of PricewaterhouseCoopers LLP or any other independent registered public accounting firm of nationally recognized standing, which report and opinion (x) shall be prepared in accordance with PCAOB or AICPA auditing standards, as applicable, and (y) 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 (except as may be required as a result of (x) a prospective Event of Default with respect to the Financial Covenant or (y) the impending maturity of the Loans hereunder).

Section 6.02 Certificates; Other Information. Deliver to the Administrative Agent for prompt further distribution to each Lender:

(a) no later than five (5) days after the delivery of the financial statements referred to in Section 6.01(a), a certificate of its independent registered public accounting firm certifying such financial statements and stating that in making the examination necessary therefor no knowledge was obtained of any Event of Default under Section 7.10 or, if any such Event of Default shall exist, stating the nature and status of such event;

(b) no later than five (5) days after the delivery of the financial statements referred to in Section 6.01(a) and 6.01(b), a duly completed Compliance Certificate signed by a Responsible Officer of the Company;

(c) promptly after the same are publicly available, copies of all annual, regular, periodic and special reports and registration statements which the Company or OSI files with the SEC or with any Governmental Authority that may be substituted therefor (other than amendments to any registration statement (to the extent such registration statement, in the form it became effective, is delivered), exhibits to any registration statement and, if applicable, any registration statement on Form S-8) and in any case not otherwise required to be delivered to the Administrative Agent pursuant hereto;

(d) promptly after the furnishing thereof, copies of any material requests or material notices received by any Loan Party (other than in the ordinary course of business) from, or material statements or material reports furnished to, any holder of debt securities of any Loan Party or of any of its Subsidiaries pursuant to the terms of any (i) Credit Agreement Refinancing Indebtedness, (ii) any Incremental Equivalent Debt, (iii) any unsecured Indebtedness, (iv) any Indebtedness that is secured on a junior basis to the Obligations or (v) any Junior Financing Documentation, in the case of preceding clauses (iii), (iv) and (v), in a principal amount greater than the Threshold Amount and (in each case) not otherwise required to be furnished to the Lenders pursuant to any other clause of this Section 6.02;

(e) together with the delivery of each Compliance Certificate pursuant to Section 6.02(b) solely with respect to financial statements delivered pursuant to Section 6.01(a), (i) a report setting forth the information required by Section 3.03(c) of the Security Agreement or confirming that there has been no change in such information since the Closing Date (or, if later, the date of the last such report), (ii) a description of each event, condition or circumstance during the last fiscal year covered by such Compliance Certificate requiring a mandatory prepayment under Section 2.05(b) and (iii) an updated list of each Subsidiary as of the date of delivery of such Compliance Certificate (or confirming that there has been no change in such information since the Closing Date or the date of the last such update); and

(f) promptly, such additional information regarding the business, legal, financial or corporate affairs of any Loan Party or any Subsidiary, or compliance with the terms of the Loan Documents, as the Administrative Agent or any Lender through the Administrative Agent may from time to time reasonably request.

Documents required to be delivered pursuant to Section 6.01(a) or (b) or Section 6.02(c) or (d) (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 Company posts such documents, or provides a link thereto on the Company's website on the Internet at the website address listed on Schedule 10.02; or (ii) on which such documents are posted on the Company's behalf on IntraLinks/IntraAgency or another relevant website, if any, to which each Lender and the Administrative Agent have access (whether a commercial, third-party website or whether sponsored by the Administrative Agent); provided that: (i) upon written request by the Administrative Agent, the Company shall deliver paper copies of such documents to the Administrative Agent for further distribution to each Lender until a written request to cease delivering paper copies is given by the Administrative Agent and (ii) the Company shall notify (which may be by facsimile or electronic mail) the Administrative Agent 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. Notwithstanding anything contained herein, in every instance the Company shall be required to provide paper copies of the Compliance Certificates required by Section 6.02(b) to the Administrative Agent. Each Lender shall be solely responsible for timely accessing posted documents or requesting delivery of paper copies of such documents from the Administrative Agent and maintaining its copies of such documents. For purposes of this Section 6.02, paper copies shall include copies delivered by facsimile transmission or electronically (such as "tif", "pdf" or similar file formats delivered by email).

Section 6.03 Notices. Promptly after obtaining knowledge thereof, notify the Administrative Agent:

(a) of the occurrence of any Default;

(b) of the filing or commencement of, or any threat or notice of intention of any person to file or commence, any action, suit, litigation or proceeding, whether at law or in equity by or before any Governmental Authority against any Borrower or any of their respective Subsidiaries or the occurrence of any ERISA Event that, in each case, could reasonably be expected to result in a Material Adverse Effect; and

(c) any event, condition, change, circumstance or matter that, either individually or in the aggregate, has resulted or could reasonably be expected to result in a Material Adverse Effect.

Each notice pursuant to this Section shall be accompanied by a written statement of a Responsible Officer of the Company (x) that such notice is being delivered pursuant to Section 6.03(a) or (b) (as applicable) and (y) setting forth details of the occurrence referred to therein and stating what action the Company has taken and proposes to take with respect thereto.

Section 6.04 Payment of Taxes. Pay, discharge or otherwise satisfy as the same shall become due and payable, all of its obligations and liabilities in respect of taxes, assessments and governmental charges or levies imposed upon it or upon its income or profits or in respect of its property, except in each case, to the extent the failure to pay or discharge the same, either individually or in the aggregate, could not reasonably be expected to have a Material Adverse Effect.

Section 6.05 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 7.04 or 7.05 and (b) take all reasonable action to maintain all rights, privileges (including its good standing), permits, licenses and franchises necessary or desirable in the normal conduct of its business except (i) to the extent that failure to do so could not, either individually or in the aggregate, reasonably be expected to have a Material Adverse Effect or (ii) pursuant to a transaction permitted by Section 7.04 or 7.05.

Section 6.06 Maintenance of Properties. Except if the failure to do so could not, either individually or in the aggregate, reasonably be expected to have a Material Adverse Effect, (a) maintain, preserve and protect all of its properties and equipment necessary in the operation of its business in good working order, repair and condition, ordinary wear and tear excepted and casualty or condemnation excepted, and (b) make all necessary renewals, replacements, modifications, improvements, upgrades, extensions and additions thereof or thereto in accordance with prudent industry practice.

Section 6.07 Maintenance of Insurance. (a) Maintain with financially sound and reputable insurance companies, insurance with respect to its properties and business against loss or damage of the kinds customarily insured against by Persons engaged in the same or similar business, of such types and in such amounts (after giving effect to any self-insurance reasonable and customary for similarly situated Persons engaged in the same or similar businesses as the Borrowers and their respective Subsidiaries or otherwise consistent with past practices) as are customarily carried under similar circumstances by such other Persons.

(b) All such insurance shall (i) provide that the insurer affording coverage will endeavor to mail 30 days written notice of cancellation of such insurance coverage to the Collateral Agent (in the case of property and liability insurance), (ii) name the Collateral Agent as mortgagee (in the case of property insurance) or additional insured on behalf of the Secured Parties (in the case of liability insurance) or lender's loss payee (in the case of property insurance), as applicable and (iii) be reasonably satisfactory in all other respects to the Administrative Agent.

(c) With respect to each Mortgaged Property, (i) obtain flood insurance in such total amount as the Administrative Agent or the Required Lenders may from time to time reasonably require, if at any time the area in which any improvements located on any Mortgaged Property is designated a "flood hazard area" in any Flood Insurance Rate Map published by the Federal Emergency Management Agency (or any successor agency), and otherwise comply with The National Flood Insurance Reform Act of 1994, the National Flood Insurance Program as set forth in the Flood Disaster Protection Act of 1973, as amended from time to time, and the rules and regulations promulgated thereunder or as otherwise required by the Administrative Agent or any Lender, (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 re-designation of any such Mortgaged Property into or out of a flood hazard area.

Section 6.08 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 if the failure to comply therewith could not, either individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

Section 6.09 Books and Records. Maintain proper books of record and account, in which entries that are full, true and correct in all material respects and are in conformity with GAAP consistently applied shall be made of all material financial transactions and matters involving the assets and business of each Borrower or each Subsidiary, as the case may be.

Section 6.10 Inspection Rights. Permit representatives and independent contractors of the Administrative Agent and each Lender 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 independent public accountants (subject to such independent public accountants' customary policies and procedures), all at the reasonable expense of the Borrowers and at such reasonable times during normal business hours and as often as may be reasonably desired, upon reasonable advance notice to the Borrowers; provided that, only the Administrative Agent on behalf of the Lenders may exercise rights of the Administrative Agent and the Lenders under this Section 6.10 and the Administrative Agent shall not exercise such rights more often than two (2) times during any calendar year absent the existence of an Event of Default and only one (1) such time shall be at the Borrowers' expense; provided, further, that during the continuance of an Event of Default, the Administrative Agent (or any of its respective representatives or independent contractors) may do any of the foregoing at the expense of the Borrowers at any time during normal business hours and upon reasonable advance notice. The Administrative Agent shall give the Borrowers the opportunity to participate in any discussions with the Borrowers' independent public accountants. Notwithstanding anything to the contrary in this Section 6.10, none of the Borrowers or any of their respective Subsidiaries will be required to disclose, permit the inspection, examination or making copies or abstracts of, or discussion of, any document, information or other matter that (a) constitutes non-financial trade secrets or non-financial proprietary information, (b) in respect of which disclosure to the Administrative Agent or any Lender (or their respective representatives or contractors) is prohibited by Law or any binding agreement or (c) is subject to attorney-client or similar privilege or constitutes attorney work product.

Section 6.11 Covenant to Guarantee Obligations and Give Security. At the Borrowers' expense, take all action necessary or reasonably requested by the Administrative Agent to ensure that the Collateral and Guarantee Requirement continues to be satisfied, including:

(a) upon the formation or acquisition of any new direct or indirect Wholly Owned Domestic Subsidiary (in each case, other than an Excluded Subsidiary) by any Loan Party:

(i) within thirty (30) days after such formation or acquisition or such longer period as the Administrative Agent may agree in its discretion:

(A) cause each such Subsidiary that is required to become a Guarantor under the Collateral and Guarantee Requirement to furnish to the Administrative Agent a description of the Material Real Properties owned by such Subsidiary, in detail reasonably satisfactory to the Administrative Agent;

(B) cause (x) each such Subsidiary that is required to become a Guarantor pursuant to the Collateral and Guarantee Requirement to duly execute and deliver to the Administrative Agent or the Collateral Agent (as appropriate) Guaranty Supplements and Mortgages with respect to the Material Real Properties which are identified to the Administrative Agent pursuant to Section 6.11(a)(i)(A), Security Agreement Supplements, a counterpart of the Intercompany Note and other security agreements and documents (including, with respect to such Mortgages, the documents listed in Section 6.13(b)), as reasonably requested by and in form and substance reasonably satisfactory to the Administrative Agent (consistent with the Mortgages, Security Agreement and other security agreements in effect on the Closing Date), in each case granting Liens required by the Collateral and Guarantee Requirement and (y) each direct or indirect parent of each such Subsidiary that is required to be a Guarantor pursuant to the Collateral and Guarantee Requirement to duly execute and deliver to the Administrative Agent such Security Agreement

Supplements and other security agreements as reasonably requested by and in form and substance reasonably satisfactory to the Administrative Agent (consistent with the Security Agreements in effect on the Closing Date), in each case granting Liens required by the Collateral and Guarantee Requirement;

(C) (x) cause each such Subsidiary that is required to become a Guarantor pursuant to the Collateral and Guarantee Requirement to deliver any and all certificates representing Equity Interests (to the extent certificated) that are required to be pledged pursuant to the Collateral and Guarantee Requirement, accompanied by undated stock powers or other appropriate instruments of transfer executed in blank and instruments evidencing the intercompany Indebtedness held by such Subsidiary and required to be pledged pursuant to the Collateral Documents, indorsed in blank to the Collateral Agent and (y) cause each direct or indirect parent of such Subsidiary that is (or is required to be) a Guarantor pursuant to the Collateral and Guarantee Requirement to deliver any and all certificates representing the outstanding Equity Interests (to the extent certificated) of such Subsidiary that are required to be pledged pursuant to the Collateral and Guarantee Requirement, accompanied by undated stock powers or other appropriate instruments of transfer executed in blank and instruments evidencing the intercompany Indebtedness issued by such Subsidiary and required to be pledged in accordance with the Collateral Documents, indorsed in blank to the Collateral Agent;

(D) take and cause such Subsidiary and each direct or indirect parent of such Subsidiary that is required to become a Guarantor pursuant to the Collateral and Guarantee Requirement to take whatever action (including the recording of Mortgages, the filing of Uniform Commercial Code financing statements and delivery of stock and membership interest certificates) may be necessary in the reasonable opinion of the Administrative Agent to vest in the Administrative Agent (or in any representative of the Administrative Agent designated by it) valid Liens required by the Collateral and Guarantee Requirement, enforceable against all third parties in accordance with their terms, subject to Debtor Relief Laws, general principles of equity (whether considered in a proceeding in equity or at law) and an applied covenant of good faith and fair dealing,

(ii) within thirty (30) days after the request therefor by the Administrative Agent, deliver to the Administrative Agent a signed copy of an opinion, addressed to the Administrative Agent and the other Secured Parties, of counsel for the Loan Parties reasonably acceptable to the Administrative Agent as to such matters set forth in this Section 6.11(a) as the Administrative Agent may reasonably request, and

(iii) as promptly as practicable after the request therefor by the Administrative Agent, deliver to the Administrative Agent with respect to each parcel of Material Real Property that is owned by such Subsidiary, any existing title reports, surveys or environmental assessment reports.

(b) each Borrower shall obtain the security interests, Guarantees and related items required by the Collateral Documents on or prior to the Closing Date; and after the Closing Date, promptly following (x) the acquisition of any material personal property by any Loan Party or (y) the acquisition of any owned Material Real Property by any Loan Party, such personal property or owned Material Real Property shall not already be subject to a perfected Lien pursuant to the Collateral

and Guarantee Requirement, the Company shall give notice thereof to the Administrative Agent and promptly thereafter shall cause such assets to be subjected to a Lien to the extent required by the Collateral and Guarantee Requirement and will take, or cause the relevant Loan Party to take, such actions as shall be necessary or reasonably requested by the Administrative Agent to grant and perfect or record such Lien, including, as applicable, the actions referred to in Section 6.13(b) with respect to real property.

Section 6.12 Compliance with Environmental Laws. Except, in each case, to the extent that the failure to do so could not, either individually or in the aggregate, reasonably be expected to have a Material Adverse Effect: comply, and take all reasonable actions to cause all lessees and other Persons operating or occupying its properties to comply with all applicable Environmental Laws and Environmental Permits; obtain and renew all Environmental Permits necessary for its operations and properties; and, in each case to the extent required by Environmental Laws, 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 with the requirements of all Environmental Laws.

Section 6.13 Further Assurances. (a) Promptly upon reasonable request by the Administrative Agent (i) correct any material defect or error that may be discovered in the execution, acknowledgment, filing or recordation of any Collateral Document or other document or instrument relating to any Collateral, and (ii) 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 as the Administrative Agent may reasonably request from time to time in order to carry out more effectively the purposes of the Collateral Documents (subject to the limitations set forth therein and in the definition of Collateral and Guarantee Requirement).

(b) In the case of any Material Real Property referred to in Section 6.11(a)(i)(A) or 6.11(b)(y), the Company shall provide the Administrative Agent with (i) written notice at least forty-five days prior to the pledge of such Material Real Property as Collateral (and the Administrative Agent shall promptly provide notice to the Lenders after receipt of such notice from the Company) and (ii) Mortgages with respect to such owned Material Real Property within ninety (90) days of the acquisition thereof (as such date may be extended by the Administrative Agent) together with:

(A) evidence that counterparts of the Mortgages have been duly executed, acknowledged and delivered and are in form suitable for filing or recording in all filing or recording offices that the Administrative Agent may deem reasonably necessary or desirable in order to create a valid and subsisting perfected Lien on the property and/or rights described therein in favor of the Administrative Agent or the Collateral Agent (as appropriate) for the benefit of the Secured Parties and that all filing and recording taxes and fees have been paid or otherwise provided for in a manner reasonably satisfactory to the Administrative Agent;

(B) fully paid American Land Title Association Lender's Extended Coverage title insurance policies or the equivalent or other form available in each applicable jurisdiction (the "Mortgage Policies") in form and substance, with endorsements and in amount, reasonably acceptable to the Administrative Agent (not to exceed the value of the real properties covered thereby), issued, coinsured and reinsured by title insurers reasonably acceptable to the Administrative Agent, insuring the Mortgages to be valid subsisting Liens on the property described therein, free and clear of all defects and encumbrances, subject to Permitted Liens, and providing for such other affirmative insurance (including endorsements for future advances under the Loan Documents) and such coinsurance and direct access reinsurance as the Administrative Agent may reasonably request;

(C) opinions of local counsel for the Loan Parties in states in which such real properties are located, with respect to the enforceability and perfection of the Mortgages and any related fixture filings in form and substance reasonably satisfactory to the Administrative Agent;

(D) (1) standard flood hazard determination forms and (2) if any Material Real Property is located in a special flood hazard area, (x) notices to (and confirmations of receipt by) the Company as to the existence of a special flood hazard and, if applicable, the unavailability of flood hazard insurance under the National Flood Insurance Program and (y) evidence of applicable flood insurance, if available, in each case in such form, on such terms and in such amounts as required by The National Flood Insurance Reform Act of 1994, the Federal Flood Disaster Protection Act and rules and regulations promulgated thereunder or as otherwise required by the Administrative Agent or any Lender; and

(E) such other evidence that all other actions that the Administrative Agent may reasonably deem necessary or desirable in order to create valid and subsisting Liens on the property described in the Mortgages has been taken;

provided that the Administrative Agent shall not enter into, accept or record any Mortgage in respect of such Material Real Property until the Administrative Agent shall have received written confirmation from each Lender that flood insurance compliance has been completed by such Lender with respect to such Material Real Property (such written confirmation not to be unreasonably withheld or delayed). If at any time any real property is pledged as Collateral hereunder, any increase, extension or renewal of Loans under this Agreement (as may be amended, restated, supplemented or otherwise modified from time to time) shall be subject to flood insurance due diligence and flood insurance compliance reasonably satisfactory to the Administrative Agent and each Lender.

Section 6.14 Use of Proceeds. Use the proceeds of any Borrowing (a) on the Closing Date, whether directly or indirectly, to refinance certain existing Indebtedness under the Existing Credit Agreement and to pay fees and expenses incurred in connection with such refinancing and the Transaction, and (b) after the Closing Date, use the proceeds of any Borrowing for any purpose not otherwise prohibited under this Agreement, including for general corporate purposes (including Permitted Acquisitions) and working capital needs.

Section 6.15 Compliance with Anti-Corruption Laws, Anti-Money Laundering Laws and Sanctions. Each Borrower will maintain in effect and enforce policies and procedures designed to ensure compliance in all material respects by, to the extent applicable, each Borrower, each Borrower's Subsidiaries and their respective directors, officers, employees and agents with Anti-Corruption Laws, Anti-Money Laundering Laws and applicable Sanctions.

ARTICLE VII

Negative Covenants

So long as any Lender shall have any Commitment hereunder, or any Loan or other Obligation hereunder (other than (i) contingent indemnification obligations as to which no claim has been asserted and (ii) Cash Management Obligations and Obligations under Secured Hedge Agreements) shall remain unpaid or unsatisfied, or any Letter of Credit shall remain outstanding (unless the Outstanding Amount of the L/C Obligations related thereto has been Cash Collateralized, back stopped by a letter of credit reasonably satisfactory to the applicable L/C Issuer or deemed reissued under another agreement reasonably acceptable to the applicable L/C Issuer), the Borrowers shall not, nor shall they permit any of their Subsidiaries to, directly or indirectly:

Section 7.01 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 7.01(b) and any modifications, replacements, renewals, refinancings or extensions thereof; provided that (i) the Lien does not extend to any additional property other than (A) after-acquired property that is affixed or incorporated into the property covered by such Lien or financed or refinanced by Indebtedness permitted under Section 7.03, and (B) proceeds and products thereof, and (ii) the renewal, extension or refinancing of the obligations secured or benefited by such Liens, to the extent constituting Indebtedness, is permitted by Section 7.03;

(c) Liens for taxes, assessments or governmental charges which are not overdue for a period of more than thirty (30) days or which are being contested in good faith and by appropriate actions diligently conducted, if adequate reserves with respect thereto are maintained on the books of the applicable Person in accordance with GAAP;

(d) statutory or common law Liens of landlords, carriers, warehousemen, mechanics, materialmen, repairmen, construction contractors or other like Liens arising in the ordinary course of business which secure amounts not overdue for a period of more than thirty (30) days or if more than thirty (30) days overdue, are unfiled and no other action has been taken to enforce such Lien or which are being contested in good faith and by appropriate actions diligently conducted, if adequate reserves with respect thereto are maintained on the books of the applicable Person in accordance with GAAP;

(e) (i) pledges or deposits in the ordinary course of business in connection with workers' compensation, unemployment insurance and other social security legislation and (ii) pledges and deposits in the ordinary course of business securing liability for reimbursement or indemnification obligations of (including obligations in respect of letters of credit or bank guarantees for the benefit of) insurance carriers providing property, casualty or liability insurance to any Borrower or any Subsidiary;

(f) deposits to secure the performance of bids, trade contracts, governmental contracts and leases (other than Indebtedness), statutory obligations, surety, stay, customs and appeal bonds, performance bonds and other obligations of a like nature (including those to secure health, safety and environmental obligations) incurred in the ordinary course of business;

(g) easements, rights-of-way, restrictions, encroachments, protrusions and other similar encumbrances and minor title defects or minor irregularities affecting real property which, in the aggregate, do not in any case materially interfere with the ordinary conduct of the business of any Borrower or any Subsidiary or the use of the property for its intended purpose;

(h) Liens securing judgments for the payment of money not constituting an Event of Default under Section 8.01(h);

(i) Liens securing Indebtedness permitted under Section 7.03(e); provided that (i) such Liens attach concurrently with or within two hundred and seventy (270) days after the acquisition, repair, replacement, construction or improvement (as applicable) of the property subject to such Liens (including reconstruction, refurbishment, renovation and development of real property), (ii) such Liens do not at any time encumber any property other than the property financed by such Indebtedness, replacements thereof and additions and accessions to such property and the proceeds and the products thereof and customary security deposits related thereto and (iii) with respect to Capitalized Leases, such Liens do not at any time extend to or cover any assets (except for additions and accessions to such assets, replacements and products thereof and customary security deposits) other than the assets subject to such Capitalized Leases; provided that individual financings of equipment provided by one lender may be cross collateralized to other financings of equipment provided by such lender;

(j) leases, licenses, subleases or sublicenses granted to others in the ordinary course of business which do not interfere in any material respect with the business of any Borrower or any Subsidiary or secure any Indebtedness;

(k) Liens (i) in favor of customs and revenue authorities arising as a matter of law to secure payment of customs duties in connection with the importation of goods in the ordinary course of business and (ii) on specific items of inventory or other goods and proceeds thereof of any Person securing such Person's obligations in respect of bankers' acceptances or letters of credit issued or created for the account of such person to facilitate the purchase, shipment or storage of such inventory or such goods in the ordinary course of business;

(l) (i) Liens (i) of a collection bank arising under Section 4-208 of the Uniform Commercial Code on items in the course of collection and (ii) in favor of a banking or other financial institution arising as a matter of law or under customary general terms and conditions encumbering deposits or other funds maintained with a financial institution (including the right of set-off) and which are within the general parameters customary in the banking industry or arising pursuant to such banking institution's general terms and conditions;

(m) Liens (i) on cash advances in favor of the seller of any property to be acquired in an Investment or other acquisition permitted pursuant to this Agreement to be applied against the purchase price for such Investment or other acquisition, and (ii) consisting of an agreement to Dispose of any property in a Disposition permitted under Section 7.05, in each case, solely to the extent such Investment or other acquisition or Disposition, as the case may be, would have been permitted on the date of the creation of such Lien;

(n) Liens (i) on property of any Subsidiary that is not a Loan Party and (ii) on the Liquor Licenses and Equity Interests of Liquor License Subsidiaries, which Liens secure Indebtedness permitted under Section 7.03;

(o) Liens in favor of a Borrower or a Subsidiary securing Indebtedness permitted under Section 7.03(d); provided that to the extent that such Indebtedness is required to be subordinated pursuant to Section 7.03(d), any Lien on Collateral securing such Indebtedness shall be subordinated to the Liens securing the Obligations on terms and conditions reasonably satisfactory to the Administrative Agent;

(p) Liens (x) existing on property at the time of its acquisition or existing on the property of any Person at the time such Person becomes a Subsidiary, in each case after the Closing Date and the replacement, extension or renewal of any Lien permitted by this clause (p) upon or in the same property previously subject thereto in connection with the replacement, extension or renewal (without increase in the amount or any change in any direct or contingent obligor) of the Indebtedness secured thereby and (y) placed upon the Equity Interests, property or assets of any Subsidiary or its Subsidiaries acquired pursuant to a Permitted Acquisition to secure Indebtedness incurred pursuant to Section 7.03(g)(B) in connection with such Permitted Acquisition; provided that, (i) in the case of clause (x), such Lien was not created in contemplation of such acquisition or such Person becoming a Subsidiary, (ii) in the case of clause (x), such Lien does not extend to or cover any other assets or property (other than the proceeds or products thereof and other than after-acquired property subjected to a Lien securing Indebtedness and other obligations incurred prior to such time and which Indebtedness and other obligations are permitted hereunder that require, pursuant to their terms at such time, a pledge of after- acquired property, it being understood that such requirement shall not be permitted to apply to any property to which such requirement would not have applied but for such acquisition), and (iii) in the case of clauses (x) and (y), the Indebtedness secured thereby is permitted under Section 7.03(e), (g) or (j);

(q) any interest or title of a lessor, sublessor, licensor or sublicensor or secured by a lessor's, sublessor's, licensor's or sublicensor's interest under leases (other than Capitalized Leases), subleases, licenses or sublicenses entered into by any Borrower or any of its Subsidiaries in the ordinary course of business;

(r) Liens arising out of conditional sale, title retention, consignment or similar arrangements for sale of goods entered into by any Borrower or any of its Subsidiaries in the ordinary course of business;

(s) Liens deemed to exist in connection with Investments in repurchase agreements under Section 7.02; provided that such Liens do not extend to any assets other than those that are the subject of such repurchase agreement;

(t) Liens that are contractual rights of set-off (i) relating to the establishment of depository relations with banks not given in connection with the issuance of Indebtedness, (ii) relating to pooled deposit or sweep accounts of any Borrower or any Subsidiary to permit satisfaction of overdraft or similar obligations incurred in the ordinary course of business of the Borrowers and their respective Subsidiaries or (iii) relating to purchase orders and other agreements entered into with customers of any Borrower or any Subsidiary in the ordinary course of business;

(u) Liens solely on any cash earnest money deposits made by any Borrower or any of its Subsidiaries in connection with any letter of intent or purchase agreement permitted hereunder;

(v) Liens arising from precautionary UCC financing statement filings regarding operating leases entered into in the ordinary course of business;

(w) Liens on insurance policies and the proceeds thereof securing the financing of the premiums with respect thereto;

(x) ground leases in respect of real property on which facilities or equipment owned or leased by any Borrower or any of its Subsidiaries are located;

(y) Liens encumbering reasonable and customary initial deposits and margin deposits and similar Liens attaching to commodity trading accounts or other brokerage accounts incurred in the ordinary course of business and not for speculative purposes;

(z) other Liens securing Indebtedness and other obligations of any Borrower and its Subsidiaries in an aggregate outstanding principal amount not to exceed the greater of (i) $100,000,000 and (ii) 3.0% of Total Assets;

(aa) Liens on the Collateral securing obligations in respect of Permitted Pari Passu Secured Refinancing Debt and any Permitted Refinancing of any of the foregoing; provided that any such Liens securing any Refinanced Debt in respect of Permitted Pari Passu Secured Refinancing Debt are subject to a First Lien Intercreditor Agreement; and

(bb) Liens securing obligations in respect of Indebtedness permitted under Section 7.03(s).

Section 7.02 Investments. Make or hold any Investments, except:

(a) Investments by a Borrower or a Subsidiary in assets that were Cash Equivalents when such Investment was made;

(b) loans or advances to (A) officers, directors, consultants and employees of the Borrowers and their respective Subsidiaries (i) for reasonable and customary business-related travel, entertainment, relocation and analogous ordinary business purposes, (ii) in connection with such Person's purchase of Equity Interests of the Company (provided that the amount of such loans and advances shall be contributed to the Borrowers in cash as common equity) and (iii) for purposes not described in the foregoing clauses (i) and (ii), in an aggregate principal amount outstanding not to exceed $5,000,000 (determined without regard to any write-downs or writeoffs), and (B) restaurant employees of Employment Participation Subsidiaries to fund such employees purchase of Equity Interests of an Employment Participation Subsidiary in the ordinary course of business;

(c) Investments (i) by any Borrower or any Subsidiary in any Loan Party, (ii) by any Subsidiary that is not a Loan Party in any other such Subsidiary that is also not a Loan Party, and (iii) by any Borrower or any Subsidiary Guarantor (A) in any Non-Loan Party, provided that the aggregate amount of such Investments pursuant to this Section 7.02(c)(iii)(A) (together with, but without duplication, the aggregate consideration paid by any Borrower or any Subsidiary Guarantor in respect of Permitted Acquisitions of Persons that do not become Loan Parties (or acquisition of assets not owned by a Borrower, a Subsidiary Guarantor or a Person that will become a Subsidiary Guarantor) pursuant to Section 7.02(i)(B)) shall not exceed the greater of (1) $170,000,000 and (2) 6.0% of Total Assets plus an amount equal to the aggregate Returns in respect of such Investments, and (B) in any Foreign Subsidiary consisting of a contribution of Equity Interests of any other Foreign Subsidiary held directly by such Borrower or such Subsidiary Guarantor and if the Foreign Subsidiary to which such contribution is made is not a Wholly Owned Foreign Subsidiary, such contribution shall be in exchange for Indebtedness, Equity Interests (including increases in capital accounts) or a combination thereof of the Foreign Subsidiary to which such contribution is made, provided that the Equity Interests

of a Wholly Owned Foreign Subsidiary only may be contributed to another Wholly Owned Foreign Subsidiary under this sub-clause (B), and (C) constituting Guarantees of Indebtedness or other monetary obligations of Non-Loan Parties owing to any Loan Party;

(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 and other credits to suppliers in the ordinary course of business;

(e) Investments consisting of Liens, Indebtedness, fundamental changes, Dispositions and Restricted Payments permitted under Sections 7.01, 7.03, 7.04, 7.05, 7.06 and 7.12, respectively;

(f) Investments (i) existing or contemplated on the Closing Date and set forth on Schedule 7.02(f) and any modification, replacement, renewal, reinvestment or extension thereof and (ii) existing on the Closing Date by any Borrower or any Subsidiary in any Borrower or any other Subsidiary and any modification, exchange in kind, renewal or extension thereof; provided that (x) the amount of the original Investment is not increased except by the terms of such Investment or as otherwise permitted by this Section 7.02 and (y) any Investment in the form of Indebtedness of any Loan Party owed to any Subsidiary that is not a Loan Party shall be subject to the subordination terms set forth in the Intercompany Note;

(g) Investments in Swap Contracts permitted under Section 7.03;

(h) (i) promissory notes and other noncash consideration received in connection with Dispositions permitted by Section 7.05 and (ii) Investments received solely from (x) equity contributions to any Borrower and (y) distributions to the Borrowers and their respective Subsidiaries from Persons that are not Subsidiaries; provided that, with respect to each Investment described in this clause (h)(ii):

(A) any Subsidiary acquired as a result of such Investment and the Subsidiaries of such acquired Subsidiary shall, to the extent required under the Collateral and Guarantee Requirement and Section 6.11, become a Guarantor and comply with the requirements of Section 6.11, within the times specified therein;

(B) after giving effect to such Investment, the Borrowers and their respective Subsidiaries shall be in compliance with Section 7.07; and

(C) immediately before and immediately after giving Pro Forma Effect to any such Investment, no Default shall have occurred and be continuing and (2) immediately after giving effect to such Investment, the Company and its Subsidiaries shall be in Pro Forma Compliance with the Financial Covenant, such compliance to be determined on the basis of the financial information most recently delivered to the Administrative Agent and the Lenders pursuant to Section 6.01(a) or (b) as though such Investment had been consummated as of the first day of the fiscal period covered thereby;

(i) the purchase or other acquisition of all or substantially all of the assets of a Person or any Equity Interests in a Person that is or becomes a Subsidiary (including as a result of a merger or consolidation) or division or line of business of a Person (or any subsequent Investment made in a Person, division or line of business of business previously acquired in a Permitted Acquisition), in a single transaction or a series of related transactions (each, a "Permitted Acquisition"), if immediately after giving effect thereto:

(A) any such newly created or acquired Subsidiary and the Subsidiaries of such created or acquired Subsidiary shall, to the extent required under the Collateral and Guarantee Requirement and Section 6.11, become a Guarantor and comply with the requirements of Section 6.11, within the times specified therein;

(B) the aggregate amount of consideration paid by any Borrower or any Subsidiary Guarantor in respect of acquisitions of Persons that do not become Loan Parties (or acquisition of assets not owned by a Borrower, a Subsidiary Guarantor or a Person that will become a Subsidiary Guarantor) pursuant to this Section 7.02(i)(B) (together with, but without duplication, the aggregate amount of all Investments in Non-Loan Parties pursuant to Section 7.02(c)(iii)(A)) shall not exceed the greater of (1) $170,000,000 and (2) 6.0% of Total Assets plus an amount equal to the aggregate Returns in respect of such Investments;

(C) after giving effect to such purchase or acquisition, the Borrowers and their respective Subsidiaries shall be in compliance with Section 7.07; and

(D) (1) immediately before and immediately after giving Pro Forma Effect to any such purchase or other acquisition (which, in the case of a Limited Condition Acquisition, shall be tested on the date of execution of the definitive agreement for such purchase or other acquisition and not on the closing date thereof), no Default shall have occurred and be continuing and (2) immediately after giving effect to such purchase or other acquisition (and any concurrent Disposition), the Borrowers and their respective Subsidiaries shall be in Pro Forma Compliance with the Financial Covenant, such compliance to be determined on the basis of the financial information most recently delivered to the Administrative Agent and the Lenders pursuant to Section 6.01(a) or (b) as though such purchase or other acquisition (and any concurrent Disposition) had been consummated as of the first day of the fiscal period covered thereby (which, in the case of a Limited Condition Acquisition, shall be tested on the date of execution of the definitive agreement for such purchase or other acquisition and not on the closing date thereof); and

(j) Investments in the ordinary course of business consisting of Article 3 of the Uniform Commercial Code endorsements for collection or deposit and Article 4 of the Uniform Commercial Code customary trade arrangements with customers consistent with past practices;

(k) Investments (including debt obligations and Equity Interests) received in connection with the bankruptcy or reorganization of suppliers and customers or in settlement of delinquent obligations of, or other disputes with, customers and suppliers arising in the ordinary course of business or upon the foreclosure with respect to any secured Investment or other transfer of title with respect to any secured Investment;

(l) so long as no Default has occurred and is continuing or would result therefrom, other Investments that do not exceed the greater of (i) $170,000,000 and (ii) 6.0% of Total Assets plus an amount equal to the aggregate Returns in respect of such Investments;

(m) so long as immediately after giving effect to any such Investment, no Default has occurred and is continuing, other Investments in an amount not to exceed the Cumulative Growth Amount immediately prior to the time of the making of such Investment;

(n) advances of payroll payments to employees in the ordinary course of business;

(o) Investments to the extent that payment for such Investments is made solely with capital stock of the Company;

(p) Investments of a Subsidiary acquired after the Closing Date or of a corporation merged into any Borrower or merged or consolidated with a Subsidiary in accordance with Section 7.04 after the Closing Date, to the extent that such Investments were not made in contemplation of or in connection with such acquisition, merger or consolidation and were in existence on the date of such acquisition, merger or consolidation;

(q) Guarantees by any Borrower or any Subsidiary of leases (other than Capitalized Leases) or of other obligations of any Borrower or any Subsidiary otherwise permitted hereunder that do not constitute Indebtedness, in each case entered into in the ordinary course of business;

(r) Investments consisting of licensing of intellectual property pursuant to joint marketing arrangements with other Persons so long as such licensing arrangements do not limit in any material respect the Collateral Agent's security interest (if any) in the intellectual property so licensed;

(s) Investments made by any Subsidiary that is not a Loan Party to the extent such Investments are financed with the proceeds received by such Subsidiary from an Investment in such Subsidiary otherwise permitted under this Section 7.02;

(t) so long as no Default shall have occurred and be continuing or would result therefrom, the Borrowers may make additional Investments with the proceeds of Excluded Contributions;

(u) the purchase or other acquisition from former or current employees of limited partnership interests of one or more Employment Participation Subsidiaries, in an aggregate amount not to exceed $15,000,000; and

(v) intercompany Investments (including the creation of intercompany Indebtedness and/or the prepayment of existing intercompany Indebtedness, together with the related Investments and Guarantees of such Indebtedness) relating to the transfer of cash from the Asian operations of the Borrowers and their Subsidiaries in an aggregate outstanding amount of such Investments pursuant to this Section 7.02(v) not to exceed $40,000,000.

Any Investment that exceeds the limits of any particular clause set forth above may be allocated amongst more than one of such clauses to permit the incurrence or maintenance of such Investment to the extent such excess is permitted as an Investment under such other clauses (including, without limitation, permitting the aggregate consideration limitation in clause (i)(B) above to be exceeded to the extent such excess is treated as, and permitted by, an Investment under any other available clause).

Section 7.03 Indebtedness. Create, incur, assume or suffer to exist any Indebtedness, except:

(a) Indebtedness of the Company and its Subsidiaries under the Loan Documents;

(b) Indebtedness (i) outstanding on the Closing Date and listed on Schedule 7.03(b) and any Permitted Refinancing thereof and (ii) intercompany Indebtedness outstanding on the Closing Date;

(c) Guarantees by the Company and its Subsidiaries in respect of Indebtedness of the Company or any Subsidiary otherwise permitted hereunder; provided that (A) no Guarantee by any Subsidiary of any Junior Financing shall be permitted unless such Subsidiary shall have also provided a Guarantee of the Obligations substantially on the terms set forth in the Guaranty, (B) if the Indebtedness being Guaranteed is subordinated to the Obligations, such Guarantee shall be subordinated to the Guarantee of the Obligations on terms at least as favorable to the Lenders as those contained in the subordination of such Indebtedness and (C) any Guarantee of any Incremental Equivalent Debt, any Credit Agreement Refinancing Indebtedness or any Permitted Ratio Debt (or any Permitted Refinancing in respect thereof) shall only be permitted if it meets the requirements of the respective definitions (and component definitions) thereof and clause (s), (t) or (x) of this Section 7.03, as applicable;

(d) Indebtedness of the Company or any Subsidiary owing to the Company or any other Subsidiary, to the extent permitted by Section 7.02; provided that all such Indebtedness of any Loan Party owed to any Person that is not a Loan Party shall be subject to the subordination terms set forth in the Intercompany Note;

(e) (i) Attributable Indebtedness and other Indebtedness (including Capitalized Leases) of the Company and its Subsidiaries financing the acquisition, construction, repair, replacement or improvement of fixed or capital assets (including reconstruction, refurbishment, renovation and development of real property); provided that such Indebtedness is incurred concurrently with or within two hundred and seventy (270) days after the applicable acquisition, construction, repair, replacement or improvement, (ii) Attributable Indebtedness of the Company and its Subsidiaries arising out of sale-leaseback transactions permitted by Section 7.05(f) and (iii) any Permitted Refinancing of any Indebtedness set forth in the immediately preceding clauses (i) and (ii);

(f) Indebtedness in respect of Swap Contracts designed to hedge against interest rates, foreign exchange rates risks or commodities pricing incurred in the ordinary course of business and not for speculative purposes;

(g) Indebtedness of the Company or any Subsidiary (A) assumed in connection with any Permitted Acquisition (provided that such Indebtedness is not incurred in contemplation of such Permitted Acquisition) or (B) incurred to finance a Permitted Acquisition and, in the case of either (A) or (B), any Permitted Refinancing thereof; provided, (x) no Default shall exist or result therefrom and (y) if such Indebtedness is (1) secured on a *pari passu* basis with or senior to (in the case of clause (A)) the Obligations, the Company and its Subsidiaries will be in Pro Forma Compliance with a Consolidated Senior Secured Net Leverage Ratio of no greater than 3.50:1.00 and (2) unsecured, the Company and its Subsidiaries will be in Pro Forma Compliance with the Financial Covenant; provided, further, in the case of clause (B) above, such Indebtedness (i) will not mature prior to the date that is ninety-one (91) days after the Latest Maturity Date at the time of the issuance of such Indebtedness, (ii) will not have mandatory prepayment or mandatory amortization prepayments (other than asset

sale and change of control mandatory offers to repurchase customary for high-yield debt securities) prior to the date that is ninety-one (91) days after the Latest Maturity Date at the time of the issuance of such Indebtedness (other than, in the case of clause (1) of this proviso, for annual nominal amortization payments not to exceed 1% of the original aggregate principal amount of such Indebtedness), (iii) in the case of clause (1) of this proviso, shall be subject to a First Lien Intercreditor Agreement, (iv) if incurred by a Non-Loan Party, shall not exceed in aggregate principal amount for all Indebtedness of Non-Loan Parties incurred pursuant to this clause (g) the greater of (i) $55,000,000 and (ii) 2.0% of Total Assets at any time outstanding, (v) in the case of clause (A) above, such Indebtedness is secured only by Liens permitted pursuant to Section 7.01(p)(x), and (vi) in the case of clause (B) above, the terms and conditions of such Indebtedness are not materially more restrictive (taken as a whole) in respect to the Company and its Subsidiaries than those set forth in this Agreement;

(h) Indebtedness representing deferred compensation to employees of the Company and its Subsidiaries incurred in the ordinary course of business;

(i) Indebtedness consisting of promissory notes (A) issued by any Loan Party to current or former officers, directors, consultants and employees, their respective estates, heirs, permitted transferees, spouses or former spouses to finance the purchase or redemption of Equity Interests of the Company permitted by Section 7.06; provided that (i) such Indebtedness shall be subordinated in right of payment to the Obligations on terms reasonably satisfactory to the Administrative Agent and (ii) the aggregate amount of all cash payments (whether principal or interest) made by the Loan Parties in respect of such notes in any calendar year, when combined with the aggregate amount of Restricted Payments made pursuant to Section 7.06(f) in such calendar year, shall not exceed $40,000,000, provided that any unused amounts in any calendar year may be carried over to succeeding calendar years, so long as the aggregate amount of all cash payments made in respect of such notes in any calendar year (after giving effect to such carry forward), when aggregated with the aggregate amount of Restricted Payments made pursuant to Section 7.06(f) in such calendar year (after giving effect to such carry forward), shall not exceed $50,000,000; provided, further, that such amount in any calendar year may be increased by an amount not to exceed the remainder of (x) the sum of (1) the amount of Net Cash Proceeds of issuances of Equity Interests to the extent that such Net Cash Proceeds shall have been actually received by OSI through a capital contribution of such Net Cash Proceeds by the Company (and to the extent not used to make an Investment pursuant to Section 7.02(m) or (t), prepay Junior Financings pursuant to Section 7.12(a)(v), or make a Restricted Payment pursuant to Section 7.06(f) or counted towards the Cumulative Growth Amount), in each case to employees, directors, officers, members of management or consultants of any Borrower (or any direct or indirect parent of OSI) or of its Subsidiaries that occurs after the Closing Date plus (2) the net cash proceeds of key man life insurance policies received by the Company or any of its Subsidiaries after the Closing Date less (y) the aggregate amount of all cash payments made in respect of any promissory notes pursuant to this Section 7.03(i) after the Closing Date with the net cash proceeds described in preceding clause (x) (2) less (z) the aggregate amount of all Restricted Payments made after the Closing Date in reliance on the last proviso appearing in Section 7.06(f), and (B) issued by Employment Participation Subsidiaries to current or former restaurant employees, and development partners of Employment Participation Subsidiaries as consideration in respect of repurchases, redemptions or acquisitions of Equity Interests in Employment Participation Subsidiaries permitted under Section 7.06(i) in the ordinary course of business and consistent with past practice;

(j) Indebtedness incurred by the Borrowers or their respective Subsidiaries in a Permitted Acquisition, any other Investment expressly permitted hereunder or any Disposition, in any such case solely constituting indemnification obligations or obligations in respect of purchase price or other similar adjustments;

(k) Indebtedness consisting of obligations of the Company or its Subsidiaries under deferred compensation or other similar arrangements incurred by such Person in connection with the Transaction and Permitted Acquisitions or any other Investment expressly permitted hereunder;

(l) Cash Management Obligations and other Indebtedness in respect of netting services, overdraft protections and similar arrangements in each case in connection with deposit accounts;

(m) Indebtedness of the Company and its Subsidiaries in an aggregate principal amount not to exceed the greater of (i) $170,000,000 and (ii) 6.0% of Total Assets at any time outstanding;

(n) Indebtedness consisting of (a) the financing of insurance premiums or (b) take- or-pay obligations contained in supply arrangements, in each case, in the ordinary course of business;

(o) Indebtedness incurred by the Company or any of its Subsidiaries in respect of letters of credit, bank guarantees, bankers' acceptances or similar instruments issued or created in the ordinary course of business, including in respect of workers compensation claims, health, disability or other employee benefits or property, casualty or liability insurance or self-insurance or other Indebtedness with respect to reimbursement-type obligations regarding workers compensation claims; provided that any reimbursement obligations in respect thereof are reimbursed within 30 days following the incurrence thereof;

(p) obligations in respect of performance, bid, stay, custom, appeal and surety bonds and other obligations of a like nature and performance and completion guarantees and similar obligations provided by any Borrower or any of its Subsidiaries or obligations in respect of letters of credit, bank guarantees or similar instruments related thereto, in each case in the ordinary course of business or consistent with past practices;

(q) Indebtedness of the Borrowers and their respective Subsidiaries supported by a Letter of Credit, in a principal amount not to exceed the face amount of such Letter of Credit;

(r) unsecured Indebtedness of the Borrowers and their respective Subsidiaries in the form of letters of credit, in an aggregate outstanding principal amount not to exceed $50,000,000;

(s) Indebtedness of any Borrower in respect of one or more series of senior secured first lien notes or unsecured term loans or notes that are issued in a public offering, Rule 144A or other private placement, or a bridge financing in lieu of the foregoing that otherwise converts into permanent Incremental Equivalent Debt (as defined below), that are issued or made in lieu of Incremental Term Commitments pursuant to an indenture or a note purchase agreement or otherwise (the "Incremental Equivalent Debt"); provided that (i) the aggregate principal amount of all Incremental Equivalent Debt issued pursuant to this Section 7.03(s) shall not, together with all Revolving Commitment Increases and/or Incremental Term Commitments incurred after the Closing Date, exceed the Available Incremental Amount (provided that, if such Incremental Equivalent Debt is unsecured, the incurrence of any such Indebtedness pursuant to clause (B) of the definition of Available Incremental Amount shall be subject to the Company's compliance with the Financial Covenant as of the last day of the Test Period most recently ended for which financial statements have been delivered to the Lenders under Section 6.01(a) and (b), after giving effect to such incurrence on a Pro Forma Basis, in lieu of the Consolidated Senior Secured Net Leverage Ratio test set forth in such clause (B)), (ii) no Default shall have occurred and be continuing or would exist immediately after giving effect to such incurrence, (iii) as of the date of determination, such Incremental Equivalent Debt shall not mature earlier than the Maturity Date with respect to the Term Loans (prior to giving effect to any extensions

thereof occurring after the Maturity Date), (iv) the documentation with respect to such Incremental Equivalent Debt contains no mandatory prepayment, repurchase or redemption provisions prior to the Latest Maturity Date then in effect except with respect to change of control, asset sale and casualty event mandatory offers to purchase and customary acceleration rights after an event of default that are customary for financings of such type, (v) such Incremental Equivalent Debt may participate on a pro rata basis or less than pro rata basis (but not on a greater than pro rata basis (other than pursuant to asset sale and change of control provisions customary for high-yield debt securities)) in any voluntary or mandatory prepayments of Term Loans hereunder, as specified in the applicable Incremental Amendment, (vi) such Incremental Equivalent Debt shall not be subject to any Guarantee by any Person other than a Loan Party, (vii) if such Incremental Equivalent Debt is secured, the obligations in respect thereof shall not be secured by any Lien on any asset of the Company or any Subsidiary other than any asset constituting Collateral, (viii) if such Incremental Equivalent Debt is secured, the security agreements relating to such Incremental Equivalent Debt shall be substantially the same as the Collateral Documents (with such differences as are reasonably satisfactory to the Administrative Agent), (ix) if such Incremental Equivalent Debt is secured on a *pari passu* basis with the Obligations, then such Incremental Equivalent Debt shall be subject to a First Lien Intercreditor Agreement, and (x) the documentation with respect to any Incremental Equivalent Debt shall contain terms and conditions not materially more restrictive (taken as a whole) in respect of the Company and its Subsidiaries than those set forth in this Agreement;

(t) Credit Agreement Refinancing Indebtedness;

(u) unsecured Indebtedness of the Company or any Subsidiary in an aggregate principal amount not to exceed the amount of Net Cash Proceeds of issuances of, or contributions in respect of, Equity Interests of the Company (other than proceeds of issuances of Disqualified Equity Interests) after the Closing Date to the extent that such Net Cash Proceeds shall have been actually received by OSI (through a capital contribution of such Net Cash Proceeds by the Company to OSI) on or prior to such date of determination and to the extent not used to make payments under Section 7.03(i), make Investments pursuant to Section 7.02(t), make Restricted Payments pursuant to Section 7.06(f) or (h), or count towards the Cumulative Growth Amount; provided, (i) such Indebtedness will not mature prior to the date that is ninety-one (91) days after the then Latest Maturity Date at the time of the issuance of such Indebtedness, (ii) such Indebtedness will not have mandatory prepayment or mandatory amortization, redemption, sinking fund or similar prepayments prior to the date that is ninety-one (91) days after the then Latest Maturity Date at the time of the issuance of such Indebtedness, (iii) no Default shall have occurred and be continuing or would exist immediately after giving effect to such incurrence and (iv) the terms and conditions of such Indebtedness shall be not materially more restrictive (taken as a whole) in respect of the Company and its Subsidiaries than those set forth in this Agreement;

(v) Indebtedness of Foreign Subsidiaries in an aggregate principal amount not to exceed $100,000,000 at any time outstanding;

(w) all premiums (if any), interest (including post-petition interest), fees, expenses, charges and additional or contingent interest on obligations described in clauses (a) through (v) above; and

(x) so long as no Default exists or would result therefrom, Permitted Ratio Debt and Permitted Refinancings thereof.

For purposes of determining compliance with Section 7.03, in the event that an item of Indebtedness (or any portion thereof) at any time, whether at the time of incurrence or upon the application of all or a portion of the proceeds thereof or subsequently, meets the criteria of more than one of the categories of permitted Indebtedness described in Section 7.03(a) through (x) above, the Company, in its sole discretion, will classify and may subsequently reclassify such item of Indebtedness (or any portion thereof) in any one or more of the types of Indebtedness described in Section 7.03(a) through (x) and will only be required to include the amount and type of such Indebtedness in such of the above clauses as determined by the Company at such time. The Company will be entitled to divide and classify an item of Indebtedness in more than one of the types of Indebtedness described in Section 7.03(a) through (x). Notwithstanding the foregoing, Indebtedness incurred (a) under the Loan Documents, any Incremental Commitments and any Incremental Term Loans shall only be classified as incurred under Section 7.03(a), (b) as Credit Agreement Refinancing Indebtedness shall only be classified as incurred under Section 7.03(t) and (c) as Incremental Equivalent Debt shall only be classified as incurred under Section 7.03(s).

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

The accrual of interest or dividends, the accretion of accreted value, the accretion or amortization of original issue discount, and the payment of interest or dividends in the form of additional Indebtedness as the case may be, of the same class, accretion or amortization of original issue discount and increases in the amount of Indebtedness solely as a result of fluctuations in the exchange rate of currencies, will, in each case, not be deemed to be an incurrence of Indebtedness for purposes of this Section 7.03. The principal amount of any Indebtedness incurred to refinance other Indebtedness, if incurred in a different currency from the Indebtedness being refinanced, shall be calculated based on the currency exchange rate applicable to the currencies in which such respective Indebtedness is denominated that is in effect on the date of such refinancing. The principal amount of any non-interest bearing Indebtedness or other discount security constituting Indebtedness at any date shall be the principal amount thereof that would be shown on a balance sheet of the Company dated such date prepared in accordance with GAAP.

Section 7.04 Fundamental Changes. Merge, dissolve, liquidate, 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, except that:

(a) any Subsidiary may merge with (i) any Borrower (including a merger, the sole purpose of which is to reorganize such Borrower into a new jurisdiction); provided, that (x) such Borrower shall be the continuing or surviving Person and (y) such merger does not result in such Borrower ceasing to be incorporated under the Laws of the United States, any state thereof or the District of Columbia, or (ii) any one or more other Subsidiaries; provided that when any Subsidiary that is a Loan Party is merging with another Subsidiary, a Loan Party shall be the continuing or surviving Person;

(b) (i) any Subsidiary that is not a Loan Party may merge or consolidate with or into any other Subsidiary that is not a Loan Party and (ii) any Subsidiary may liquidate or dissolve or change its legal form (subject, (x) in the case of any change of legal form, to any such Subsidiary that is a Guarantor remaining a Guarantor and (y) in the case of a liquidation or distribution of a Loan Party, the assets of such Loan Party are transferred to a Loan Party and the security interests of the Collateral Agent in the assets so transferred remain perfected at least to the same extent that such security interests were perfected immediately prior thereto) if the Company determines in good faith that such action is in the best interests of the Company and its Subsidiaries and such change is not materially disadvantageous to the Lenders;

(c) any Subsidiary may Dispose of all or substantially all of its assets (upon voluntary liquidation or otherwise) to any Borrower or to another Subsidiary; provided that if the transferor in such a transaction is a Guarantor or a Borrower, then (i) the transferee must either be a Borrower or a Guarantor or (ii) to the extent constituting an Investment, such Investment must be a permitted Investment in or Indebtedness of a Subsidiary which is not a Loan Party in accordance with Sections 7.02 and 7.03, respectively;

(d) so long as no Default exists or would result therefrom, the Company may merge or consolidate with any other Person; provided that (i) the Company shall be the continuing or surviving corporation or (ii) if the Person formed by or surviving any such merger or consolidation is not the Company (any such Person, the "Successor Company"), (A) the Successor Company shall be an entity organized or existing under the laws of the United States, any state thereof or the District of Columbia, (B) the Successor Company shall expressly assume all the obligations of the Company under this Agreement and the other Loan Documents to which the Company is a party pursuant to a supplement hereto or thereto in form reasonably satisfactory to the Administrative Agent, (C) OSI, unless it is the other party to such merger or consolidation, shall have confirmed that its obligations under this Agreement shall remain unchanged, (D) each Guarantor, unless it is the other party to such merger or consolidation, shall have by a supplement to the Guaranty confirmed that its Guarantee shall apply to the Successor Company's obligations under this Agreement, (E) each Guarantor, unless it is the other party to such merger or consolidation, shall have by a supplement to the Security Agreement confirmed that its obligations thereunder shall apply to the Successor Company's obligations under this Agreement, (F) each mortgagor of a Mortgaged Property, unless it is the other party to such merger or consolidation, shall have by an amendment to or restatement of the applicable Mortgage confirmed that its obligations thereunder shall apply to the Successor Company's obligations under this Agreement, (G) immediately after giving effect to such merger or consolidation, the Successor Company and the Subsidiaries shall be in Pro Forma Compliance with the Financial Covenant, such compliance to be determined on the basis of the financial information most recently delivered to the Administrative Agent and the Lenders pursuant to Section 6.01(a) or (b) as though such merger or consolidation had been consummated as of the first day of the fiscal period covered thereby and evidenced by a certificate from the chief financial officer of the Successor Company demonstrating such compliance calculation in reasonable detail, and (H) the Company shall have delivered to the Administrative Agent an officer's certificate and an opinion of counsel, each stating

that such merger or consolidation and such supplement to this Agreement or any Collateral Document comply with this Agreement; provided, further, that if the foregoing are satisfied, the Successor Company will succeed to, and be substituted for, the Company under this Agreement;

(e) so long as no Default exists or would result therefrom, any Subsidiary may merge with any other Person in order to effect an Investment permitted pursuant to Section 7.02; provided that the continuing or surviving Person shall be a Subsidiary, which together with each of its Subsidiaries, shall have complied with the requirements of Section 6.11; and

(f) so long as no Default exists or would result therefrom, a merger, dissolution, liquidation, consolidation or Disposition, the purpose of which is to effect a Disposition permitted pursuant to Section 7.05.

Section 7.05 Dispositions. Make any Disposition, except:

(a) (x) Dispositions of obsolete or worn out property and assets, whether now owned or hereafter acquired, in the ordinary course of business, (y) Dispositions of property or assets no longer used or useful in the conduct of the business of the Borrowers and their respective Subsidiaries and (z) Dispositions to landlords of improvements made to leased real property pursuant to customary terms of leases entered into in the ordinary course of business;

(b) Dispositions of inventory and assets of de minimus value, in any case in the ordinary course of business;

(c) Dispositions of property in the ordinary course of business to the extent that (x) such property is exchanged for credit against the purchase price of similar replacement property or (y) the proceeds of such Disposition are promptly applied to the purchase price of such replacement property;

(d) Dispositions of property to a Borrower or to a Subsidiary; provided that if the transferor of such property is a Borrower or a Guarantor, (i) the transferee thereof must either be a Guarantor or a Borrower or (ii) to the extent such transaction constitutes an Investment, such transaction is permitted under Section 7.02;

(e) Dispositions permitted by Sections 7.04 and 7.06, Investments permitted by Section 7.02, Liens permitted by Section 7.01 and Dispositions of Equity Interests in Employment Participation Subsidiaries to restaurant employees of, and development partners with, the Borrowers and their respective Subsidiaries;

(f) Dispositions of property (other than IP Collateral) for cash pursuant to sale- leaseback transactions; provided that (i) with respect to such property owned by the Borrowers and their respective Subsidiaries on the Closing Date, the Fair Market Value of all property so Disposed of after the Closing Date shall not exceed $35,000,000, and (ii) with respect to such property acquired by any Borrower or any Subsidiary after the Closing Date, the applicable sale- leaseback transaction occurs within two hundred and seventy (270) days after the acquisition or construction (as applicable) of such property or any material repair, replacement or improvement thereof (including reconstruction, refurbishment, renovation and development of real property);

(g) Dispositions of Cash Equivalents;

(h) Dispositions or discounts without recourse of accounts receivable in connection with the compromise or collection thereof and not as part of a financing transaction;

(i) (1) leases, subleases, licenses or sublicenses, in each case which do not materially interfere with the business of the Borrowers and their respective Subsidiaries, taken as a whole; and (2) Dispositions of intellectual property that do not materially interfere with the business of any Borrower or any of its Subsidiaries;

(j) transfers of property subject to Casualty Events upon receipt of the Net Cash Proceeds of such Casualty Event;

(k) Dispositions of property not otherwise permitted under this Section 7.05; provided that (i) the Company and its Subsidiaries shall be in Pro Forma Compliance with the Financial Covenant, (ii) at the time of such Disposition (other than any such Disposition made pursuant to a legally binding commitment entered into at a time when no Default has occurred and is continuing), no Default shall have occurred and is continuing or would result from such Disposition, and (iii) with respect to any Disposition (or series of related Dispositions) pursuant to this clause (k) for a purchase price in excess of $5,000,000, the Company or a Subsidiary shall receive not less than 75% of such consideration in the form of cash or Cash Equivalents (in each case, free and clear of all Liens at the time received, other than nonconsensual Liens permitted by Section 7.01 and Liens permitted by Section 7.01(l) and clauses (i) and (ii) of Section 7.01(t)); provided, however, that for the purposes of this clause (iii), (A) any liabilities (as shown on the Company's or such Subsidiary's most recent balance sheet provided hereunder or in the footnotes thereto) of the Company or such Subsidiary (other than liabilities that are by their terms subordinated to the payment in cash of the Obligations) that are assumed by the transferee with respect to the applicable Disposition and for which the Company and all of its Subsidiaries shall have been validly released by all applicable creditors in writing, (B) any securities received by the Company or such Subsidiary from such transferee that are converted by the Company or such Subsidiary into cash (to the extent of the cash received) within 180 days following the closing of the applicable Disposition and (C) any Designated Non-Cash Consideration received by the Company or such Subsidiary in respect of such Disposition having an aggregate Fair Market Value, taken together with all other Designated Non-Cash Consideration received pursuant to this clause (C) that is at that time outstanding, not in excess of the greater of (1) $40,000,000 and (2) 1.5% of Total Assets, with the Fair Market Value of each item of Designated Non-Cash Consideration being measured at the time received and without giving effect to subsequent changes in value, shall be deemed to be cash;

(l) Dispositions of Excluded Real Property;

(m) Dispositions of Investments in joint ventures to the extent required by, or made pursuant to customary buy/sell arrangements between, the joint venture parties set forth in joint venture arrangements and similar binding arrangements;

(n) to the extent allowable under Section 1031 of the Code (or comparable or successor provision), any exchange of like property (excluding any boot thereon permitted by such provision) for use in any business conducted by the Borrowers or any of their respective Subsidiaries that is not in contravention of Section 7.07;

(o) the unwinding of any Swap Contract; and

(p) any swap of assets (other than Cash Equivalents) in exchange for assets of the same type in the ordinary course of business of comparable or greater value or usefulness to the business of the Borrowers and their respective Subsidiaries taken as a whole, as determined in good faith by the management of the Company.

provided that any Disposition of any property pursuant to this Section 7.05 (except pursuant to Sections 7.05(a)(y), (a)(z), (d), (e), (j) and (o) and except for Dispositions from a Loan Party to another Loan Party), shall be for no less than the Fair Market Value of such property at the time of such Disposition. To the extent any Collateral is Disposed of as expressly permitted by this Section 7.05 to any Person other than the Company or any Subsidiary, such Collateral shall be sold free and clear of the Liens created by the Loan Documents, and the Administrative Agent or the Collateral Agent, as applicable, shall be authorized to take any actions deemed appropriate in order to effect the foregoing.

Section 7.06 Restricted Payments. Declare or make, directly or indirectly, any Restricted Payment, except:

(a) each Subsidiary may make Restricted Payments to the Borrowers and to other Subsidiaries (and, in the case of a Restricted Payment by a non-Wholly Owned Subsidiary, to any Borrower and any other Subsidiary and to each other owner of Equity Interests of such Subsidiary based on their relative ownership interests of the relevant class of Equity Interests);

(b) each Borrower and each Subsidiary may declare and make dividend payments or other distributions payable solely in the Equity Interests (other than Disqualified Equity Interests not otherwise permitted by Section 7.03) of such Person;

(c) each Borrower and each Subsidiary may make distributions to joint venture partners in Brazil to the extent that such amounts are structured to serve as a component of compensation providing more favorable tax treatment than salary and are deducted in determining Consolidated Net Income;

(d) to the extent constituting Restricted Payments, the Borrowers and their respective Subsidiaries may enter into and consummate transactions expressly permitted by any provision of Section 7.04 or 7.08 (other than Sections 7.08(d) and (e));

(e) repurchases of Equity Interests in any Borrower or any Subsidiary deemed to occur upon exercise of stock options or warrants if such Equity Interests represent a portion of the exercise price of such options or warrants;

(f) the Company may make Restricted Payments for the repurchase, retirement or other acquisition or retirement for value of Equity Interests of the Company by any future, present or former employee, consultant or director of the Company or any of its Subsidiaries; provided that the aggregate amount of Restricted Payments made pursuant to this clause (f) in any calendar year, when combined with the aggregate amount of all cash payments (whether principal or interest) made by the Loan Parties in respect of any promissory notes pursuant to Section 7.03(i) in such calendar year, shall not exceed $40,000,000, provided that any unused amounts in any calendar year may be carried over to succeeding calendar years, so long as the aggregate amount of all Restricted Payments made pursuant to this Section 7.06(f) in any calendar year (after giving effect to such carry forward), when aggregated with the aggregate amount of all cash payments made in respect of promissory notes pursuant to Section 7.03(i) in such calendar year (after giving effect to such carry forward), shall not exceed $50,000,000; provided that any cancellation of Indebtedness owing to the Company in connection with and as consideration for a repurchase of Equity Interests of the Company shall not be deemed

to constitute a Restricted Payment for purposes of this clause (f); provided, further, that such amount in any calendar year may be increased by an amount not to exceed the remainder of (x) the sum of (1) the amount of Net Cash Proceeds of issuances of Equity Interests (other than proceeds from the issuance of Disqualified Equity Interests) to the extent that such Net Cash Proceeds shall have been actually received by the Borrower through a capital contribution of such Net Cash Proceeds by the Company (and to the extent not used to make an Investment pursuant to Section 7.02(m) or (t), a payment pursuant to Section 7.03(i), a prepayment of Junior Financings pursuant to Section 7.12(a)(v) or a Restricted Payment pursuant to Section 7.06(f) or (h)), in each case to employees, directors, officers, members of management or consultants of the Company or of its Subsidiaries that occurs after the Closing Date plus (2) the net cash proceeds of key man life insurance policies received by the Company or any of its Subsidiaries after the Closing Date less (y) the aggregate amount of all Restricted Payments made after the Closing Date with the net cash proceeds described in preceding clause (x) (2) less (z) the aggregate amount of all cash payments made in respect of any promissory notes pursuant to Section 7.03(i) after the Closing Date in reliance on the last proviso appearing in Section 7.03(i);

(g) cash payments in lieu of the issuance of fractional shares or interests in connection with the exercise of warrants, options or other rights or securities convertible into or exchangeable for Equity Interests of the Company; provided, that any such cash payment shall not be for the purpose of evading the limitation of this covenant (as determined in good faith by the board of directors of the Company);

(h) so long as no Default shall have occurred and be continuing or would result therefrom, the Borrowers may make additional Restricted Payments with the proceeds of Excluded Contributions;

(i) repurchases, redemptions and other acquisitions of Equity Interests in Employment Participation Subsidiaries held by current or former restaurant employees of, and development partners with, the Company or any of its Subsidiaries;

(j) so long as, (i) on a Pro Forma Basis, the Total Net Leverage Ratio is no greater than 3.50:1.00 and (ii) no Default shall have occurred and be continuing or would result therefrom, the Borrowers may make additional Restricted Payments; and

(k) so long as, on the date of declaration thereof, (i) no Default shall have occurred and be continuing or would result therefrom and (ii) immediately after giving effect to such Restricted Payment, the Company and its Subsidiaries shall be in Pro Forma Compliance with the Financial Covenant, any Borrower may declare and pay regular quarterly dividends (excluding any special or one-time dividends) that have been approved by such Borrower's board of directors.

Section 7.07 Change in Nature of Business. Engage in any material line of business substantially different from those lines of business conducted by the Borrowers and their respective Subsidiaries on the Closing Date or any business reasonably related or ancillary thereto.

Section 7.08 Transactions with Affiliates. Enter into any transaction of any kind with any Affiliate of any Borrower, whether or not in the ordinary course of business, other than (a) transactions between or among Loan Parties and/or Subsidiaries or any entity that becomes a Subsidiary as a result of such transaction in each case to the extent that such transactions are not otherwise prohibited by this Agreement, (b) on terms substantially as favorable to such Borrower or such Subsidiary as would be obtainable by such Borrower or such Subsidiary at the time in a comparable arm's-length transaction with a Person other than an Affiliate, (c) consummation of the Transaction, including the payment of fees and expenses related to the Transaction, (d) Restricted Payments permitted under Section 7.06, (e) loans and other transactions by the Borrowers and

their respective Subsidiaries to the extent permitted under this Article VII, (f) employment, consulting and severance arrangements between the Borrowers and their respective Subsidiaries and their respective officers and employees in the ordinary course of business and transactions pursuant to stock option plans and employee or director benefit plans and arrangements, (g) payments by the Borrowers and their respective Subsidiaries pursuant to the tax sharing agreements among the Borrowers and their respective Subsidiaries on customary terms to the extent attributable to the ownership or operations of the Borrowers and their respective Subsidiaries, (h) the payment of customary fees and reasonable out of pocket costs and expenses to, and indemnities provided on behalf of, directors, officers, consultants and employees of the Company and its Subsidiaries in the ordinary course of business to the extent attributable to the ownership or operation of the Company and its Subsidiaries, (i) transactions pursuant to permitted agreements in existence on the Closing Date and set forth on Schedule 7.08 or any amendment thereto or replacement thereof to the extent such an amendment or replacement is not adverse to the Lenders in any material respect, (j) transactions with suppliers, joint venture partners or purchasers or sellers of goods or services, in each case in the ordinary course of business and otherwise in compliance with the terms of this Agreement which are fair to the Company and its Subsidiaries, in the reasonable determination of the board of directors of the Company or the senior management thereof, or are on terms at least as favorable as would reasonably have been obtained at such time from an unaffiliated party and (k) transactions in which the Company or any of its Subsidiaries, as the case may be, delivers to the Administrative Agent a letter from an Independent Financial Advisor stating that such transaction is fair to the Company or such Subsidiary from a financial point of view or meets the requirements of Section 7.08(b).

Section 7.09 Burdensome Agreements. Enter into or permit to exist any Contractual Obligation (other than this Agreement or any other Loan Document) that limits the ability of (a) any Subsidiary that is not a Guarantor to make Restricted Payments, intercompany loans or other advances to any Borrower or any Guarantor or (b) any Borrower or any Loan Party to create, incur, assume or suffer to exist Liens on property of such Person for the benefit of the Secured Parties with respect to the Facilities and the Obligations or under the Loan Documents; provided that the foregoing clauses (a) and (b) shall not apply to Contractual Obligations which (i) (x) exist on the Closing Date and (to the extent not otherwise permitted by this Section 7.09) are listed on Schedule 7.09 and (y) to the extent Contractual Obligations permitted by preceding clause (x) are set forth in an agreement evidencing Indebtedness, are set forth in any agreement evidencing any permitted modification, replacement, renewal, extension or refinancing of such Indebtedness so long as such modification, replacement, renewal, extension or refinancing does not expand the scope of such Contractual Obligation in any material respect, (ii) are binding on a Subsidiary at the time such Subsidiary first becomes a Subsidiary, so long as such Contractual Obligations were not entered into solely in contemplation of such Person becoming a Subsidiary, (iii) represent Indebtedness of a Subsidiary which is not a Loan Party which is permitted by Section 7.03, (iv) are customary restrictions that arise in connection with (x) any Lien permitted by Sections 7.01(j), (l), (m), (s), (t)(i), (t)(ii), (u) and (aa) and relate to the property subject to such Lien or (y) any Disposition permitted by Section 7.05 applicable pending such Disposition solely to the assets subject to such Disposition, (v) are customary provisions in joint venture agreements and other similar agreements applicable to joint ventures permitted under Section 7.02 and applicable solely to such joint venture, (vi) are negative pledges and restrictions on Liens in favor of any holder of Indebtedness permitted under Section 7.03 but solely to the extent any negative pledge relates to the property financed by or the subject of such Indebtedness (and excluding in any event any Indebtedness constituting any Junior Financing), (vii) are customary restrictions on leases, subleases, licenses or asset sale agreements otherwise permitted hereby so long as such restrictions relate to property interests, rights or the assets subject thereto, (viii) comprise restrictions imposed by any agreement relating to secured Indebtedness permitted pursuant to Section 7.03(e), (g)(A), or (v) to the extent that such restrictions apply only to the property or assets securing such Indebtedness or, in the case of Indebtedness incurred pursuant to Section 7.03(g)(A) only, to the Subsidiaries incurring or guaranteeing such Indebtedness, (ix) are customary provisions restricting subletting or assignment of any lease governing a leasehold interest of any Borrower or any Subsidiary, (x) are customary provisions restricting

assignment of any agreement entered into in the ordinary course of business, (xi) are restrictions on cash or other deposits imposed by customers under contracts entered into in the ordinary course of business, (xii) arise in connection with cash or other deposits permitted under Section 7.01 or 7.02, and limited to such cash or deposits; and (xiii) comprise restrictions imposed by any agreement governing Indebtedness entered into after the Closing Date and permitted under Section 7.03 that are, taken as a whole, in the good faith judgment of the Company, no more restrictive with respect to the Company or any Subsidiary than customary market terms for Indebtedness of such type (and, in any event, are no more restrictive than the restrictions contained in this Agreement), so long as the Company shall have determined in good faith that such restrictions will not affect its obligations or ability to make any payments required hereunder.

Section 7.10 Financial Covenant. Permit the Total Net Leverage Ratio as of the last day of any Test Period to be greater than 4.50:1.00 (the "Financial Covenant").

Section 7.11 Accounting Changes. Make any change in fiscal quarter or fiscal year of the Company; provided, however, that the Company may, upon written notice to the Administrative Agent, change its fiscal quarter or fiscal year to any other fiscal quarter or fiscal year reasonably acceptable to the Administrative Agent, in which case, the Company and the Administrative Agent will, and are hereby authorized by the Lenders to, make any adjustments to this Agreement that are necessary to reflect such change in fiscal quarter or fiscal year of the Company.

Section 7.12 Prepayments, Etc. of Indebtedness. (a) Prepay, redeem, purchase, defease or otherwise satisfy prior to the scheduled maturity thereof in any manner (it being understood that payments of regularly scheduled principal (to the extent permitted hereunder) and interest shall be permitted) any Indebtedness for borrowed money of a Loan Party that is expressly by its terms subordinated to the Obligations in right of payment, (all of the foregoing items of Indebtedness, collectively, "Junior Financing") except (i) the refinancing thereof with any Indebtedness (to the extent such Indebtedness constitutes a Permitted Refinancing), to the extent not required to prepay any Loans or Facility pursuant to Section 2.05(b), (ii) the conversion or exchange of any Junior Financing to Equity Interests (other than Disqualified Equity Interests) of the Company, (iii) the prepayment of Indebtedness of any Borrower or any Subsidiary to any Borrower or any Subsidiary to the extent permitted by the subordination provisions contained in the Intercompany Note, (iv) prepayments, redemptions, purchases, defeasances and other payments in respect of Junior Financings prior to their scheduled maturity in an aggregate amount not to exceed the greater of (i) $100,000,000 and (ii) 3.0% of Total Assets, (v) prepayments, redemptions, purchases, defeasances and other payments in respect of the Junior Financings prior to their scheduled maturity in an aggregate amount not to exceed the Cumulative Growth Amount immediately prior to the making of such payment and (vi) additional prepayments, redemptions, purchases, defeasances and other payments in respect of the Junior Financings so long as (A) on a Pro Forma Basis, the Total Net Leverage Ratio is no greater than 3.50:1.00 and (B) no Default shall have occurred and be continuing or would result therefrom.

(b) Amend, modify or change in any manner materially adverse to the interests of the Lenders any term or condition (including any subordination provisions) of any Junior Financing Documentation in respect of any Junior Financing having an aggregate outstanding principal amount in excess of the Threshold Amount without the consent of the Administrative Agent (which consent shall not be unreasonably withheld or delayed).

Section 7.13 Sanctions; Anti-Corruption Laws.

(a) None of the Company or any of the Company's Subsidiaries will directly or, to the knowledge of the Company or any of the Company's Subsidiaries, indirectly, use the proceeds of any Credit Extension in violation of applicable Sanctions or otherwise knowingly make available such proceeds to any Person for the purpose of financing the activities of any Sanctioned Person, except to the extent licensed, exempted or otherwise approved by a competent governmental body responsible for enforcing such Sanctions.

(b) None of the Company or any of the Company's Subsidiaries will directly or, to the knowledge of the Company or any of the Company's Subsidiaries, indirectly, use the proceeds of any Credit Extension for any purpose which would breach any Anti-Corruption Laws in any material respect.

ARTICLE VIII

Events of Default and Remedies

Section 8.01 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, any amount of principal of any Loan or any Unreimbursed Amount (to the extent that such Unreimbursed Amount has not been refinanced by a Revolving Credit Borrowing in accordance with Section 2.03(c)) or (ii) within five (5) Business Days after the same becomes due, any interest on any Loan or any other amount payable hereunder or with respect to any other Loan Document; or

(b) Specific Covenants. Any Borrower fails to perform or observe any term, covenant or agreement contained in any of Sections 6.03(a), 6.05(a) (solely with respect to any Borrower) or Article VII; or

(c) Other Defaults. Any Loan Party fails to perform or observe any other covenant or agreement (not specified in Section 8.01(a) or (b) above) contained in any Loan Document on its part to be performed or observed and such failure continues for thirty (30) days after notice thereof by the Administrative Agent to the Company; 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 required to be delivered in connection herewith or therewith shall be incorrect or misleading in any material respect when made or deemed made; or

(e) Cross-Default. Any Loan Party or any Subsidiary (A) fails to make any payment beyond the applicable grace period with respect thereto, if any (whether by scheduled maturity, required prepayment, acceleration, demand, or otherwise) in respect of any Indebtedness (other than Indebtedness hereunder), together with any other Indebtedness (other than Indebtedness hereunder) in respect of which such a payment default exists, having an aggregate principal amount for all such Indebtedness of not less than the Threshold Amount, or (B) fails to observe or perform any other agreement or condition relating to any such Indebtedness having an aggregate principal amount for all such Indebtedness of not less than the Threshold Amount, or any other event occurs (other than, with respect to Indebtedness consisting of Swap Contracts, termination events or equivalent events pursuant to the terms of such Swap Contracts), the effect of which default or other event is to cause, or to permit the holder or holders of such Indebtedness (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 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; provided that this clause (e)(B) shall not apply to secured Indebtedness that becomes due as a result of the voluntary sale or transfer of the property or assets securing such Indebtedness, if such sale or transfer is permitted hereunder and under the documents providing for such Indebtedness; or

(f) Insolvency Proceedings, Etc. Any Loan Party or any of the Subsidiaries institutes or consents to the institution of any proceeding under any Debtor Relief Law, or makes an assignment for the benefit of creditors; or applies for or consents to the appointment of any receiver, trustee, custodian, conservator, liquidator, rehabilitator, administrator, administrative receiver or similar officer for it or for all or any material part of its property; or any receiver, trustee, custodian, conservator, liquidator, rehabilitator, administrator, administrative receiver 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 Subsidiary becomes unable or admits in writing its inability or fails generally to pay its debts in excess of the Threshold Amount 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 the Loan Parties, taken as a whole, and is not released, vacated or fully bonded within sixty (60) days after its issue or levy; or

(h) Judgments. There is entered against any Loan Party or any Subsidiary 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 has been notified of such judgment or order and has not denied coverage) and such judgments or orders shall not have been satisfied, vacated, discharged or stayed or bonded pending an appeal for a period of sixty (60) consecutive days; or

(i) ERISA. (i) An ERISA Event occurs with respect to a Pension Plan or Multiemployer Plan which has resulted or could reasonably be expected to result in liability of any Loan Party in an aggregate amount which could reasonably be expected to result in a Material Adverse Effect, or (ii) any Loan Party 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 Multiemployer Plan in an aggregate amount which could reasonably be expected to result in a Material Adverse Effect; or

(j) Invalidity of Loan Documents. Any material provision of any Loan Document, at any time after its execution and delivery and for any reason other than as expressly permitted hereunder or thereunder (including as a result of a transaction permitted under Section 7.04 or 7.05) or as a result of acts or omissions by the Administrative Agent or any Lender or the satisfaction in full of all the Obligations, ceases to be in full force and effect; or any Loan Party contests in writing the validity or enforceability of any provision of any Loan Document or any Lien on any material portion of the Collateral created thereby; or any Loan Party denies in writing that it has any or further liability or obligation under any Loan Document (other than as a result of repayment in full of the Obligations

and termination of the Aggregate Commitments), or purports in writing to revoke or rescind any Loan Document; or

(k) Change of Control. There occurs any Change of Control; or

(l) (Collateral Documents. (i) Any Collateral Document after delivery thereof pursuant to Section 4.01, 6.11 or 6.13 shall for any reason (other than pursuant to the terms thereof including as a result of a transaction permitted under Section 7.04 or 7.05) cease to create a valid and perfected lien, with the priority required by the Collateral Documents on and security interest in any material portion of the Collateral purported to be covered thereby, subject to Permitted Liens, except to the extent that any such loss of perfection or priority results from the failure of the Administrative Agent or the Collateral Agent to maintain possession of certificates actually delivered to it representing securities pledged under the Collateral Documents or to file Uniform Commercial Code continuation statements and except as to Collateral consisting of real property to the extent that such losses are covered by a lender's title insurance policy and such insurer has not denied coverage, or (ii) any of the Equity Interests of OSI ceasing to be pledged pursuant to the Security Agreement free of Liens other than Liens created by the Security Agreement or any nonconsensual Liens arising solely by operation of Law; or

(m) Junior Financing Documentation. (i) Any of the Obligations of the Loan Parties under the Loan Documents for any reason shall cease to be "Senior Indebtedness" (or any comparable term) or "Senior Secured Financing" (or any comparable term) under, and as defined in, any Junior Financing Documentation that is subordinated (or required to be subordinated) to the Obligations and having an aggregate principal amount (for all such Junior Financing Documentation) of not less than the Threshold Amount, (ii) the subordination provisions set forth in any Junior Financing Documentation shall, in whole or in part, cease to be effective or cease to be legally valid, binding and enforceable against the holders of any such Junior Financing having an aggregate principal amount (for all such Junior Financing Documentation) of not less than the Threshold Amount, if applicable or (iii) any Loan Party contests in writing the validity or enforceability of any subordination provision set forth in any Junior Financing Documentation.

Section 8.02 Remedies Upon Event of Default. If any Event of Default occurs and is continuing, the Administrative Agent may and, at the request of the Required Lenders, shall take any or all of the following actions:

(a) declare the commitment of each Lender to make Loans and any obligation of the L/C Issuers to make L/C Credit Extensions to be terminated, whereupon such commitments and obligation shall be terminated;

(b) declare the unpaid principal amount of all outstanding Loans, all interest accrued and unpaid thereon, and all other amounts owing or payable hereunder or under any other Loan Document to be immediately due and payable, without presentment, demand, protest or other notice of any kind, all of which are hereby expressly waived by each Borrower;

(c) require that the Borrowers Cash Collateralize the L/C Obligations (in an amount equal to the then Outstanding Amount thereof); and

(d) exercise on behalf of itself and the Lenders all rights and remedies available to it and the Lenders under the Loan Documents or applicable Law;

provided that upon the occurrence of an actual or deemed entry of an Event of Default under Section 8.01(f) with respect to any Borrower, the obligation of each Lender to make Loans and any obligation of the L/C Issuers to make L/C Credit Extensions shall automatically terminate, 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 Borrowers to Cash Collateralize the L/C Obligations as aforesaid shall automatically become effective, in each case without further act of the Administrative Agent or any Lender.

Section 8.03 Exclusion of Immaterial Subsidiaries. Solely for the purpose of determining whether a Default has occurred under clause (f) or (g) of Section 8.01, any reference in any such clause to any Subsidiary or Loan Party shall be deemed not to include any Immaterial Subsidiary (it being agreed that all Immaterial Subsidiaries affected by any event or circumstance referred to in any such clause shall be considered together, as a single consolidated Immaterial Subsidiary, for purposes of determining whether the condition specified above is satisfied).

Section 8.04 Application of Funds. After the exercise of remedies provided for in Section 8.02 (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 8.02), any amounts received on account of the Obligations shall 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 (other than principal and interest, but including Attorney Costs payable under Section 10.04 and amounts payable under Article III) payable to each of the Administrative Agent and the Collateral Agent in its capacity as such;

Second, to payment of that portion of the Obligations constituting fees (other than commitment fees, letter of credit fees and facility fees), indemnities and other amounts (other than principal and interest) payable to the Lenders (including Attorney Costs payable under Section 10.04 and amounts payable under Article III), ratably among them in proportion to the amounts described in this clause Second payable to them;

Third, to payment of that portion of the Obligations constituting accrued and unpaid commitment fees, letter of credit fees, facilities fees and interest on the Loans and L/C Borrowings, ratably among the Lenders in proportion to the respective amounts described in this clause Third payable to them;

Fourth, to payment of that portion of the Obligations constituting unpaid principal of the Loans and L/C Borrowings, the Obligations under Secured Hedge Agreements and the Cash Management Obligations, ratably among the Lenders and the other Secured Parties in proportion to the respective amounts described in this clause Fourth held by them;

Fifth, to the Administrative Agent for the account of the L/C Issuers, to Cash Collateralize that portion of L/C Obligations comprised of the aggregate undrawn amount of Letters of Credit;

Sixth, to the payment of all other Obligations of the Loan Parties that are due and payable to the Administrative Agent and the other Secured Parties on such date, ratably based upon the respective aggregate amounts of all such Obligations owing to the Administrative Agent and the other Secured Parties on such date; and

Last, the balance, if any, after all of the Obligations have been indefeasibly paid in full, to the Borrowers or as otherwise required by Law.

Subject to Section 2.03(c), amounts used to Cash Collateralize the aggregate undrawn amount of Letters of Credit pursuant to clause Fifth 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 and, if no Obligations remain outstanding, to the Borrowers.

ARTICLE IX

Administrative Agent and Other Agents

Section 9.01 Appointment and Authorization of Agents. (a) Each Lender hereby irrevocably appoints, designates and authorizes the Administrative Agent to take such action on its behalf under the provisions of this Agreement and each other Loan Document and to exercise such powers and perform such duties as are expressly delegated to it by the terms of this Agreement or any other Loan Document, together with such powers as are reasonably incidental thereto. Notwithstanding any provision to the contrary contained elsewhere herein or in any other Loan Document, the Administrative Agent shall have no duties or responsibilities, except those expressly set forth herein, nor shall the Administrative Agent have or be deemed to have any fiduciary relationship with any Lender or participant, 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 Administrative Agent. Without limiting the generality of the foregoing sentence, the use of the term "agent" herein and in the other Loan Documents with reference to any Agent is not intended to connote any fiduciary or other implied (or express) obligations arising under agency doctrine of any applicable Law. Instead, such term is used merely as a matter of market custom, and is intended to create or reflect only an administrative relationship between independent contracting parties.

(b) Each L/C Issuer shall act on behalf of the Lenders with respect to any Letters of Credit issued by it and the documents associated therewith, and each such L/C Issuer shall have all of the benefits and immunities (i) provided to the Agents in this Article IX with respect to any acts taken or omissions suffered by such L/C Issuer in connection with Letters of Credit issued by it or proposed to be issued by it and the applications and agreements for letters of credit pertaining to such Letters of Credit as fully as if the term "Agent" as used in this Article IX and in the definition of "Agent-Related Person" included such L/C Issuer with respect to such acts or omissions, and (ii) as additionally provided herein with respect to such L/C Issuer.

(c) The Administrative Agent shall also act as the "collateral agent" under the Loan Documents, and each of the Lenders (in its capacities as a Lender, Swing Line Lender (if applicable), L/C Issuer (if applicable) and a potential Hedge Bank) hereby irrevocably appoints and authorizes the Administrative Agent to act as the agent of (and to hold any security interest created by the Collateral Documents for and on behalf of or on trust for) such Lender for purposes of acquiring, holding and enforcing any and all Liens on Collateral granted by any of the Loan Parties to secure any of the Secured Obligations, together with such powers and discretion as are reasonably incidental thereto. In this connection, the Administrative Agent, as "collateral agent" (and any co-agents, sub-agents and attorneys- in-fact appointed by the Administrative Agent pursuant to Section 9.02 for purposes of holding or enforcing any Lien on the Collateral (or any portion thereof) granted under the Collateral Documents, or for exercising any rights and remedies thereunder at the direction of the Administrative Agent), shall be entitled to the benefits of all provisions of this Article IX (including, Section 9.07, as though such co- agents, sub-agents and attorneys-in-fact were the "collateral agent" under the Loan Documents) as if set forth in full herein with respect thereto.

Section 9.02 Delegation of Duties. The Administrative Agent may execute any of its duties under this Agreement or any other Loan Document (including for purposes of holding or enforcing any Lien on the Collateral (or any portion thereof) granted under the Collateral Documents or of exercising any rights and remedies thereunder) by or through agents, employees or attorneys-in-fact, such sub-agents as shall be deemed necessary by the Administrative Agent and shall be entitled to advice of counsel and other consultants or experts concerning all matters pertaining to such duties. The Administrative Agent shall not be responsible for the negligence or misconduct of any agent or sub-agent or attorney-in-fact that it selects in the absence of gross negligence or willful misconduct (as determined in the final judgment of a court of competent jurisdiction).

Section 9.03 Liability of Agents. No Agent-Related Person shall (a) be liable for any action taken or omitted to be taken by any of them under or in connection with this Agreement or any other Loan Document or the transactions contemplated hereby (except for its own gross negligence or willful misconduct, as determined by the final judgment of a court of competent jurisdiction, in connection with its duties expressly set forth herein), or (b) be responsible in any manner to any Lender or participant for any recital, statement, representation or warranty made by any Loan Party or any officer thereof, contained herein or in any other Loan Document or in any certificate, report, statement or other document referred to or provided for in, or received by the Administrative Agent under or in connection with, this Agreement or any other Loan Document or the validity, effectiveness, genuineness, enforceability or sufficiency of this Agreement or any other Loan Document, or the perfection or priority of any Lien or security interest created or purported to be created under the Collateral Documents, or for any failure of any Loan Party or any other party to any Loan Document to perform its obligations hereunder or thereunder. No Agent-Related Person shall be under any obligation to any Lender or participant to ascertain or to inquire as to the observance or performance of any of the agreements contained in, or conditions of, this Agreement or any other Loan Document, or to inspect the properties, books or records of any Loan Party or any Affiliate thereof. The Administrative Agent shall not be responsible for or have any duty to ascertain or inquire into the utilization of any L/C Issuer's L/C Commitment (it being understood and agreed that each L/C Issuer shall monitor compliance with its own L/C Commitment without any further action by the Administrative Agent).

Section 9.04 Reliance by Agents. (a) Each Agent shall be entitled to rely, and shall be fully protected in relying, upon any writing, communication, signature, resolution, representation, notice, consent, certificate, affidavit, letter, telegram, facsimile, telex or telephone message, electronic mail message, statement or other document or conversation believed by it to be genuine and correct and to have been signed, sent or made by the proper Person or Persons, and upon advice and statements of legal counsel (including counsel to any Loan Party), independent accountants and other experts selected by such Agent. Each Agent shall be fully justified in failing or refusing to take any action under any Loan Document unless it shall first receive such advice or concurrence of the Required Lenders as it deems appropriate and, if it so requests, it shall first be indemnified to its satisfaction by the Lenders against any and all liability and expense which may be incurred by it by reason of taking or continuing to take any such action. Each Agent shall in all cases be fully protected in acting, or in refraining from acting, under this Agreement or any other Loan Document in accordance with a request or consent of the Required Lenders (or such greater number of Lenders as may be expressly required hereby in any instance) and such request and any action taken or failure to act pursuant thereto shall be binding upon all the Lenders.

(b) For purposes of determining compliance with the conditions specified in Article IV, 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.

Section 9.05 Notice of Default. The Administrative Agent shall not be deemed to have knowledge or notice of the occurrence of any Default, except with respect to defaults in the payment of principal, interest and fees required to be paid to the Administrative Agent for the account of the Lenders, unless the Administrative Agent shall have received written notice from a Lender or the Company referring to this Agreement, describing such Default and stating that such notice is a "notice of default." The Administrative Agent will notify the Lenders of its receipt of any such notice. The Administrative Agent shall take such action with respect to any Event of Default as may be directed by the Required Lenders in accordance with Article VIII; provided that unless and until the Administrative Agent has received any such direction, the Administrative Agent may (but shall not be obligated to) take such action, or refrain from taking such action, with respect to such Event of Default as it shall deem advisable or in the best interest of the Lenders.

Section 9.06 Credit Decision; Disclosure of Information by Agents. Each Lender acknowledges that no Agent-Related Person has made any representation or warranty to it, and that no act by any Agent hereafter taken, including any consent to and acceptance of any assignment or review of the affairs of any Loan Party or any Affiliate thereof, shall be deemed to constitute any representation or warranty by any Agent-Related Person to any Lender as to any matter, including whether Agent-Related Persons have disclosed material information in their possession. Each Lender represents to each Agent that it has, independently and without reliance upon any Agent-Related Person and based on such documents and information as it has deemed appropriate, made its own appraisal of and investigation into the business, prospects, operations, property, financial and other condition and creditworthiness of the Loan Parties and their respective Subsidiaries, and all applicable bank or other regulatory Laws relating to the transactions contemplated hereby, and made its own decision to enter into this Agreement and to extend credit to the Borrowers and the other Loan Parties hereunder. Each Lender also represents that it will, independently and without reliance upon any Agent-Related Person and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit analysis, appraisals and decisions in taking or not taking action under this Agreement and the other Loan Documents, and to make such investigations as it deems necessary to inform itself as to the business, prospects, operations, property, financial and other condition and creditworthiness of the Borrowers and the other Loan Parties. Except for notices, reports and other documents expressly required to be furnished to the Lenders by any Agent herein, such Agent shall not have any duty or responsibility to provide any Lender with any credit or other information concerning the business, prospects, operations, property, financial and other condition or creditworthiness of any of the Loan Parties or any of their respective Affiliates which may come into the possession of any Agent-Related Person.

Section 9.07 Indemnification of Agents. Whether or not the transactions contemplated hereby are consummated, the Lenders shall indemnify upon demand each Agent-Related Person (to the extent not reimbursed by or on behalf of any Loan Party and without limiting the obligation of any Loan Party to do so), in accordance with its Pro Rata Share, and hold harmless each Agent-Related Person from and against any and all Indemnified Liabilities incurred by it; provided that no Lender shall be liable for the payment to any Agent-Related Person of any portion of such Indemnified Liabilities resulting from such Agent-Related Person's own gross negligence, bad faith or willful misconduct, as determined by the final judgment of a court of competent jurisdiction; provided that no action taken in accordance with the directions of the Required Lenders (or such other number or percentage of the Lenders as shall be required by the Loan Documents) shall be deemed to constitute gross negligence, bad faith or willful misconduct for purposes of this Section 9.07. In the case of any investigation, litigation or proceeding giving rise to any Indemnified Liabilities, this Section 9.07 applies whether any such investigation, litigation or proceeding is brought by any Lender or any other Person. Without limitation of the foregoing, each Lender shall reimburse the Administrative Agent upon demand for its ratable share of any costs or out-of-pocket expenses (including Attorney Costs) incurred by the Administrative Agent in connection with the preparation, execution, delivery, administration, modification, amendment or enforcement (whether through negotiations, legal proceedings or otherwise) of, or legal advice in respect of rights or responsibilities under, this Agreement, any other Loan Document, or any document

contemplated by or referred to herein, to the extent that the Administrative Agent is not reimbursed for such expenses by or on behalf of the Borrowers and without limiting the Borrowers' obligation to do so. The undertaking in this Section 9.07 shall survive termination of the Aggregate Commitments, the payment of all other Obligations and the resignation of the Administrative Agent.

Section 9.08 Agents in their Individual Capacities. Wells Fargo and its Affiliates may make loans to, issue letters of credit for the account of, accept deposits from, acquire Equity Interests in and generally engage in any kind of banking, trust, financial advisory, underwriting or other business with each of the Loan Parties and their respective Affiliates as though Wells Fargo were not the Administrative Agent, the Swing Line Lender or an L/C Issuer hereunder and without notice to or consent of the Lenders. The Lenders acknowledge that, pursuant to such activities, Wells Fargo or its Affiliates may receive information regarding any Loan Party or its Affiliates (including information that may be subject to confidentiality obligations in favor of such Loan Party or such Affiliate) and acknowledge that the Administrative Agent shall be under no obligation to provide such information to them. With respect to its Loans, Wells Fargo shall have the same rights and powers under this Agreement as any other Lender and may exercise such rights and powers as though it were not the Administrative Agent, the Swing Line Lender or an L/C Issuer, and the terms "Lender" and "Lenders" include Wells Fargo in its individual capacity.

Section 9.09 Successor Agents. The Administrative Agent may resign as the Administrative Agent upon ten (10) days' notice to the Lenders and the Borrowers. If the Administrative Agent is subject to an Agent-Related Distress Event, the Required Lenders may remove the Administrative Agent upon ten (10) days' notice. Upon the resignation or removal of the Administrative Agent under this Agreement, the Required Lenders shall appoint from among the Lenders a successor agent for the Lenders, which successor agent shall be consented to by the Borrowers (which consent of the Borrowers shall not be unreasonably withheld or delayed if such successor is a commercial bank with a combined capital and surplus of at least $1,000,000,000, and otherwise may be withheld at the Borrowers' sole discretion) at all times other than during the existence of an Event of Default under Section 8.01(a), (f) or (g). If no successor agent is appointed prior to the effective date of the resignation of the Administrative Agent, the Administrative Agent may appoint, after consulting with the Lenders and the Borrowers, a successor agent from among the Lenders. Upon the acceptance of its appointment as successor agent hereunder, the Person acting as such successor agent shall succeed to all the rights, powers and duties of the retiring Administrative Agent and the term "Administrative Agent," shall mean such successor administrative agent and/or Supplemental Administrative Agent, as the case may be, and the retiring Administrative Agent's appointment, powers and duties as the Administrative Agent shall be terminated. After the retiring Administrative Agent's resignation or removal hereunder as the Administrative Agent, the provisions of this Article IX and Sections 10.04 and 10.05 shall inure to its benefit as to any actions taken or omitted to be taken by it while it was the Administrative Agent under this Agreement. If no successor agent has accepted appointment as the Administrative Agent by the date which is ten (10) days following the retiring Administrative Agent's notice of resignation or the receipt by the Administrative Agent of the notice of removal referred to above, as applicable, the retiring Administrative Agent's resignation or removal, as the case may be, shall nevertheless thereupon become effective and the Lenders shall perform all of the duties of the Administrative Agent hereunder until such time, if any, as the Required Lenders appoint a successor agent as provided for above. Upon the acceptance of any appointment as the Administrative Agent hereunder by a successor and upon the execution and filing or recording of such financing statements, or amendments thereto, and such amendments or supplements to the Mortgages, and such other instruments or notices, as may be necessary or desirable, or as the Required Lenders may request, in order to (a) continue the perfection of the Liens granted or purported to be granted by the Collateral Documents or (b) otherwise ensure that the Collateral and Guarantee Requirement is satisfied, the Administrative Agent shall thereupon succeed to and become vested with all the rights, powers, discretion, privileges, and duties of the retiring Administrative Agent, and the retiring Administrative Agent shall be discharged from its duties and obligations under the Loan Documents. The fees payable by the Borrowers to a successor Administrative Agent shall be the same

as those payable to its predecessor unless otherwise agreed between the Borrowers and such successor. After the retiring Administrative Agent's resignation or removal hereunder as the Administrative Agent, the provisions of this Article IX shall continue in effect for its benefit in respect of any actions taken or omitted to be taken by it while it was acting as the Administrative Agent.

Section 9.10 Administrative Agent May File Proofs of Claim. In case of the pendency of any receivership, insolvency, liquidation, bankruptcy, reorganization, arrangement, adjustment, composition or other judicial proceeding relative to any Loan Party, the Administrative Agent (irrespective of whether the principal of any Loan or L/C Obligation shall then be due and payable as herein expressed or by declaration or otherwise and irrespective of whether the Administrative Agent shall have made any demand on the Borrowers) shall be entitled and empowered, by intervention in such proceeding or otherwise:

(a) to file and prove a claim for the whole amount of the principal and interest owing and unpaid in respect of the Loans, L/C Obligations and all other Obligations that are owing and unpaid and to file such other documents as may be necessary or advisable in order to have the claims of the Lenders and the Administrative Agent (including any claim for the reasonable compensation, expenses, disbursements and advances of the Lenders and the Administrative Agent and their respective agents and counsel and all other amounts due the Lenders and the Administrative Agent under Sections 2.03(h) and (i), 2.09 and 10.04) allowed in such judicial proceeding; and

(b) to collect and receive any monies or other property payable or deliverable on any such claims and to distribute the same;

and any custodian, receiver, assignee, trustee, liquidator, sequestrator or other similar official in any such judicial proceeding is hereby authorized by each Lender to make such payments to the Administrative Agent and, in the event that the Administrative Agent shall consent to the making of such payments directly to the Lenders, to pay to the Administrative Agent any amount due for the reasonable compensation, expenses, disbursements and advances of the Agents and their respective agents and counsel, and any other amounts due the Administrative Agent under Section 2.09 and 10.04.

Nothing contained herein shall be deemed to authorize the Administrative Agent to authorize or consent to or accept or adopt on behalf of any Lender any plan of reorganization, arrangement, adjustment or composition affecting the Obligations or the rights of any Lender or to authorize the Administrative Agent to vote in respect of the claim of any Lender in any such proceeding.

Section 9.11 Collateral and Guaranty Matters. The Lenders irrevocably agree:

(a) that any Lien on any property granted to or held by the Administrative Agent or the Collateral Agent under any Loan Document shall be automatically released (i) upon termination of the Aggregate Commitments and payment in full of all Obligations (other than (x) obligations under Secured Hedge Agreements not yet due and payable, (y) Cash Management Obligations not yet due and payable and (z) contingent indemnification obligations not yet accrued and payable) and the expiration or termination of all Letters of Credit (or upon cash collateralization of all Letters of Credit in a manner and pursuant to arrangements reasonably satisfactory to the Administrative Agent and the applicable L/C Issuers or receipt of backstop letters of credit, in form and substance and from a financial institution, reasonably satisfactory to the Administrative Agent and the applicable L/C Issuers), (ii) at the time the property subject to such Lien is transferred or to be transferred as part of or in connection with any transfer permitted hereunder or under any other Loan Document to any Person other than any Borrower or any Guarantor (whether as a Disposition or Investment), (iii) subject to Section 10.01, if the release of such Lien is approved, authorized or ratified in writing by

the Required Lenders, or (iv) if the property subject to such Lien is owned by a Guarantor, upon release of such Guarantor from its obligations under its Guaranty pursuant to clause (c) below;

(b) to release or subordinate any Lien on any property granted to or held by the Administrative Agent or the Collateral Agent under any Loan Document to the holder of any Lien on such property that is permitted by Section 7.01(i); and

(c) that any Guarantor shall be automatically released from its obligations under the Guaranty if such Person ceases to be a Subsidiary as a result of a transaction or designation permitted hereunder; provided that no such release shall occur if such Guarantor continues (after giving effect to the consummation of such transaction or designation) to be a guarantor in respect of any unsecured Indebtedness, any Indebtedness that is secured on a junior basis to the Obligations or any Junior Financing.

Upon request by the Administrative Agent at any time, the Required Lenders (or such greater number of Lenders as may be required pursuant to Section 10.01) will confirm in writing the Administrative Agent's authority to release or subordinate its interest in particular types or items of property, or to release any Guarantor from its obligations under the Guaranty pursuant to this Section 9.11. In each case as specified in this Section 9.11, the Administrative Agent will (and each Lender irrevocably authorizes the Administrative Agent to), at the Borrowers' expense, execute and deliver to the applicable Loan Party such documents as such Loan Party may reasonably request to evidence the release or subordination of such item of Collateral from the assignment and security interest granted under the Collateral Documents, or to evidence the release of such Guarantor from its obligations under the Guaranty, in each case in accordance with the terms of the Loan Documents and this Section 9.11.

Section 9.12 Other Agents; Arrangers and Managers. None of the Lenders or other Persons identified on the facing page or signature pages of this Agreement as a "syndication agent," "documentation agent", "joint bookrunner" or "joint arranger" shall have any right, power, obligation, liability, responsibility or duty under this Agreement other than those applicable to all Lenders as such. Without limiting the foregoing, none of the Lenders or other Persons so identified shall have or be deemed to have any fiduciary relationship with any Lender. Each Lender acknowledges that it has not relied, and will not rely, on any of the Lenders or other Persons so identified in deciding to enter into this Agreement or in taking or not taking action hereunder.

Section 9.13 Appointment of Supplemental Administrative Agents. (a) It is the purpose of this Agreement and the other Loan Documents that there shall be no violation of any Law of any jurisdiction denying or restricting the right of banking corporations or associations to transact business as agent or trustee in such jurisdiction. It is recognized that in case of litigation under this Agreement or any of the other Loan Documents, and in particular in case of the enforcement of any of the Loan Documents, or in case the Administrative Agent deems that by reason of any present or future Law of any jurisdiction it may not exercise any of the rights, powers or remedies granted herein or in any of the other Loan Documents or take any other action which may be desirable or necessary in connection therewith, the Administrative Agent is hereby authorized to appoint an additional individual or institution selected by the Administrative Agent in its sole discretion as a separate trustee, co-trustee, administrative agent, collateral agent, administrative sub-agent or administrative co-agent (any such additional individual or institution being referred to herein individually as a "Supplemental Administrative Agent" and collectively as "Supplemental Administrative Agents").

(b) In the event that the Administrative Agent appoints a Supplemental Administrative Agent with respect to any Collateral, (i) each and every right, power, privilege or duty expressed or intended by this Agreement or any of the other Loan Documents to be exercised by or vested in or conveyed to the Administrative Agent with respect to such Collateral shall be exercisable by and vest in such Supplemental Administrative Agent to the extent, and only to the extent, necessary to enable such Supplemental Administrative Agent to exercise such rights, powers and privileges with respect to such Collateral and to perform such duties with respect to such Collateral, and every covenant and obligation contained in the Loan Documents and necessary to the exercise or performance thereof by such Supplemental Administrative Agent shall run to and be enforceable by either the Administrative Agent or such Supplemental Administrative Agent, and (ii) the provisions of this Article IX and of Section 10.04 and 10.05 that refer to the Administrative Agent shall inure to the benefit of such Supplemental Administrative Agent and all references therein to the Administrative Agent shall be deemed to be references to the Administrative Agent and/or such Supplemental Administrative Agent, as the context may require.

(c) Should any instrument in writing from any Borrower or any other Loan Party be required by any Supplemental Administrative Agent so appointed by the Administrative Agent for more fully and certainly vesting in and confirming to him or it such rights, powers, privileges and duties, such Borrower shall, or shall cause such Loan Party to, execute, acknowledge and deliver any and all such instruments promptly upon request by the Administrative Agent. In case any Supplemental Administrative Agent, or a successor thereto, shall die, become incapable of acting, resign or be removed, all the rights, powers, privileges and duties of such Supplemental Administrative Agent, to the extent permitted by Law, shall vest in and be exercised by the Administrative Agent until the appointment of a new Supplemental Administrative Agent.

Section 9.14 Lender Representation.

(a) Each Lender (x) represents and warrants, as of the date such Person became a Lender party hereto, to, and (y) 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, the Joint Lead Arrangers and their respective Affiliates, and not, for the avoidance of doubt, to or for the benefit of the Borrower or any other Loan Party, that at least one of the following is and will be true:

(i) such Lender is not using "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 in connection with the Loans, the Letters of Credit or the Commitments,

(ii) 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, or

(iii) (A) such Lender is an investment fund managed by a "Qualified Professional Asset Manager" (within the meaning of Part VI of PTE 84-14), (B) 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, (C) 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 (D) 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

(iv) 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 sub-clause (i) in the immediately preceding clause (a) is true with respect to a Lender or such Lender has not provided another representation, warranty and covenant as provided in sub-clause (iv) in the immediately preceding clause (a), such Lender further (x) represents and warrants, as of the date such Person became a Lender party hereto, to, and (y) 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 the Joint Lead Arrangers and their respective Affiliates, and not, for the avoidance of doubt, to or for the benefit of the Borrower or any other Loan Party, that:

(i) none of the Administrative Agent or any Joint Lead Arranger or any of their respective Affiliates is a fiduciary with respect to the assets of such Lender (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 to hereto or thereto),

(ii) the Person making the investment decision on behalf of such Lender with respect to the entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments and this Agreement is independent (within the meaning of 29 CFR § 2510.3-21) and is a bank, an insurance carrier, an investment adviser, a broker-dealer or other person that holds, or has under management or control, total assets of at least $50 million, in each case as described in 29 CFR § 2510.3-21(c)(1)(i)(A)-(E),

(iii) the Person making the investment decision on behalf of such Lender with respect to the entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments and this Agreement is capable of evaluating investment risks independently, both in general and with regard to particular transactions and investment strategies (including in respect of the Obligations),

(iv) the Person making the investment decision on behalf of such Lender with respect to the entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments and this Agreement is a fiduciary under ERISA or the Code, or both, with respect to the Loans, the Letters of Credit, the Commitments and this Agreement and is responsible for exercising independent judgment in evaluating the transactions hereunder, and

(v) no fee or other compensation is being paid directly to the Administrative Agent or any Joint Lead Arranger or any their respective Affiliates for investment advice (as opposed to other services) in connection with the Loans, the Letters of Credit, the Commitments or this Agreement.

(c) The Administrative Agent and each Joint Lead Arranger hereby informs the Lenders that each such Person is not undertaking to provide impartial investment advice, or to give advice in a fiduciary capacity, in connection with the transactions contemplated hereby, and that such Person has a financial interest in the transactions contemplated hereby in that such Person or an Affiliate thereof (i) may receive interest or other payments with respect to the Loans, the Letters of Credit, the Commitments and this Agreement, (ii) may recognize a gain if it extended the Loans, the Letters of Credit or the Commitments for an amount less than the amount being paid for an interest in the Loans, the Letters of Credit or the Commitments by such Lender or (iii) may receive fees or other payments in connection with the transactions contemplated hereby, the Loan Documents or otherwise, including structuring fees, commitment fees, arrangement fees, facility fees, upfront fees, underwriting fees, ticking fees, agency fees, administrative agent or collateral agent fees, utilization fees, minimum usage fees, letter of credit fees, fronting fees, deal-away or alternate transaction fees, amendment fees, processing fees, term out premiums, banker's acceptance fees, breakage or other early termination fees or fees similar to the foregoing.

ARTICLE X

Miscellaneous

Section 10.01 Amendments, Etc. Except as otherwise set forth in this Agreement, no amendment, modification, supplement or waiver of any provision of this Agreement or any other Loan Document, and no consent to any departure by any Borrower or any other Loan Party therefrom, shall be effective unless in writing signed by the Required Lenders and each Borrower or the other applicable Loan Party, as the case may be, and each such waiver, amendment, modification, supplement or consent shall be effective only in the specific instance and for the specific purpose for which given; provided that no such amendment, modification, supplement, waiver or consent shall:

(a) extend or increase the Commitment of any Lender without the written consent of such Lender (it being understood that a waiver of any condition precedent set forth in Section 4.02 or the waiver of any Default, mandatory prepayment or mandatory reduction of the Commitments shall not constitute an extension or increase of any Commitment of any Lender);

(b) postpone any date scheduled for, or reduce the amount of, any payment of principal, interest or fees under Section 2.07, 2.08 or 2.09 without the written consent of each Lender directly affected thereby, it being understood that the waiver of (or amendment to the terms of) any mandatory prepayment of the Term Loans shall not constitute a postponement of any date scheduled for the payment of principal or interest;

(c) reduce or forgive the principal of, or the rate of interest specified herein on, any Loan or L/C Borrowing, or (subject to clause (iii) of the second proviso to this Section 10.01) any fees or other amounts payable hereunder or under any other Loan Document without the written consent of each Lender directly affected thereby, it being understood that any change to the definition of Total Net Leverage Ratio, Consolidated Senior Secured Net Leverage Ratio or in the component definitions thereof shall not constitute a reduction in the rate; provided that only the consent of the Required Lenders shall be necessary to amend the definition of "Default Rate" or to waive any obligation of the Borrowers to pay interest at the Default Rate;

(d) change any provision of this Section 10.01, the definition of "Required Lenders", "Required Facility Lenders" or "Pro Rata Share" or Section 2.06(c), 8.04 or 2.13 without the written consent of each Lender directly affected thereby;

(e) other than in connection with a transaction permitted under Section 7.05, release all or substantially all of the Collateral in any transaction or series of related transactions, without the written consent of each Lender;

(f) other than in connection with a transaction permitted under Section 7.04 or 7.05, release all or substantially all of the aggregate value of the Guarantees, without the written consent of each Lender;

(g) amend, waive or otherwise modify any term or provision (including the waiver of any conditions set forth in Section 4.02 as to any Credit Extension under one or more Revolving Credit Facilities) which directly affects Lenders under one or more Revolving Credit Facilities and does not directly affect Lenders under any other Facilities, in each case, (i) for matters that would otherwise require the written consent of the Required Lenders, without the written consent of the Required Facility Lenders under such applicable Revolving Credit Facility or Facilities with respect to Revolving Credit Commitments (and in the case of multiple Facilities which are affected, such Required Facility Lenders shall consent together as one Facility) and (ii) for matters that would otherwise require the consent of each Lender, without the written consent of each directly and adversely affected Lender under such applicable Revolving Credit Facility or Facilities with respect to Revolving Credit Commitments (and in the case of multiple Facilities which are affected, such Required Facility Lenders shall consent together as one Facility); provided, however, that the waivers described in this clause (g) shall not require the consent of any Lenders other than the Required Facility Lenders under such Facility or Facilities with respect to Revolving Credit Commitments (it being understood that any amendment to the conditions of effectiveness of Incremental Commitments set forth in Section 2.15 shall be subject to clause (i) below);

(h) amend, waive or otherwise modify any term or provision which directly affects Lenders under one or more Term Facilities and does not directly affect Lenders under any other Facilities, in each case, (i) for matters that would otherwise require the written consent of the Required Lenders, without the written consent of the Required Facility Lenders under such applicable Term Facility or Facilities with respect to Term Commitments (and in the case of multiple Facilities which are affected, such Required Facility Lenders shall consent together as one Facility) and (ii) for matters that would otherwise require the consent of each Lender, without the written consent of each directly and adversely affected Lender under such applicable Term Facility or Facilities with respect to Term Commitments (and in the case of multiple Facilities which are affected, such Required Facility Lenders shall consent together as one Facility); provided, however, that the waivers described in this clause (h) shall not require the consent of any Lenders other than the Required Facility Lenders under such Facility or Facilities with respect to Term Commitments (it being understood that any amendment to the conditions of effectiveness of Incremental Commitments set forth in Section 2.15 shall be subject to clause (i) below);

(i) amend, waive or otherwise modify any term or provision (including the availability and conditions to funding under Section 2.15 with respect to Incremental Term Loans and the rate of interest applicable thereto) which directly affects Lenders of one or more Incremental Term Loans and does not directly affect Lenders under any other Facility, in each case, (i) for matters that would otherwise require the written consent of the Required Lenders, without the written consent of the

Required Facility Lenders under such applicable Incremental Term Loans (and in the case of multiple Facilities which are affected, such Required Facility Lenders shall consent together as one Facility) and (ii) for matters that would otherwise require the consent of each Lender, without the written consent of each directly and adversely affected Lender under such applicable Incremental Term Loans (and in the case of multiple Facilities which are affected, such Required Facility Lenders shall consent together as one Facility); provided, however, that, to the extent permitted under Section 2.15, the waivers described in this clause (i) shall only require the consent of the Required Facility Lenders under such applicable Incremental Term Loans; or

(j) except as expressly permitted by Section 7.04(d), consent to the assignment or transfer by any Borrower of any of its rights or obligations under this Agreement or any other Loan Document;

and provided, further, that (i) no amendment, waiver or consent shall, unless in writing and signed by each L/C Issuer in addition to the Lenders required above, affect the rights or duties of an L/C Issuer under this Agreement or any Letter of Credit Application relating to any Letter of Credit issued or to be issued by it; (ii) no amendment, waiver or consent shall, unless in writing and signed by the Swing Line Lender in addition to the Lenders required above, affect the rights or duties of the Swing Line Lender under this Agreement; (iii) no amendment, waiver or consent shall, unless in writing and signed by the Administrative Agent in addition to the Lenders required above, affect the rights or duties of, or any fees or other amounts payable to, the Administrative Agent under this Agreement or any other Loan Document; (iv) Section 10.07(h) may not be amended, waived or otherwise modified without the consent of each Granting Lender all or any part of whose Loans are being funded by an SPC at the time of such amendment, waiver or other modification; (v) the consent of Lenders holding more than 50% of any Class of Commitments shall be required with respect to any amendment that by its terms adversely affects the rights of such Class in respect of payments hereunder in a manner different than such amendment affects other Classes; and (vi) the Administrative Agent and the Borrower may, without the consent of any Lender, enter into amendments or modifications to this Agreement or any of the other Loan Documents or to enter into additional Loan Documents as the Administrative Agent reasonably deems appropriate in order to implement any Replacement Rate or otherwise effectuate the terms of Section 3.03(b) in accordance with the terms of Section 3.03(b). Any such waiver and any such amendment, modification or supplement in accordance with the terms of this Section 10.01 shall apply equally to each of the Lenders and shall be binding on the Loan Parties, the Lenders, the Agents and all future holders of the Loans and Commitments. Notwithstanding anything to the contrary herein, no Defaulting Lender shall have any right to approve or disapprove any amendment, waiver or consent hereunder, except that the Commitment of such Lender may not be increased or extended without the consent of such Lender (it being understood that any Commitments or Loans held or deemed held by any Defaulting Lender shall be excluded for a vote of the Lenders hereunder requiring any consent of the Lenders).

No Lender consent is required to effect any amendment or supplement to any First Lien Intercreditor Agreement or other intercreditor agreement or arrangement permitted under this Agreement (i) that is for the purpose of adding the holders of Permitted Pari Passu Secured Refinancing Debt, secured Incremental Equivalent Debt or other secured Indebtedness permitted to be incurred under Section 7.03 (or a Senior Representative with respect thereto) as parties thereto, as expressly contemplated by the terms of such First Lien Intercreditor Agreement or such other intercreditor agreement or arrangement permitted under this Agreement, as applicable (it being understood that any such amendment or supplement may make such other changes to the applicable intercreditor agreement as, in the good faith determination of the Administrative Agent, are required to effectuate the foregoing and provided, that such other changes are not adverse, in any material respect, to the interests of the Lenders) or (ii) that is expressly contemplated by any First Lien Intercreditor Agreement or other intercreditor agreement or arrangement permitted under this Agreement; provided, further, that no such agreement shall amend, modify or otherwise affect the rights or duties of the

Administrative Agent hereunder or under any other Loan Document without the prior written consent of the Administrative Agent.

Notwithstanding the foregoing, this Agreement may be amended (or amended and restated) with the written consent of the Required Lenders, the Administrative Agent and each Borrower (a) to add one or more additional credit facilities to this Agreement and to permit the extensions of credit from time to time outstanding thereunder and the accrued interest and fees in respect thereof to share ratably in the benefits of this Agreement and the other Loan Documents with the Term Loans and the Revolving Credit Loans and the accrued interest and fees in respect thereof and (b) to include appropriately the Lenders holding such credit facilities in any determination of the Required Lenders.

If the Administrative Agent and the Borrowers shall have jointly identified an obvious error (including, but not limited to, an incorrect cross-reference) or any error or omission of a technical or immaterial nature, in each case, in any provision of this Agreement or any other Loan Document (including, for the avoidance of doubt, any exhibit, schedule or other attachment to any Loan Document), then the Administrative Agent (acting in its sole discretion) and the Borrowers or any other relevant Loan Party shall be permitted to amend such provision and such amendment shall become effective without any further action or consent of any other party to any Loan Document. Notification of such amendment shall be made by the Administrative Agent to the Lenders promptly upon such amendment becoming effective.

Section 10.02 Notices and Other Communications; Facsimile Copies.

(a) General. Unless otherwise expressly provided herein, all notices and other communications provided for hereunder or under any other Loan Document shall be in writing (including by facsimile transmission). All such written notices shall be mailed, faxed or delivered to the applicable address, facsimile number or electronic mail address, 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 any Borrower, the Administrative Agent, an 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 10.02 or to such other address, facsimile number, electronic mail address or telephone number as shall be designated by such party in a notice to the other parties; and

(i) if to any other Lender, to the address, facsimile number, electronic mail address or telephone number specified in its Administrative Questionnaire or to such other address, facsimile number, electronic mail address or telephone number as shall be designated by such party in a notice to a Borrower, the Administrative Agent, the L/C Issuers and the Swing Line Lender.

All such notices and other communications shall be deemed to be given or made upon the earlier to occur of (i) actual receipt by the relevant party hereto and (ii) (A) if delivered by hand or by courier, when signed for by or on behalf of the relevant party hereto; (B) if delivered by mail, four (4) Business Days after deposit in the mails, postage prepaid; (C) if delivered by facsimile, when sent and receipt has been confirmed by telephone; and (D) if delivered by electronic mail (which form of delivery is subject to the provisions of Section 10.02(c)), when delivered; provided that notices and other communications to the Administrative Agent, the L/C Issuers and the Swing Line Lender pursuant to Article II shall not be effective until actually received by such Person. In no event shall a voice mail message be effective as a notice, communication or confirmation hereunder.

(b) Effectiveness of Facsimile Documents and Electronic Transmission and Signatures. Loan Documents may be transmitted and/or signed by facsimile or electronic format (i.e. "tif" or "pdf"). The effectiveness of any such documents and signatures shall, subject to applicable Law, have the same force and effect as manually signed originals and shall be binding on all Loan Parties, the Agents and the Lenders.

(c) Reliance by Agents and Lenders. The Administrative Agent and the Lenders shall be entitled to rely and act upon any notices (including telephonic Committed Loan Notices and Swing Line Loan Notices) purportedly given by or on behalf of the Company 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 Borrowers shall indemnify each Agent-Related Person and each Lender from all losses, costs, expenses and liabilities resulting from the reliance by such Person on each notice purportedly given by or on behalf of the Company in the absence of gross negligence or willful misconduct. All telephonic notices to the Administrative Agent may be recorded by the Administrative Agent, and each of the parties hereto hereby consents to such recording.

Section 10.03 No Waiver; Cumulative Remedies. No failure by any Lender or 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.

Section 10.04 Attorney Costs, Expenses and Taxes. Each Borrower agrees (a) if the Closing Date occurs, to pay or reimburse the Administrative Agent, each Co-Syndication Agent, each Co- Documentation Agent and the Joint Lead Arrangers for all reasonable and documented out-of-pocket costs and expenses incurred (promptly following written demand therefor, together with backup documentation supporting such reimbursement request) in connection with the preparation, negotiation, syndication and execution of this Agreement and the other Loan Documents, and any amendment, waiver, consent or other modification of the provisions hereof and thereof (whether or not the transactions contemplated thereby are consummated), and the consummation and administration of the transactions contemplated hereby and thereby, including all Attorney Costs, which shall be limited to McGuireWoods LLP and, if necessary, one firm of local counsel in any relevant jurisdiction, and (b) after the Closing Date, upon presentation of a summary statement, together with any supporting documentation reasonably requested by the Borrowers, to promptly pay or reimburse the Administrative Agent, each Co-Syndication Agent, each Co-Documentation Agent, the Joint Lead Arrangers and each Lender for all reasonable and documented out-of-pocket costs and expenses incurred in connection with the enforcement of any rights or remedies under this Agreement or the other Loan Documents (including all such costs and expenses incurred during any legal proceeding, including any proceeding under any Debtor Relief Law, and including all Attorney Costs, which shall be limited to Attorney Costs of one counsel to the Administrative Agent and the Lenders taken as a whole (and, if necessary, one firm of local counsel to the Administrative Agent and the Lenders taken as a whole in any relevant jurisdiction and, solely in the event of any actual or potential conflict of interest, one additional counsel in each relevant jurisdiction to each group of similarly situated affected persons taken as a whole)).The agreements in this Section 10.04 shall survive the termination of the Aggregate Commitments and repayment of all other Obligations. All amounts due under this Section 10.04 shall be paid within thirty (30) days of receipt by the Borrowers of an invoice relating thereto setting forth such expenses in reasonable detail; provided that, with respect to the Closing Date, all amounts due under this Section 10.04 shall be paid on the Closing Date to the extent invoiced to the Borrowers within three (3) Business Days prior to the Closing Date. If any Loan Party fails to pay when due any costs, expenses or other amounts payable by it hereunder or under any Loan Document, such amount may be paid on behalf of such Loan Party by the Administrative Agent in its sole discretion. This Section 10.04 shall not

apply to Indemnified Taxes or Excluded Taxes, which, in each case, shall be governed by Section 3.01. This Section 10.04 also shall not apply to taxes covered by Section 3.04.

Section 10.05 Indemnification by the Borrowers. Whether or not the transactions contemplated hereby are consummated, each Borrower shall indemnify and hold harmless each Agent-Related Person, each Lender and their respective Affiliates, directors, officers, employees, counsel, agents, trustees, investment advisors and attorneys-in-fact (collectively the "Indemnitees") from and against any and all liabilities, obligations, losses, damages, penalties, claims, demands, actions, judgments, suits, costs, expenses and disbursements (including Attorney Costs, but limited, in the case of legal fees and expenses, to the reasonable and documented out-of-pocket fees, disbursements and other charges of one counsel to all Indemnitees taken as a whole and, if reasonably necessary, one firm of local counsel in each relevant jurisdiction, and solely in the case of an actual or potential conflict of interest, one additional counsel in each relevant jurisdiction to each group of similarly situated affected Indemnitees) of any kind or nature whatsoever which may at any time be imposed on, incurred by or asserted against any such Indemnitee in any way relating to or arising out of or in connection with (a) the execution, delivery, enforcement, performance or administration of any Loan Document or any other agreement, letter or instrument delivered in connection with the transactions contemplated thereby or the consummation of the transactions contemplated thereby, (b) any Commitment, Loan or Letter of Credit or the use or proposed use of the proceeds therefrom (including any refusal by an 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), or (c) any actual or alleged presence or release of Hazardous Materials on or from any property currently or formerly owned or operated by any Borrower, any Subsidiary or any other Loan Party, or any Environmental Liability related in any way to any Borrower, any Subsidiary or any other Loan Party, or (d) any actual or prospective claim, litigation, investigation or proceeding relating to any of the foregoing, whether based on contract, tort or any other theory (including any investigation of, preparation for, or defense of any pending or threatened claim, investigation, litigation or proceeding) and regardless of whether any Indemnitee is a party thereto (all the foregoing, collectively, the "Indemnified Liabilities"), in all cases, whether or not caused by or arising, in whole or in part, out of the negligence of the Indemnitee; provided that such indemnity shall not, as to any Indemnitee, be available to the extent that such liabilities, obligations, losses, damages, penalties, claims, demands, actions, judgments, suits, costs, expenses or disbursements resulted from the gross negligence, bad faith or willful misconduct of, or material breach of Loan Document by, such Indemnitee or of any affiliate, director, officer, employee, counsel, agent or attorney-in-fact of such Indemnitee as determined by a court of competent jurisdiction in a final and non-appealable decision. No Indemnitee shall be liable for any damages arising from the use by others of any information or other materials obtained through IntraLinks or other similar information transmission systems in connection with this Agreement (except for damages resulting from the gross negligence, bad faith or willful misconduct, as determined by a court of competent jurisdiction in a final and non-appealable decision, of any such Indemnitee), nor shall any Indemnitee or any Loan Party have any liability for any special, punitive, indirect or consequential damages relating to this Agreement or any other Loan Document or arising out of its activities in connection herewith or therewith (whether before or after the Closing Date) (other than, in the case of any Loan Party, in respect of any such damages incurred or paid by an Indemnitee to a third party). In the case of an investigation, litigation or other proceeding to which the indemnity in this Section 10.05 applies, such indemnity shall be effective whether or not such investigation, litigation or proceeding is brought by any Loan Party, its directors, stockholders or creditors or an Indemnitee or any other Person, whether or not any Indemnitee is otherwise a party thereto and whether or not any of the transactions contemplated hereunder or under any of the other Loan Documents is consummated. All amounts due under this Section 10.05 shall be paid within ten (10) Business Days after demand therefor; provided, however, that such Indemnitee shall promptly refund such amount to the extent that there is a final judicial or arbitral determination that such Indemnitee was not entitled to indemnification or contribution rights with respect to such payment pursuant to the express terms of this Section 10.05. The agreements in this Section 10.05 shall survive the resignation of the Administrative Agent, the replacement of any Lender, the termination of the Aggregate

Commitments and the repayment, satisfaction or discharge of all the other Obligations. This Section 10.05 shall not apply to Taxes, other than any Taxes that represent losses, claims, damages, etc. arising from any non-Tax claim.

Section 10.06 Payments Set Aside. To the extent that any payment by or on behalf of the Borrowers is made to any Agent or any Lender, or any Agent 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 such Agent 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 severally agrees to pay to the Administrative Agent upon demand its applicable share of any amount so recovered from or repaid by any 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 Federal Funds Rate from time to time in effect.

Section 10.07 Successors and Assigns. (a) The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns permitted hereby, except that no Borrower may assign or otherwise transfer any of its rights or obligations hereunder without the prior written consent of each Lender (except as expressly permitted by Section 7.04(d)) 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 Section 10.07(b), (ii) by way of participation in accordance with the provisions of Section 10.07(e), (iii) by way of pledge or assignment of a security interest subject to the restrictions of Section 10.07(g) and (i) or (iv) to an SPC in accordance with the provisions of Section 10.07(h) (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 Section 10.07(f) and, to the extent expressly contemplated hereby, the Indemnitees) any legal or equitable right, remedy or claim under or by reason of this Agreement.

(b) (i) Subject to the conditions set forth in paragraph (b)(ii) below, any Lender may assign to one or more assignees (other than to natural persons, the Company and its Subsidiaries and Affiliates, Disqualified Institutions and Defaulting Lenders) ("Assignees") all or a portion of its rights and obligations under this Agreement (including all or a portion of its Commitment and the Loans (including for purposes of this Section 10.07(b), participations in L/C Obligations and in Swing Line Loans) at the time owing to it) with the prior written consent (such consent not to be unreasonably withheld, delayed or conditioned) of:

(A) each Borrower, provided that no consent of any Borrower shall be required for (i) an assignment of a Term Loan to a Lender, an Affiliate of a Lender, an Approved Fund, (ii) an assignment of a Revolving Credit Commitment to a Revolving Credit Lender or an Affiliate of a Revolving Credit Lender or an Approved Fund of a Revolving Credit Lender or (iii) if an Event of Default under Section 8.01(a), (f) or (g) has occurred and is continuing, an assignment to any Assignee; provided further that each Borrower shall be deemed to have consented to any such assignment unless it shall object thereto by written notice to the Administrative Agent within 10 Business Days after having received notice thereof;

(B) the Administrative Agent, provided that no consent of the Administrative Agent shall be required for an assignment (i) of all or any portion of

a Loan to a Lender, an Affiliate of a Lender or an Approved Fund or (ii) to an Agent or an Affiliate of an Agent;

(C) each Principal L/C Issuer at the time of such assignment, provided that no consent of the Principal L/C Issuers shall be required for any assignment of a Term Loan or any assignment to an Agent or an Affiliate of an Agent; and

(D) the Swing Line Lender; provided that no consent of the Swing Line Lender shall be required for any assignment of a Term Loan or any assignment to an Agent or an Affiliate of an Agent.

(ii) Assignments shall be subject to the following additional conditions:

(A) except in the case of an assignment to a Lender or an Affiliate of a Lender or an Approved Fund of a Lender or an assignment of the entire remaining amount of the assigning Lender's Commitment or Loans of any Class, the amount of the Commitment or Loans of the assigning Lender subject to each such assignment (determined as of the date the Assignment and Assumption Agreement with respect to such assignment is delivered to the Administrative Agent) shall not be less than $5,000,000 unless each of the Borrowers and the Administrative Agent otherwise consents, provided that (1) no such consent of the Borrowers shall be required if an Event of Default under Section 8.01(a), (f) or (g) has occurred and is continuing and (2) such amounts shall be aggregated in respect of each Lender and its Affiliates or Approved Funds, if any; provided further that each Borrower shall be deemed to have given its consent 10 Business Days after the date written notice thereof has been delivered by the assigning Lender (through the Administrative Agent) unless such consent is expressly refused by each Borrower prior to such 10th Business Day;

(B) the parties to each assignment shall execute and deliver to the Administrative Agent an Assignment and Assumption Agreement, together with a processing and recordation fee of $3,500, unless waived or reduced by the Administrative Agent in its sole discretion, provided that only one such fee shall be payable in the event of simultaneous assignments from any Lender or its Approved Funds to one or more other Approved Funds; and

(C) the Assignee, if it shall not be a Lender, shall deliver to the Administrative Agent an Administrative Questionnaire.

This paragraph (b) shall not prohibit any Lender from assigning all or a portion of its rights and obligations among separate Facilities on a non-pro rata basis.

(c) Subject to acceptance and recording thereof by the Administrative Agent pursuant to Section 10.07(d), from and after the effective date specified in each Assignment and Assumption Agreement, the Eligible Assignee thereunder shall be a party to this Agreement and, to the extent of the interest assigned by such Assignment and Assumption Agreement, 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 Agreement, be released from its obligations under this Agreement (and, in the case of an Assignment and Assumption Agreement covering all of the assigning Lender's rights and obligations under this Agreement, such Lender shall cease to be a party hereto but shall continue to be entitled to the benefits of Section 3.01, 3.04, 3.05, 10.04 and 10.05 with respect to facts and circumstances occurring prior to the effective date of such assignment). Upon request, and the surrender by the assigning Lender of its Note, each 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 clause (c) 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 Section 10.07(e) (other than a purported assignment to a natural person, which shall be null and void).

(d) The Administrative Agent, acting solely for this purpose as an agent of the Borrowers, shall maintain at the Administrative Agent's Office a copy of each Assignment and Assumption Agreement delivered to it and a register for the recordation of the names and addresses of the Lenders, and the Commitments of, and principal amounts (and related interest amounts) of the Loans, L/C Obligations (specifying the Unreimbursed Amounts), L/C Borrowings and amounts due under Section 2.03, owing to, each Lender pursuant to the terms hereof from time to time (the "Register"). The entries in the Register shall be conclusive, absent manifest error, and the 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 Borrowers, any Agent and any Lender, at any reasonable time and from time to time upon reasonable prior notice. Notwithstanding anything to the contrary contained in this Agreement, the Loans, L/C Obligations and L/C Borrowings are intended to be treated as registered obligations for U.S. federal income tax purposes and this Section 10.07 shall be construed so that the they are at all times maintained in "registered form" within the meaning of Sections 163(f), 871(h)(2) and 881(c)(2) of the Code, Section 5f.103-1(c) of the United States Treasury Regulation and any other related regulations (or any successor provisions of the Code or such regulations).

(e) Any Lender may at any time, without the consent of, or notice to, the Borrowers, the Administrative Agent, the Swing Line Lender or any L/C Issuer, sell participations to any Person (other than a natural person, the Company and its Subsidiaries and Affiliates, Disqualified Institutions and Defaulting Lenders) (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 Borrowers, the Agents and the other Lenders shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under this Agreement. 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 the other Loan Documents and to approve any amendment, modification or waiver of any provision of this Agreement or the other Loan Documents; 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 (a) through (f) of the first proviso to Section 10.01 that directly affects such Participant. Subject to Section 10.07(f), each Borrower agrees that each Participant shall be entitled to the benefits of

Section 3.01, 3.04 and 3.05 to the same extent as if it were a Lender (subject, for the avoidance of doubt, to the limitations and requirements of those Sections applying to each Participant as if it were a Lender) and had acquired its interest by assignment pursuant to Section 10.07(c) but shall not be entitled to recover greater amounts under such Sections than the selling Lender would be entitled to recover except as otherwise provided in Section 10.07(f) below. To the extent permitted by applicable Law, each Participant also shall be entitled to the benefits of Section 10.09 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 a non- fiduciary agent of the Borrowers, maintain a register on which it enters the name and address of each Participant and the principal amounts (and stated interest) of each Participant's interest in the Loans or other obligations under the Loan Documents (the "Participant Register"); provided that no Lender shall have any obligation to disclose all or any portion of the Participant Register (including the identity of any Participant or any information relating to a Participant's interest in any commitments, loans, letters of credit or its other obligations under any Loan Document) to any Person except (i) that the portion of the Participant Register relating to a Participant shall be made available to the Borrowers and Administrative Agent to the extent the benefits of this Agreement are claimed with respect to such Participant (including, without limitation, under Section 3.01, 3.04 and 3.05), or (ii) otherwise 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 Sections 163(f), 871(h)(2) and 881(c)(2) of the Code and Section 5f.103-1(c) of the United States Treasury Regulations and any other related regulations (or any successor provisions of the Code or such regulations). The entries in the Participant Register shall be conclusive absent manifest error, and such Lender shall treat each Person whose name is recorded in the Participant Register as the owner of such participation for all purposes of this Agreement notwithstanding any notice to the contrary. For the avoidance of doubt, the Administrative Agent (in its capacity as Administrative Agent) shall have no responsibility for maintaining a Participant Register.

(f) Participant shall not be entitled to receive any greater payment under Section 3.01, 3.04 or 3.05 than the applicable Lender would have been entitled to receive with respect to the participation sold to such Participant, unless the sale of the participation to such Participant is made with each Borrower's prior written consent. A Participant shall not be entitled to the benefits of Section 3.01 unless each Borrower is notified of the participation sold to such Participant and such Participant agrees, for the benefit of the Borrowers, to comply with Section 3.01(g) as though it were a Lender.

(g) Any Lender may, without the consent of the Borrowers or the Administrative Agent, 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.

(h) Notwithstanding anything to the contrary contained herein, any Lender (a "Granting Lender") may, without the consent of the Borrowers or the Administrative Agent, grant to a special purpose funding vehicle identified as such in writing from time to time by the Granting Lender to the Administrative Agent and the Borrowers (an "SPC") the option to provide all or any part of any Loan that such Granting Lender would otherwise be obligated to make pursuant to this Agreement; provided that (i) nothing herein shall constitute a commitment by any SPC to fund any Loan, and (ii) if an SPC elects not to exercise such option or otherwise fails to make all or any part of such Loan, the Granting Lender shall be obligated to make such Loan pursuant to the terms hereof. Each party hereto hereby agrees that (i) neither the grant to any SPC nor the exercise by any SPC of such option shall increase the costs or expenses or otherwise increase or change the obligations of the Borrowers under this Agreement (including its obligations under Section 3.01, 3.04 or 3.05), (ii) no SPC shall be liable for any indemnity or similar payment obligation under this Agreement for which a Lender would be liable, and (iii) the Granting Lender shall for all purposes, including the approval

of any amendment, waiver or other modification of any provision of any Loan Document, remain the lender of record hereunder. The making of a Loan by an SPC hereunder shall utilize the Commitment of the Granting Lender to the same extent, and as if, such Loan were made by such Granting Lender. Notwithstanding anything to the contrary contained herein, any SPC may (i) with notice to, but without prior consent of the Borrowers and the Administrative Agent and with the payment of a processing fee of $3,500, assign all or any portion of its right to receive payment with respect to any Loan to the Granting Lender and (ii) disclose on a confidential basis any non-public information relating to its funding of Loans to any rating agency, commercial paper dealer or provider of any surety or Guarantee or credit or liquidity enhancement to such SPC.

(i) Notwithstanding anything to the contrary contained herein, (1) any Lender may, without the consent of the Borrowers or the Administrative Agent, in accordance with applicable Law create a security interest in all or any portion of the Loans owing to it and the Note, if any, held by it and (2) any Lender that is a Fund may, without the consent of the Borrowers or the Administrative Agent, create a security interest in all or any portion of the Loans owing to it and the Note, if any, held by it to the trustee for holders of obligations owed, or securities issued, by such Fund as security for such obligations or securities; provided that unless and until such trustee actually becomes a Lender in compliance with the other provisions of this Section 10.07, (i) no such pledge shall release the pledging Lender from any of its obligations under the Loan Documents and (ii) such trustee shall not be entitled to exercise any of the rights of a Lender under the Loan Documents even though such trustee may have acquired ownership rights with respect to the pledged interest through foreclosure or otherwise.

(j) Notwithstanding anything to the contrary contained herein, any L/C Issuer or the Swing Line Lender may, upon thirty (30) days' notice to the Borrowers and the Lenders, resign as an L/C Issuer or the Swing Line Lender, respectively; provided that on or prior to the expiration of such 30-day period with respect to such resignation, the relevant L/C Issuer or the Swing Line Lender shall have identified a successor L/C Issuer or Swing Line Lender reasonably acceptable to the Borrowers willing to accept its appointment as successor L/C Issuer or Swing Line Lender, as applicable. In the event of any such resignation of an L/C Issuer or the Swing Line Lender, the Borrowers shall be entitled to appoint from among the Lenders willing to accept such appointment a successor L/C Issuer or Swing Line Lender hereunder; provided that no failure by the Borrowers to appoint any such successor shall affect the resignation of the relevant L/C Issuer or the Swing Line Lender, as the case may be, except as expressly provided above. If an L/C Issuer resigns as an L/C Issuer, it shall retain all the rights and obligations of an L/C Issuer hereunder with respect to all Letters of Credit outstanding as of the effective date of its resignation as an 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 the Swing Line Lender 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).

Section 10.08 Confidentiality. Each of the Agents and the Lenders agrees to maintain the confidentiality of the Information, except that Information may be disclosed (a) to its Affiliates and its and its Affiliates' directors, officers, employees, trustees, investment advisors and agents, including accountants, legal counsel and other advisors (it being understood that the Persons to whom such disclosure is made will be informed of the confidential nature of such Information and instructed to keep such Information confidential); (b) to the extent requested by any Governmental Authority; (c) to the extent required by applicable Laws or regulations or by any subpoena or similar legal process; (d) to any other party to this Agreement; (e) subject to an agreement containing provisions substantially the same as those of this Section 10.08 (or as may otherwise be reasonably acceptable to the Borrowers), to any pledgee referred to in Section 10.07(g), counterparty to a Swap Contract, Eligible Assignee of or Participant in, or any prospective Eligible

Assignee of or Participant in, any of its rights or obligations under this Agreement; (f) with the written consent of the Borrowers; (g) to the extent such Information (i) becomes publicly available other than as a result of a breach of this Section 10.08 or (ii) becomes available to any Agent or any Lender from a third party that is not, to such Person's knowledge, subject to confidentiality obligations to the Borrowers; (h) to any Governmental Authority or examiner (including the National Association of Insurance Commissioners or any other similar organization) regulating any Lender or its Affiliates; or (i) to any rating agency when required by it (it being understood that, prior to any such disclosure, such rating agency shall undertake to preserve the confidentiality of any Information relating to the Loan Parties received by it from such Lender). 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 and management of this Agreement, the other Loan Documents, the Commitments and the Credit Extensions. For the purposes of this Section 10.08, "Information" means all information received from any Loan Party relating to any Loan Party or its business, other than any such information that is publicly available to any Agent or any Lender prior to disclosure by any Loan Party other than as a result of a breach of this Section 10.08; provided that, in the case of information received from a Loan Party after the Closing Date, such information is clearly identified at the time of delivery as confidential or (ii) is delivered pursuant to Section 6.01, Section 6.02 or 6.03.

Section 10.09 Setoff. (a) In addition to any rights and remedies of the Lenders provided by Law, upon the occurrence and during the continuance of any Event of Default, each Agent, each Lender and their respective Affiliates is authorized at any time and from time to time, without prior notice to any Borrower or any other Loan Party, any such notice being waived by each Borrower (on its own behalf and on behalf of each Loan Party) 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) at any time held by, and other Indebtedness at any time owing by, such Agent, such Lender and/or such Affiliates to or for the credit or the account of the respective Loan Parties against any and all Obligations owing to such Agent, such Lender and/or such Affiliates hereunder or under any other Loan Document, now or hereafter existing, irrespective of whether or not such Agent or such Lender or Affiliate shall have made demand under this Agreement or any other Loan Document and although such Obligations may be contingent or unmatured or denominated in a currency different from that of the applicable deposit or Indebtedness. Each Lender agrees promptly to notify the Borrowers and the Administrative Agent after any such set off and application made by such Lender; provided that the failure to give such notice shall not affect the validity of such setoff and application. The rights of each Agent and each Lender under this Section 10.09 are in addition to other rights and remedies (including other rights of setoff) that such Agent and such Lender may have.

(b) NOTWITHSTANDING THE FOREGOING SUBSECTION (a), AT ANY TIME THAT THE LOANS OR ANY OTHER OBLIGATION SHALL BE SECURED BY REAL PROPERTY LOCATED IN CALIFORNIA, NO LENDER OR AGENT SHALL EXERCISE A RIGHT OF SETOFF, LIEN OR COUNTERCLAIM OR TAKE ANY COURT OR ADMINISTRATIVE ACTION OR INSTITUTE ANY PROCEEDING TO ENFORCE ANY PROVISION OF THIS AGREEMENT OR ANY NOTE UNLESS IT IS TAKEN WITH THE CONSENT OF THE REQUIRED LENDERS OR, TO THE EXTENT REQUIRED BY SECTION 10.01 OF THIS AGREEMENT, ALL OF THE LENDERS, OR APPROVED IN WRITING BY THE ADMINISTRATIVE AGENT, IF SUCH SETOFF OR ACTION OR PROCEEDING WOULD OR MIGHT (PURSUANT TO CALIFORNIA CODE OF CIVIL PROCEDURE SECTIONS 580a, 580b, 580d AND 726 OF THE CALIFORNIA CODE OF CIVIL PROCEDURE OR SECTION 2924 OF THE CALIFORNIA CIVIL CODE, IF APPLICABLE, OR OTHERWISE) AFFECT OR IMPAIR THE VALIDITY, PRIORITY, OR ENFORCEABILITY OF THE LIENS GRANTED TO THE COLLATERAL AGENT PURSUANT TO THE COLLATERAL DOCUMENTS OR THE ENFORCEABILITY OF THE NOTES AND OTHER OBLIGATIONS HEREUNDER, AND ANY ATTEMPTED EXERCISE BY ANY LENDER OR ANY AGENT OF ANY SUCH RIGHT WITHOUT OBTAINING SUCH CONSENT OF THE

REQUIRED LENDERS OR THE ADMINISTRATIVE AGENT SHALL BE NULL AND VOID. THIS SUBSECTION (b) SHALL BE SOLELY FOR THE BENEFIT OF EACH OF THE LENDERS AND THE ADMINISTRATIVE AGENT HEREUNDER.

Section 10.10 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 (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 Borrowers. In determining whether the interest contracted for, charged, or received by an 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.

Section 10.11 Counterparts; Electronic Execution.

(a) Counterparts. This Agreement and each other Loan Document may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Delivery by telecopier or in electronic (i.e., "pdf" or "tif") format of an executed counterpart of a signature page to this Agreement and each other Loan Document shall be effective as delivery of an original executed counterpart of this Agreement and such other Loan Document. The Agents may also require that any such documents and signatures delivered by telecopier or in electronic format be confirmed by a manually signed original thereof; provided that the failure to request or deliver the same shall not limit the effectiveness of any document or signature delivered by telecopier or in electronic format.

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

Section 10.12 Integration. This Agreement, together with the other Loan Documents, comprises the complete and integrated agreement of the parties on the subject matter hereof and thereof and supersedes all prior agreements, written or oral, on such subject matter. In the event of any conflict between the provisions of this Agreement and those of any other Loan Document, the provisions of this Agreement shall control; provided that the inclusion of supplemental rights or remedies in favor of the Agents or the Lenders in any other Loan Document shall not be deemed a conflict with this Agreement. Each Loan Document was drafted with the joint participation of the respective parties thereto and shall be construed neither against nor in favor of any party, but rather in accordance with the fair meaning thereof.

Section 10.13 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 each Agent 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 (other than Obligations under Secured Hedge Agreements, Cash Management Obligations or contingent indemnification obligations, in any such case, not then due and payable) or any Letter of Credit shall remain outstanding.

Section 10.14 Severability. If any provision of this Agreement or the other Loan Documents is held to be illegal, invalid or unenforceable, the legality, validity and enforceability of the remaining provisions of this Agreement and the other Loan Documents shall not be affected or impaired thereby. The invalidity of a provision in a particular jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

Section 10.15 GOVERNING LAW. (a) THIS AGREEMENT AND EACH OTHER LOAN DOCUMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK.

(b) EACH BORROWER, THE ADMINISTRATIVE AGENT AND EACH LENDER EACH IRREVOCABLY AND UNCONDITIONALLY SUBMITS, FOR ITSELF AND ITS PROPERTY, TO THE EXCLUSIVE JURISDICTION OF THE COURTS OF THE STATE OF NEW YORK SITTING IN NEW YORK CITY IN THE BOROUGH OF MANHATTAN 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. EACH PARTY HERETO AGREES THAT THE AGENTS AND LENDERS RETAIN THE RIGHT TO SERVE PROCESS IN ANY OTHER MANNER PERMITTED BY LAW OR TO BRING PROCEEDINGS AGAINST ANY LOAN PARTY IN THE COURTS OF ANY OTHER JURISDICTION IN CONNECTION WITH THE EXERCISE OF ANY RIGHTS UNDER ANY COLLATERAL DOCUMENT OR THE ENFORCEMENT OF ANY JUDGMENT.

(c) EACH BORROWER, THE ADMINISTRATIVE AGENT AND EACH LENDER 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) EACH PARTY HERETO IRREVOCABLY CONSENTS TO SERVICE OF PROCESS IN THE MANNER PROVIDED FOR NOTICES IN SECTION 10.02. NOTHING IN THIS AGREEMENT WILL AFFECT THE RIGHT OF ANY PARTY HERETO TO SERVE PROCESS IN ANY OTHER MANNER PERMITTED BY APPLICABLE LAW.

Section 10.16 WAIVER OF RIGHT TO TRIAL BY JURY . EACH PARTY TO THIS AGREEMENT HEREBY EXPRESSLY WAIVES ANY RIGHT TO TRIAL BY JURY OF ANY CLAIM, DEMAND, ACTION OR CAUSE OF ACTION ARISING UNDER ANY LOAN DOCUMENT OR IN ANY WAY CONNECTED WITH OR RELATED OR INCIDENTAL TO THE DEALINGS OF THE PARTIES HERETO OR ANY OF THEM WITH RESPECT TO ANY LOAN DOCUMENT, OR THE TRANSACTIONS RELATED THERETO, IN EACH CASE WHETHER NOW EXISTING OR HEREAFTER ARISING, AND WHETHER FOUNDED IN CONTRACT OR TORT OR OTHERWISE; AND EACH PARTY HEREBY AGREES AND CONSENTS THAT ANY SUCH CLAIM, DEMAND, ACTION OR CAUSE OF ACTION SHALL BE DECIDED BY COURT TRIAL WITHOUT A JURY, AND THAT ANY PARTY TO THIS AGREEMENT MAY FILE AN ORIGINAL COUNTERPART OR A COPY OF THIS SECTION 10.16 WITH ANY COURT AS WRITTEN EVIDENCE OF THE CONSENT OF THE SIGNATORIES HERETO TO THE WAIVER OF THEIR RIGHT TO TRIAL BY JURY.

Section 10.17 Binding Effect. This Agreement shall become effective when it shall have been executed by each Borrower and the Administrative Agent shall have been notified by each Lender, each L/C Issuer and the Swing Line Lender that each such Lender, each such L/C Issuer and the Swing Line Lender has executed it and thereafter shall be binding upon and inure to the benefit of each Borrower, each Agent, each Lender, each L/C Issuer and the Swing Line Lender and their respective successors and assigns, except that no Borrower shall have the right to assign its rights hereunder or any interest herein without the prior written consent of the Lenders, except for the Borrowers as permitted by Section 7.04(d).

Section 10.18 Lender Action. Each Lender agrees that it shall not take or institute any actions or proceedings, judicial or otherwise, for any right or remedy against any Loan Party or any other obligor under any of the Loan Documents or the Secured Hedge Agreements (including the exercise of any right of setoff, rights on account of any banker's lien or similar claim or other rights of self-help), or institute any actions or proceedings, or otherwise commence any remedial procedures, with respect to any Collateral or any other property of any such Loan Party, without the prior written consent of the Administrative Agent. The provision of this Section 10.18 are for the sole benefit of the Lenders and shall not afford any right to, or constitute a defense available to, any Loan Party.

Section 10.19 USA PATRIOT Act; Anti-Money Laundering Laws. Each Lender hereby notifies the Loan Parties that pursuant to the requirements of the USA PATRIOT Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)) (the " Act") or any other Anti-Money Laundering Laws, it is required to obtain, verify and record information that identifies the Loan Parties, which information includes the name and address of the Loan Parties and other information that will allow such Lender to identify the Loan Parties in accordance with the Act or such Anti-Money Laundering Laws.

Section 10.20 No Advisory or Fiduciary Responsibility. 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 Borrower acknowledges and agrees, and acknowledges its Affiliates' understanding, that: (i) (A) the arranging and other services regarding this Agreement provided by the Agents and the Joint Lead Arrangers are arm's-length commercial transactions between the Borrowers and their respective Affiliates, on the one hand, and the Administrative Agent and the Joint Lead Arrangers, on the other hand, (B) each Borrower has consulted its own legal, accounting, regulatory and tax advisors to the extent it has deemed appropriate, and (C) each Borrower 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 Joint Lead Arrangers and each Lender 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 Borrowers or any of their respective Affiliates, or any other Person and (B) none of the Agents, the Joint Lead Arrangers nor any Lender has any obligation to the Borrowers 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 Joint Lead Arrangers, the Lender and their respective Affiliates may be engaged in a broad range of transactions that involve interests that differ from those of the Borrowers and their respective Affiliates, and none of the Agents, the Joint Lead Arrangers nor any Lender has any obligation to disclose any of such interests to the Borrowers or any of their respective Affiliates. To the fullest extent permitted by law, each Borrower hereby waives and releases any claims that it may have against the Agents, the Joint Lead Arrangers 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.

Section 10.21 Intercreditor Agreement. (a) PURSUANT TO THE EXPRESS TERMS OF EACH FIRST LIEN INTERCREDITOR AGREEMENT, IN THE EVENT OF ANY CONFLICT OR INCONSISTENCY BETWEEN THE TERMS OF THE RELEVANT FIRST LIEN INTERCREDITOR AGREEMENT AND ANY OF THE LOAN DOCUMENTS, THE PROVISIONS OF THE RELEVANT FIRST LIEN INTERCREDITOR AGREEMENT SHALL GOVERN AND CONTROL.

(b) EACH LENDER AUTHORIZES AND INSTRUCTS THE COLLATERAL AGENT AND THE ADMINISTRATIVE AGENT TO ENTER INTO THE RELEVANT FIRST LIEN INTERCREDITOR AGREEMENT ON BEHALF OF SUCH LENDER, AND TO TAKE ALL ACTIONS (AND EXECUTE ALL DOCUMENTS) REQUIRED (OR DEEMED ADVISABLE) BY IT IN ACCORDANCE WITH THE TERMS OF SUCH FIRST LIEN INTERCREDITOR AGREEMENT(S). EACH LENDER AGREES TO BE BOUND BY AND WILL TAKE NO ACTIONS CONTRARY TO THE PROVISIONS OF THE RELEVANT FIRST LIEN INTERCREDITOR AGREEMENT.

(c) THE PROVISIONS OF THIS SECTION 10.21 ARE NOT INTENDED TO SUMMARIZE ALL RELEVANT PROVISIONS OF THE RELEVANT FIRST LIEN INTERCREDITOR AGREEMENT. REFERENCE MUST BE MADE TO THE RELEVANT FIRST LIEN INTERCREDITOR AGREEMENT ITSELF TO UNDERSTAND ALL TERMS AND CONDITIONS THEREOF. EACH LENDER IS RESPONSIBLE FOR MAKING ITS OWN ANALYSIS AND REVIEW OF THE RELEVANT FIRST LIEN INTERCREDITOR AGREEMENT AND THE TERMS AND PROVISIONS THEREOF, AND NO AGENT (AND NONE OF ITS AFFILIATES) MAKES ANY REPRESENTATION TO ANY LENDER AS TO THE SUFFICIENCY OR ADVISABILITY OF THE PROVISIONS CONTAINED IN THE RELEVANT FIRST LIEN INTERCREDITOR AGREEMENT.

(d) THE PROVISIONS OF THIS SECTION 10.21 SHALL APPLY WITH EQUAL FORCE, MUTATIS MUTANDIS, TO THE FIRST-LIEN INTERCREDITOR AGREEMENT.

Section 10.22 Company as Agent for the Borrowers.

(a) Each Borrower and each other Loan Party, as applicable, hereby irrevocably appoints and constitutes the Company as its agent to (i) request and receive the proceeds of advances in respect of the Loans and request Letters of Credit (and to otherwise act on behalf of such Borrower pursuant to this Agreement and the other Loan Documents) from the Administrative Agent and the Lenders in the name or on behalf of each such Borrower, (ii) receive statements of account and all other notices from the Administrative Agent or any Lender, as applicable, with respect to the Obligations or otherwise under or in connection with this Agreement and the other Loan Documents, (iii) except where otherwise expressly indicated, execute and deliver Compliance Certificates and all other

notices, certificates and documents to be executed and/or delivered by any Loan Party hereunder or the other Loan Documents, and (iv) otherwise act on behalf of such Loan Party pursuant to this Agreement and the other Loan Documents.

(b) The authorizations contained in this Section 10.22 are coupled with an interest and shall be irrevocable, and the Administrative Agent and the Lenders may rely on any notice, request, information supplied by the Company, every document executed by the Company, every agreement made by the Company or other action taken by the Company in respect of any Borrower or other Loan Party as if the same were supplied, made or taken by such Borrower or such other Loan Party. Without limiting the generality of the foregoing, the failure of one or more Borrowers or other Loan Parties to join in the execution of any writing in connection herewith shall not relieve any Borrower or other Loan Party from obligations in respect of such writing. No purported termination of the appointment of the Company as agent shall be effective without the prior written consent of the Administrative Agent.

Section 10.23 Acknowledgement and Consent to Bail-In of EEA 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 EEA 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 an EEA Resolution Authority and agrees and consents to, and acknowledges and agrees to be bound by:

(a) the application of any Write-Down and Conversion Powers by an EEA Resolution Authority to any such liabilities arising hereunder which may be payable to it by any party hereto that is an EEA Financial Institution; and

(b) the effects of any Bail-In Action on any such liability, including, if applicable:

(i) a reduction in full or in part or cancellation of any such liability;

(ii) a conversion of all, or a portion of, such liability into shares or other instruments of ownership in such EEA 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

(iii) the variation of the terms of such liability in connection with the exercise of the Write-Down and Conversion Powers of any EEA Resolution Authority.

Section 10.24 Amendment and Restatement; No Novation. This Agreement constitutes an amendment and restatement of the Existing Credit Agreement, effective from and after the Closing Date. The execution and delivery of this Agreement shall not constitute a novation of any indebtedness or other obligations owing to the Lenders or the Administrative Agent under the Existing Credit Agreement based on facts or events occurring or existing prior to the execution and delivery of this Agreement. On the Closing Date, the credit facilities described in the Existing Credit Agreement, shall be amended, supplemented, modified and restated in their entirety by the facilities described herein, and all loans and other obligations of OSI outstanding as of such date under the Existing Credit Agreement, shall be deemed to be loans and obligations outstanding under the corresponding facilities described herein, without any further action by any Person, except that the Administrative Agent shall make such transfers of funds as are necessary in order that the outstanding balance

of such Loans, together with any Loans funded on the Closing Date, reflect the respective Loans and Revolving Credit Commitments of the Lenders hereunder.

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

BORROWERS:

OSI RESTAURANT PARTNERS, LLC,
as a Borrower

By: /s/ Michael A'Hearn
Name: Michael A'Hearn
Title: Vice President

BLOOMIN' BRANDS, INC.,
as a Borrower

By: /s/ Micahel A'Hearn
Name: Michael A'Hearn
Title: Vice President and Treasurer

ADMINISTRATIVE AGENT AND LENDERS:

WELLS FARGO BANK, NATIONAL ASSICIATION, as Administrative Agent, Swing Line Lender, Collateral Agent, an L/C Issuer, and a Lender

By: /s/ Darcy McLaren

Name: Darcy McLaren

Title: Director

BANK OF AMERICA, N.A., as a Lender

By: /s/ Aron Frey

Name: Aron Frey

Title: Vice President

JPMORGAN CHASE BANK, N.A., as a Lender

By: /s/ Lauren Baker

Name: Lauren Baker

Title: Executive Director

COÖPERATIEVE RABOBANK U.A., NEW YORK BRANCH, as a Lender

By: /s/ Van Brandenburg
Name: Van Brandenburg
Title: Executive Director

By: /s/ Jennifer Smith
Name: Jennifer Smith
Title: Vice President

PNC BANK, NATIONAL ASSOCIATION, as a Lender

By: /s/ Jonathan Leoniff

Name: Jonathan Leoniff

Title: Assistant Vice President

REGIONS BANK, as a Lender

By: /s/ Scott C. Tocci
Name: Scott C. Tocci
Title: Managing Director

U.S. BANK NATIONAL ASSOCIATION, as a Lender

By: /s/ Sean P. Walters
Name: Sean P. Walters
Title: Vice President

CITIZENS BANK, N.A., as a Lender

By: /s/ Carolyn Jarvis
Name: Carolyn Jarvis
Title: Vice President

HSBC BANK USA, NATIONAL ASSOCIATION, as a Lender

By: /s/ Rafael De Paoli
Name: Rafael De Paoli
Title: Director

FIFTH THIRD BANK, as a Lender

By: /s/ John A. Marian
Name: John A. Marian
Title: Vice President

SUMITOMO MITSUI BANKING CORPORATION,
as a Lender

By: /s/ Katsuyuki Kubo
Name: Katsuyuki Kubo
Title: Managing Director

TD BANK, N.A., as a Lender

By: /s/ Alan Garson
Name: Alan Garson
Title: Senior Vice President

CADENCE BANK, N.A., as a Lender

By: /s/ John M. Huss
Name: John M. Huss
Title: Managing Director

FIRST TENNESSEE BANK NATIONAL ASSOCIATION, as a Lender

By: /s/ John R. Schmitt
Name: John R. Schmitt
Title: Senior Vice President

USAMERIBANK, as a Lender

By: /s/ Ronald L. Ciganek
Name: Ronald L. Ciganek
Title: Executive Vice President

IBERIABANK, as a Lender

By: /s/ Michael J. Roth

Name: Michael J. Roth

Title: Executive Vice President,
Tampa Bay Market President

RAYMOND JAMES BANK, N.A., as a Lender

By: /s/ Alexander L. Rody
Name: Alexander L. Rody
Title: Senior Vice President

WEBSTER BANK, N.A., as a Lender

By: /s/ Carol Pirek
Name: Carol Pirek
Title: Vice President

FIRSTBANK PUERTO RICO D/B/A FIRSTBANK FLORIDA, as a Lender

By: /s/ Jose M. Lacasa
Name: Jose M. Lacasa
Title: SVP Corporate Banking

CITY NATIONAL BANK OF FLORIDA, as a Lender

By: /s/ William H. Lutes
Name: William H. Lutes
Title: Market Executive, Tampa Region

Schedule 1.01A
Excluded Assets

Excluded Assets (pursuant to subsection (vi)(C) of the definition of Excluded Assets)

All of the outstanding Equity Interests held by Carrabba's Italian Grill, LLC and Outback Steakhouse of Florida, LLC (constituting 20% of the total outstanding Equity Interests) in Northlake Drainage Association, Inc., a not-for-profit corporation organized under the Laws of the State of Florida.

Schedule 1.01B
Excluded Real Property

Bloomin' Brands, Inc.
Company owned real estate
11/15/2017

All owned properties contained herein constitute Excluded Real Property

	Restaurant Code	Concept	Address	City	State
1	1201	Bonefish Grill	18375 Bluemound Road	Brookfield	WI
2	9407	Bonefish Grill	190 Partners Circle	Southern Pines	NC
4	6052	Carrabba's Italian Grill	1205 Towngate Court	Plant City	FL
5	3101	Carrabba's Italian Grill	4650 Route 42	Turnersville	NJ
6	9802	Carrabba's Italian Grill	18375 Bluemound Road	Brookfield	WI
7	6048	Carrabba's Italian Grill	11920 Sheldon Road	Citrus Park	FL
8	6502	Carrabba's Italian Grill	4690 Southport Crossing	Southport	IN
9	9704	Carrabba's Italian Grill	5805 Trinity Parkway	Centreville	VA
10	8609	Carrabba's Italian Grill	1320 Boardman Poland Road	Youngstown	OH
11	606	Carrabba's Italian Grill	2088 South Abilene Street	Aurora	CO
12	8109	Carrabba's Italian Grill	901 Route 73 South	Marlton (formerly Evesham)	NJ
13	3102	Carrabba's Italian Grill	500 Route 38	Maple Shade	NJ
14	2001	Fleming's Prime Steak	4322 West Boy Scout Boulevard	Tampa	FL
15	8002	Discontinued Concept (Lee Roy Selmons)	17508 Dona Michelle Dr	Tampa	FL
16	8001	Discontinued Concept (Lee Roy Selmons)	4302 Boy Scout Boulevard	Tampa	FL
17	6302	Discontinued Concept (Cheeseburger)	13883 Lakeside Circle	Sterling Heights	MI
18	4801	Discontinued Concept (Cheeseburger)	40 Geoffry Drive	Newark	DE
19	5501	Discontinued Concept (Cheeseburger)	4670 Southport Crossing Drive	Southport	IN
20	5502	Discontinued Concept (Cheeseburger)	9770 Crosspoint Boulevard	Fishers (Indianapolis)	IN
22	5505	Discontinued Concept (Cheeseburger)	3830 South U.S. Highway 41	Terre Haute	IN
23	5506	Discontinued Concept (Cheeseburger)	8301 Eagle Lake Drive	Evansville	IN
24	8302	Discontinued Concept (Cheeseburger)	730 Smithtown Bypass	Sterling Heights	MI
25	3952	Outback Steakhouse	100 Sheraton Drive	Altoona	PA
26	1522	Outback Steakhouse	3401 N. Granville Avenue	Muncie	IN
27	2014	Outback Steakhouse	1203 Towngate Court	Plant City	FL
28	4429	Outback Steakhouse	4205 Interstate Highway 35 South	San Marcos	TX
29	3116	Outback Steakhouse	4600 Route 42	Turnersville	NJ
30	2017	Outback Steakhouse	11950 Sheldon Road	Citrus Park	FL
31	455	Outback Steakhouse	4509 West Poplar Street	Rogers	AR
33	1410	Outback Steakhouse	2005 River Oaks Drive	Calumet City	IL
34	1412	Outback Steakhouse	216 East Golf Road	Schaumburg	IL
35	1419	Outback Steakhouse	5652 Northridge Drive	Gurnee	IL
36	1424	Outback Steakhouse	3241 Chicagoland Circle	Joliet	IL
37	1450	Outback Steakhouse	4390 North Illinois Street	Swansea	IL
38	1453	Outback Steakhouse	3201 Horizon Drive	Springfield	IL
39	2420	Outback Steakhouse	4255 Haines Road	Hermantown	MN
40	3114	Outback Steakhouse	1397 US Route 9 North	Old Bridge	NJ
41	3458	Outback Steakhouse	8280 Valley Boulevard	Blowing Rock	NC
42	3636	Outback Steakhouse	820 North Lexington Springmill Road	Ontario	OH
43	3640	Outback Steakhouse	8595 Market Street	Mentor	OH
44	3713	Outback Steakhouse	3600 South Broadway	Edmond	OK
45	3716	Outback Steakhouse	7206 Cache Road	Lawton	OK
46	4426	Outback Steakhouse	5555 NW Loop 410	San Antonio	TX
47	4454	Outback Steakhouse	3504 Towne Crossing Boulevard	Mesquite	TX
48	4456	Outback Steakhouse	9049 Vantage Point Drive	Dallas	TX
49	4457	Outback Steakhouse	1509 North Central Expressway	Plano	TX
50	4458	Outback Steakhouse	15180 Addison Road	Addison	TX
51	1060	Outback Steakhouse	4845 South Kirkman Road	Orlando	FL
52	3122	Outback Steakhouse	901 Route 73 South	Marlton (formerly Evesham)	NJ
53	3455	Outback Steakhouse	2735 Longpine Road	Burlington	NC
54	3621	Outback Steakhouse	401 West Dussel Road	Maumee	OH
55	4416	Outback Steakhouse	20455 Katy Freeway	Katy	TX
56	4455	Outback Steakhouse	1031 SH 114	Grapevine	TX
57	453	Outback Steakhouse	2310 Sanders Street	Conway	AR
58	1411	Outback Steakhouse	720 W Lake Cook Rd	Buffalo Grove	IL
59	1716	Outback Steakhouse	15430 S Rogers Rd	Olathe	KS
60	3213	Outback Steakhouse	4423 E Sunset Rd	Henderson	NV
61	4510	Outback Steakhouse	770 South 1300 East	Sandy	UT
62	5010	Outback Steakhouse	229 Miracle Street	Evansville	WY
63	5113	Outback Steakhouse	2574 Camino Entrada	Santa Fe	NM
64	4511	Outback Steakhouse	1664 N. Heritage Park Boulevard	Layton	UT
65	326	Outback Steakhouse	1830 East McKellips Road	Mesa	AZ
66	4121	Outback Steakhouse	20 Hatton Place	Hilton Head	SC
67	1550	Outback Steakhouse	8110 Georgia St.	Merrillville	IN
68	612	Outback Steakhouse	7065 Commerce Center Drive	Colorado Springs	CO
69	619	Outback Steakhouse	2066 South Abilene Street	Aurora	CO
70	628	Outback Steakhouse	1315 Dry Creek Road	Longmont	CO
71	614	Outback Steakhouse	15 West Springer Drive	Highlands Ranch	CO
72	3215	Outback Steakhouse	3645 South Virginia Street	Reno	NV
73	312	Outback Steakhouse	4871 East Grant Road	Tucson	AZ
74	3002	Discontinued Concept (Roy's Restaurant)	4342 Boy Scout Blvd.	Tampa	FL
75	6402	Discontinued Concept (Roy's Restaurant)	2840 Dallas Parkway	Plano	TX
76	3217	Surplus Land	2555 West Craig Road	Las Vegas	NV
77	3122	Surplus Land	903 Route 73 South	Marlton (formerly Evesham)	NJ

Schedule 1.01C
Existing Letters of Credit

Issuing Bank	Beneficiary	Letter of Credit No.	Expiry Date	Amount Outstanding As of Date 11/16/2017
Wells Fargo Bank	National Union Fire Insurance Co of Pittsburgh	IS0000017151U	10/17/2018	$100,000.00
Wells Fargo Bank	Wells Fargo Bank (Flemings, Beverly Hills CA	IS0000196990U	10/17/2018	$200,000.00
Wells Fargo Bank	The Travelers Indemnity Company	LC870-116646	1/1/2018	$15,000,000.00
Wells Fargo Bank	The Safety National Casualty Corporation	IS0450529U	1/1/2018	$7,400,000.00
Wells Fargo Bank	Deutsche Bank AG NY	IS000022847U	11/28/2018	$103,000.00

Schedule 1.01D
Foreign Subsidiaries

None.

Schedule 1.01E
Certain Restaurant LPs

Bonefish/Centreville, Limited Partnership
Bonefish/Fredericksburg, Limited Partnership
Bonefish/Newport News, Limited Partnership
Bonefish/Richmond, Limited Partnership
Bonefish/Southern Virginia, Limited Partnership
Bonefish/Virginia, Limited Partnership
Outback/Hampton, Limited Partnership

Schedule 2.01 Commitments

Lender	Revolving Credit Commitment	Term Commitment	L/C Commitment
Wells Fargo Bank, National Association	$116,666,666.66	$58,333,333.34	$25,000,000.00
Bank of America, N.A.	$110,000,000.00	$55,000,000.00	$20,000,000.00
JPMorgan Chase Bank, N.A.	$96,666,666.67	$48,333,333.33	$15,000,000.00
Coöperatieve Rabobank U.A., New York Branch	$96,666,666.67	$48,333,333.33	$15,000,000.00
Regions Bank	$66,666,666.67	$33,333,333.33	
Citizens Bank, N.A.	$60,000,000.00	$30,000,000.00	
PNC Bank, National Association	$60,000,000.00	$30,000,000.00	
U.S. Bank National Association	$60,000,000.00	$30,000,000.00	
HSBC Bank USA, National Association	$53,333,333.33	$26,666,666.67	
Fifth Third Bank	$48,333,333.33	$24,166,666.67	
Sumitomo Mitsui Banking Corporation	$48,333,333.33	$24,166,666.67	
TD Bank, N.A.	$48,333,333.33	$24,166,666.67	
USAmeriBank	$23,333,333.33	$11,666,666.67	
Cadence Bank NA	$21,666,666.67	$10,833,333.33	
First Tennessee Bank National Association	$16,666,666.67	$8,333,333.33	
Iberiabank	$16,666,666.67	$8,333,333.33	
Raymond James Bank, N.A.	$16,666,666.67	$8,333,333.33	
Webster Bank, National Association	$16,666,666.67	$8,333,333.33	
Firstbank Puerto Rico	$13,333,333.33	$6,666,666.67	
City National Bank of Florida	$10,000,000.00	$5,000,000	
Total	**$1,000,000,000.00**	**$500,000,000.00**	**$75,000,000**

Schedule 5.06
Certain Litigation

None.

Schedule 5.12
Subsidiaries and Other Equity Investments

A. Pledged Subsidiaries with Equity Interests

	Issuer	Jurisdiction	Number of Certificate	Registered Owner(s)	Number and Class (if applicable) of Equity Interests Pledged	% of Equity Interests Held, Directly or Indirectly, by a Borrower or a Guarantor	% of Total Issued Interests Pledged
1.	Annapolis Outback, Inc.	MD	6	Outback Steakhouse of Florida, LLC	4000 shares of common stock, no par value	99.95%	99.95%
2.	Bel Air Outback, Inc.	MD	6	Outback Steakhouse of Florida, LLC	90 shares of common stock, no par value	90%	90%
3.	BFG Nebraska, Inc.	FL	2	Bonefish Grill, LLC	10 shares of common stock $.01 par value	100%	100%
4.	BFG Oklahoma, Inc.	FL	2	Bonefish Grill, LLC	10 shares of common stock $.01 par value	100%	100%
5.	BFG/FPS of Marlton Partnership	FL	N/A	Bonefish Grill, LLC	N/A	50%	50%
6.	Bloomin' Brands Gift Card Services, LLC	FL	1	Outback Steakhouse of Florida, LLC	100 Units	100%	100%
7.	Bonefish Baltimore County, LLC	MD	1	Bonefish Grill, LLC	98 Units	98%	98%
8.	Bonefish Beverages, LLC	TX	2	Bonefish Holdings, LLC	1 Unit	100%	100%
9.	Bonefish Brandywine, LLC	MD	N/A	Bonefish Grill, LLC	N/A	100%	100%
10.	Bonefish Designated Partner, LLC	DE	N/A	Bonefish Grill, LLC	N/A	100%	100%
11.	Bonefish Grill, LLC	FL	1	OSI Restaurant Partners, LLC	100 Units	100%	100%
12.	Bonefish Holdings, LLC	TX	2	Bonefish Grill, LLC	1 Unit	100%	100%
13.	Bonefish Kansas, LLC	KS	N/A	Bonefish Grill, LLC	N/A	100%	100%
14.	Bonefish of Bel Air, LLC	MD	N/A	Bonefish Grill, LLC	N/A	90%	90%
15.	Bonefish/Anne Arundel, LLC	MD	1	Bonefish Grill, LLC	998 units	99.8%	99.8%

	Issuer	Jurisdiction	Number of Certificate	Registered Owner(s)	Number and Class (if applicable) of Equity Interests Pledged	% of Equity Interests Held, Directly or Indirectly, by a Borrower or a Guarantor	% of Total Issued Interests Pledged
16.	Bonefish/Asheville, Limited Partnership	FL	N/A	Bonefish Grill, LLC Bonefish Designated Partner, LLC	N/A	100%	100%
17.	Bonefish/Carolinas, Limited Partnership	FL	N/A	Bonefish Grill, LLC Bonefish Designated Partner, LLC	N/A	100%	100%
18.	Bonefish/Columbus- I, Limited Partnership	FL	N/A	Bonefish Grill, LLC	N/A	100%	100%
19.	Bonefish/Crescent Springs, Limited Partnership	FL	N/A	Bonefish Grill, LLC	N/A	100%	100%
20.	Bonefish/Glen Burnie, LLC	MD	4	Bonefish Grill, LLC	5090 units	99.78%	99.78%
21.	Bonefish/Greensbor o, Limited Partnership	FL	N/A	Bonefish Grill, LLC Bonefish Designated Partner, LLC	N/A	100%	100%
22.	Bonefish/Hyde Park, Limited Partnership	FL	N/A	Bonefish Grill, LLC	N/A	100%	100%
23.	Carrabba's Designated Partner, LLC	DE	N/A	Carrabba's Italian Grill, LLC	N/A	100%	100%
24.	Carrabba's Italian Grill of Overlea, Inc.	MD	5	Carrabba's Italian Grill, LLC	90 shares of common stock, no par value	97.826%	97.826%

	Issuer	Jurisdiction	Number of Certificate	Registered Owner(s)	Number and Class (if applicable) of Equity Interests Pledged	% of Equity Interests Held, Directly or Indirectly, by a Borrower or a Guarantor	% of Total Issued Interests Pledged
25.	Carrabba's Italian Grill of Howard County, Inc.	MD	6 7	Carrabba's Italian Grill, LLC	10 shares of Class B common stock, no par value 90 shares of Class A common stock, no par value	100%	100%
26.	Carrabba's Italian Grill, LLC	FL	1	OSI Restaurant Partners, LLC	100 Units	100%	100%
27.	Carrabba's Kansas LLC	KS	1	Carrabba's Italian Grill, LLC	100 Units	100%	100%
28.	Carrabba's of Bowie, LLC	MD	N/A	Carrabba's Italian Grill, LLC	N/A	100%	100%
29.	Carrabbas of Germantown, Inc.	MD	3 4	Carrabba's Italian Grill, LLC	810 shares of common stock, $1.00 par value 90 shares of common stock, $1.00 par value	100%	100%
30.	Carrabba's of Ocean City, Inc.	MD	8 11	Carrabba's Italian Grill, LLC	98 shares of common stock, no par value 2 shares of common stock, no par value	100%	100%
31.	Carrabba's of Pasadena, Inc.	MD	4	Carrabba's Italian Grill, LLC	2000 shares of common stock, no par value	99.9%	99.9%
32.	Carrabba's of Waldorf, Inc.	MD	4	Carrabba's Italian Grill, LLC	600 shares of common stock, no par value	100%	100%

	Issuer	Jurisdiction	Number of Certificate	Registered Owner(s)	Number and Class (if applicable) of Equity Interests Pledged	% of Equity Interests Held, Directly or Indirectly, by a Borrower or a Guarantor	% of Total Issued Interests Pledged
			5		400 shares of common stock, no par value		
33.	Carrabba's/Birmingham 280, Limited Partnership	FL	N/A	Carrabba's Italian Grill, LLC Carrabba's Designated Partner, LLC	N/A	100%	100%
34.	Carrabba's/DC-I, Limited Partnership	FL	N/A	Carrabba's Italian Grill, LLC Carrabba's Designated Partner, LLC	N/A	100%	100%
35.	CIGI Beverages of Texas, LLC	TX	1	CIGI Holdings, LLC	100%	100%	100%
36.	CIGI Holdings, LLC	TX	1	Carrabba's Italian Grill, LLC	100%	100%	100%
37.	CIGI Nebraska, Inc.	FL	2	Carrabba's Italian Grill, LLC	10 shares of common stock, $0.01 par value	100%	100%
38.	CIGI Oklahoma, Inc.	FL	1	Carrabba's Italian Grill, LLC	10 shares of common stock, $0.01 par value	100%	100%
39.	CIGI/BFG of East Brunswick Partnership	FL	N/A	Carrabba's Italian Grill, LLC Bonefish Grill, LLC	N/A	100%	100%
40.	DoorSide, LLC	FL	1	OSI Restaurant Partners, LLC	100 Units	100%	100%
41.	Frederick Outback, Inc.	MD	3	Outback Steakhouse of Florida, LLC	1000 shares of common stock, $1.00 par value	100%	100%

	Issuer	Jurisdiction	Number of Certificate	Registered Owner(s)	Number and Class (if applicable) of Equity Interests Pledged	% of Equity Interests Held, Directly or Indirectly, by a Borrower or a Guarantor	% of Total Issued Interests Pledged
42.	Hagerstown Outback, Inc.	MD	4	Outback Steakhouse of Florida, LLC	4000 shares of common stock, no par value	99.95%	99.95%
43.	OBTex Holdings, LLC	TX	1	Outback Steakhouse of Florida, LLC	100%	100%	100%
44.	Ocean City Outback, Inc.	MD	10	Outback Steakhouse of Florida, LLC	99 shares of common stock, no par value	98%	98%
45.	OS Management, Inc.	FL	2	OSI Restaurant Partners, LLC	100 shares of common stock, $0.01 par value	100%	100%
46.	OS Mortgage Holdings, Inc.	DE	2	OSI Restaurant Partners, LLC	100 shares of common stock, $0.01 par value	100%	100%
47.	OS Prime, LLC	FL	1	OSI Restaurant Partners, LLC	100 Units	100%	100%
48.	OS Realty, LLC	FL	2	OSI Restaurant Partners, LLC	100 Units	100%	100%
49.	OS Restaurant Services, LLC	FL	1	Outback Steakhouse of Florida, LLC	100 Units	100%	100%
50.	OS Southern, LLC	FL	1	OSI Restaurant Partners, LLC	100 Units	100%	100%
51.	OS Tropical, LLC	FL	1	OSI Restaurant Partners, LLC	100 Units	100%	100%
52.	OSF Nebraska, Inc.	FL	2	Outback Steakhouse of Florida, LLC	10 shares of common stock, $0.01 par value	100%	100%
53.	OSF Oklahoma, Inc.	FL	1	Outback Steakhouse of Florida, LLC	10 shares of common stock, $0.01 par value	100%	100%

	Issuer	Jurisdiction	Number of Certificate	Registered Owner(s)	Number and Class (if applicable) of Equity Interests Pledged	% of Equity Interests Held, Directly or Indirectly, by a Borrower or a Guarantor	% of Total Issued Interests Pledged
54.	OSF/BFG of Deptford Partnership	FL	N/A	Outback Steakhouse of Florida, LLC Bonefish Grill, LLC	N/A	100%	100%
55.	OSF/BFG of Lawrenceville Partnership	FL	N/A	Outback Steakhouse of Florida, LLC Bonefish Grill, LLC	N/A	100%	100%
56.	OSF/CIGI of Evesham Partnership	FL	N/A	Carrabba's Italian Grill, LLC Outback Steakhouse of Florida, LLC	N/A	100%	100%
57.	OSI HoldCo, Inc.	DE	3	OSI HoldCo I, Inc.	1000 shares of common	100%	100%
58.	OSI HoldCo I, Inc.	DE	3	OSI HoldCo II, Inc.	1000 shares of common	100%	100%
59.	OSI HoldCo II, Inc.	DE	3	Bloomin' Brands, Inc.	1000 shares of common	100%	100%
60.	OSI Restaurant Partners, LLC	DE	1	OSI HoldCo, Inc.	100 Units	100%	100%
61.	Outback & Carrabba's of New Mexico, Inc.	NM	2	OSI Restaurant Partners, LLC	100 shares of common stock, $0.01 par value	100%	100%
62.	Outback Alabama, Inc.	AL	2	Outback Steakhouse of Florida, LLC	10 shares of common stock, $0.01 par value	100%	100%
63.	Outback Beverages of Texas, LLC	TX	1	OBTex Holdings, LLC	100%	100%	100%
64.	Outback Designated Partner, LLC	DE	N/A	Outback Steakhouse of Florida, LLC	N/A	100%	100%
65.	Outback Kansas LLC	KS	1	Outback Steakhouse of Florida, LLC	100 Units	100%	100%

	Issuer	Jurisdiction	Number of Certificate	Registered Owner(s)	Number and Class (if applicable) of Equity Interests Pledged	% of Equity Interests Held, Directly or Indirectly, by a Borrower or a Guarantor	% of Total Issued Interests Pledged
66.	Outback of Aspen Hill, Inc.	MD	1	Outback Steakhouse of Florida, LLC	1000 shares of common stock, no par value	100%	100%
67.	Outback of Calvert County, Inc.	MD	4	Outback Steakhouse of Florida, LLC	4000 common shares, no par value	89.87 %	89.87 %
68.	Outback of Germantown, Inc.	MD	1	Outback Steakhouse of Florida, LLC	1000 shares of common stock, no par value	100%	100%
69.	Outback of Laurel, LLC	MD	N/A	Outback Steakhouse of Florida, LLC	N/A	100%	100%
70.	Outback of La Plata, Inc.	MD	1 3	Outback Steakhouse of Florida, LLC Outback Steakhouse of Florida, LLC	100 shares of common stock, no par value 25 shares of common stock, no par value	100%	100%
71.	Outback of Waldorf, Inc.	MD	2 4	Outback Steakhouse of Florida, LLC Outback Steakhouse of Florida, LLC	800 shares of common stock, no par value 200 shares of common stock, no par value	100%	100%
72.	Outback Steakhouse of Bowie, Inc.	MD	1	Outback Steakhouse of Florida, LLC	748 shares of common stock, no par value	100%	100%
73.	Outback Steakhouse of Canton, Inc.	MD	5	Outback Steakhouse of Florida, LLC	4000 shares of common stock, no par value	99.95%	99.95%
74.	Outback Steakhouse of Florida, LLC	FL	1	OSI Restaurant Partners, LLC	100 Units	100%	100%
75.	Outback Steakhouse of Howard County, Inc.	MD	5	Outback Steakhouse of Florida, LLC	90 shares of Class A Common Stock, no par value	90%	90%

	Issuer	Jurisdiction	Number of Certificate	Registered Owner(s)	Number and Class (if applicable) of Equity Interests Pledged	% of Equity Interests Held, Directly or Indirectly, by a Borrower or a Guarantor	% of Total Issued Interests Pledged
76.	Outback Steakhouse of St. Mary's County, Inc.	MD	6	Outback Steakhouse of Florida, LLC	83 shares of common stock, no par value	83%	83%
77.	Outback Steakhouse West Virginia, Inc.	WV	2	Outback Steakhouse of Florida, LLC	100 shares of common stock, $1.00 par value	100%	100%
78.	Outback/Carrabba's Partnership	FL	N/A	Outback Steakhouse of Florida, LLC Carrabba's Italian Grill, LLC	N/A	100%	100%
79.	Outback/Stone-II, Limited Partnership	FL	N/A	Outback Steakhouse of Florida, LLC Outback Designated Partner, LLC	N/A	100%	100%
80.	Outback-Carrabba's of Hunt Valley, Inc.	MD	4 5	Outback Steakhouse of Florida, LLC Carrabba's Italian Grill, LLC	49 shares of common stock, no par value 49 shares of common stock, no par value	98%	98%
81.	Owings Mills Incorporated	MD	6	Outback Steakhouse of Florida, LLC	49 shares of common stock, no par value	49%	49%
82.	Perry Hall Outback, Inc.	MD	5	Outback Steakhouse of Florida, LLC	4,950 shares of common stock, no par value	99%	99%
83.	Private Restaurant Master Lessee, LLC	DE	N/A	OSI Restaurant Partners, LLC	N/A	100%	100%
84.	New Private Restaurant Properties, LLC	DE	N/A	OSI Restaurant Partners, LLC	N/A	100%	100%

	Issuer	Jurisdiction	Number of Certificate	Registered Owner(s)	Number and Class (if applicable) of Equity Interests Pledged	% of Equity Interests Held, Directly or Indirectly, by a Borrower or a Guarantor	% of Total Issued Interests Pledged
85.	Williamsburg Square Joint Venture	PA	N/A	Outback Steakhouse of Florida, LLC	N/A	50%	50%

B. Unpledged Subsidiaries

	Name of Entity	Jurisdiction	Percentage Owned[1]
1.	BBI International Holdings, Inc.	FL	1%
2.	BBI Ristorante Italiano, LLC	FL	100%
3.	BFG New Jersey Services, Limited Partnership	FL	*
4.	BFG Pennsylvania Services, LTD	FL	*
5.	Bloom Brands Holdings I C.V.	Netherlands	100%
6.	Bloom Brands Holdings II C.V.	Netherlands	100%
7.	Bloomin' Brands International, LLC	FL	100%
8.	Bloom Group Holdings III C.V.	Netherlands	100%
9.	Bloom Group Holdings B.V.	Netherlands	100%
10.	Bloom Group Holdings II B.V.	Netherlands	100%
11.	Bloom Group Holdings III B.V.	Netherlands	100%
12.	Bloom Group Korea, LLC	Korea	100%
13.	Bloom Group Restaurants, B.V.	Netherlands	100%
14.	Bloom Group Restaurants, LLC	FL	100%
15.	Bloom No. 1 Limited	Hong Kong	100%
16.	Bloom No. 2 Limited	Hong Kong	92.57%
17.	Bloom Participacoes, Ltda.	Brazil	99.998%
18.	Bloom Restaurantes Brasil S.A.	Brazil	99.9%
19.	Bloomin Hong Kong Ltd.	Hong Kong	100%
20.	Bloomin Puerto Rico, LP	Cayman Islands	100%
21.	Bloomin' Korea Holding Co.	Cayman Islands	100%
22.	Bonefish Grill International, LLC	FL	100%
23.	Bonefish of Gaithersburg, Inc.	MD	100%
24.	Bonefish/Centreville, Limited Partnership	FL	*

[1] An asterisk denotes a non-wholly owned Restaurant LP or Employee Participation Subsidiary

25.	Bonefish/Fredericksburg, Limited Partnership	FL	*
26.	Bonefish/Newport News, Limited Partnership	FL	*
27.	Bonefish/Richmond, Limited Partnership	FL	*
28.	Bonefish/Southern Virginia, Limited Partnership	FL	*
29.	Bonefish/Virginia, Limited Partnership	FL	*
30.	CIGI Florida Services, LTD	FL	*
31.	Dutch Holdings II, LLC	FL	100%
32.	Dutch Holdings I, LLC	FL	100%
33.	Fleming's International, LLC	FL	100%
34.	Fleming's Beverages, Inc.	TX	100%
35.	Fleming's of Baltimore, LLC	MD	98%
36.	Fleming's/Outback Holdings, Inc.	TX	100%
37.	Fleming's Restaurantes Do Brasil Ltda	Brazil	19.9%
38.	FPS Nebraska, Inc.	FL	100%
39.	FPS Oklahoma, Inc.	FL	100%
40.	OS Niagara Falls, LLC	FL	100%
41.	OSF Arkansas Services, LTD	FL	*
42.	OSF Florida Services, LTD	FL	*
43.	OSF Maryland Services, LTD	FL	*
44.	OSF New Jersey Services, Limited Partnership	FL	*
45.	OSF New York Services, Limited Partnership	FL	*
46.	OSF North Carolina Services, LTD	FL	*
47.	OSF Pennsylvania Services, LTD	FL	*
48.	OSF South Carolina Services, LTD	FL	*
49.	OSF Virginia Services, Limited Partnership		*
50.	OSI China Venture	Cayman Islands	92.57%
51.	OSI International, LLC	FL	100%
52.	OSI/Fleming’s, LLC	DE	89.62%
53.	Outback Philippines Development Holdings Corporation	Philippines	100%

54.	Outback Puerto Rico Designated Partner, LLC	DE	100%
55.	Outback Steakhouse International Investments Co.	Cayman Islands	100%
56.	Outback Steakhouse International Services, LLC	FL	100%
57.	Outback Steakhouse International, L.P.	GA	100%
58.	Outback Steakhouse International, LLC	FL	100%
59.	Outback Steakhouse Restaurantes Brasil S.A.	Brazil	97.89%
60.	Outback/Fleming's Designated Partner, LLC	DE	89.62%
61.	Outback/Hampton, Limited Partnership	FL	*
62.	Prince George's County Outback, Inc.	MD	100%
63.	Snyderman Restaurant Group, Inc.	NJ	100%
64.	Xuanmei Food and Beverage (Shanghai) Co., Ltd.	China	92.57%

C. Non-Subsidiaries

	Name of Entity	Jurisdiction	Percentage Owned
75.	Northlake Drainage Association, Inc.	FL	20%

Schedule 7.01(b)
Existing Liens

Debtor	Creditor	State	Financing Statement No.	Filing Date	Collateral
BLOOMIN' BRANDS, INC.	Forsythe Solutions Group, Inc.	Delaware	2013 1357400	04/09/13	Computer, data processing, telecommunications, and other equipment together with all attachments, accessories, replacements, products, and proceeds thereof, further described in, and pursuant to, Proposal Number 99680-2
BLOOMIN' BRANDS, INC.	HITACHI CAPITAL AMERICA CORPORATION	Delaware	2014 4628798 2015 1551737 (Assignment)	11/06/14 03/31/15	All rights under Purchase Order #2562 and related Addendum together with all proceeds, attachments, parts, accessions, replacements, products, proceeds, renewals and substitutions of, to or for any of the foregoing.
BLOOMIN' BRANDS, INC.	IBM CREDIT, LLC	Delaware	2016 1810686	03/28/16	Specific equipment together with all related software, whether now owned or hereafter acquired and wherever located (all as more fully described on IBM Credit LLC Agreement(s) 0015309.
OSI RESTAURANT PARTNERS, LLC	GENERAL ELECTRIC CAPITAL CORPORATION	Delaware	2013 2848993	07/23/13	All Equipment, leased to or financed for the Debtor by Secured Party under that certain Equipment Lease Agreement No. 7710619-024 including all accessories, accessions, replacements, additions, substitutions, add-ons and upgrades thereto, and any proceeds therefrom.

Debtor	Creditor	State	Financing Statement No.	Filing Date	Collateral
OSI RESTAURANT PARTNERS, LLC	IBM CREDIT, LLC	Delaware	2016 5250459	8/28/2016	Specific equipment together with all related software, whether now owned or hereafter acquired and wherever located (all as more fully described on IBM Credit LLC Agreement(s) 022957.
OSI RESTAURANT PARTNERS, LLC	IBM CREDIT, LLC	Delaware	2016 5880552	09/26/16	Specific equipment together with all related software, whether now owned or hereafter acquired and wherever located (all as more fully described on IBM Credit LLC Agreement(s) 024623.

Schedule 7.02(f)
Existing Investments

1. Investments in the form of Equity Interests existing on the Closing Date in the entities listed on Schedule 5.12 and Schedule 1.01A.

2. Loans to each certain Restaurant LPs by such Restaurant LP's general partner pursuant to such Restaurant LP's limited partnership agreement entered into in the ordinary course of business consistent with past practice and in existence on the Closing Date.

3. Notes to former or current managing partners, operating partners and chef partners, in each case who own or owned Equity Interests in Employment Participation Subsidiaries, in an aggregate principal amount not exceeding $5,000,000 plus accrued and unpaid interest.

4. As a result of the Company assigning its interest in obligations under real estate leases in connection with the sale of certain restaurants, the Company is contingently liable for approximately 30 lease agreements. These leases have varying terms, the latest of which expires in 2032. The potential amount of undiscounted payments the Company could be required to make in the event of non-payment by the primary lessees was approximately
$26.9 million. The present value of these potential payments discounted at the Company's incremental borrowing rate as of September 24, 2017 was approximately $17.2 million. The Company believes the financial strength and operating history of the buyers significantly reduces the risk that the Company will be required to make payments under these leases. Accordingly, no liability has been recorded.

5. Proposed capital contribution by OSI Restaurant Partners, LLC to OSI International LLC in an amount not to exceed $10,000,000 to fund the operations of one or more indirect Subsidiaries of the Borrowers in China.

6. Proposed transfer of the following assets relating to the international business of the Borrowers and their Subsidiaries, from a Loan Party to one or more Foreign Subsidiary Holding Companies:

    a. Foreign trademarks and domain names relating to the Outback Steakhouse concept (held as of the Closing Date by Outback Steakhouse of Florida, LLC)

    b. Foreign trademarks and domain names relating to the Carrabba's concept (held as of the Closing Date by Carrabba's Italian Grill, LLC)

    c. Foreign trademarks and domain names relating to the Bloomin' Brands name (held as of the Closing Date by Bloomin' Brands, Inc. but may be contributed to a Loan Party prior to being transferred to a Foreign Subsidiary Holding Company)

    d. Foreign trademarks and domain names held as of the Closing Date by Bloom Group Restaurants, LLC.

    e. Other foreign domain names (held as of the Closing Date Outback Steakhouse of Florida, LLC, Outback Steakhouse International, LP, OS Prime, LLC or OSI Restaurant Partners, LLC)

f. Other IP Rights relating to the international business of the Borrowers and their Subsidiaries (held as of the Closing Date by one or more Loan Parties)

Schedule 7.03(b)
Existing Indebtedness

1. Financing obligation of $19.591 million primarily in connection with the Company selling six restaurant properties to third parties for aggregate proceeds of $18.5 million and entering into lease agreements under which the Company agreed to lease back each of the properties for an initial term of 20 years. As the Company had continuing involvement in these restaurant properties, the sale of the properties does not qualify for sale-leaseback accounting. As a result, the aggregate proceeds have been recorded as a financing obligation.

2. Capitalized Leases for certain property, software and equipment not exceeding $5,000,000.

3. Notes existing on the Closing Date in an aggregate principal amount not exceeding $10.0 million issued primarily for buyouts of general manager and chef interests in the cash flows of Restaurant LPs and payable over five years.

Schedule 7.08
Transactions with Affiliates

1. A Lease Termination and Surrender Agreement dated August 29, 2017, by and between OS Southern, LLC and MVP LRS, LLC.

Schedule 7.09
Existing Restrictions

1. The following Third-Party Sale Leases, in each case as amended or replaced from time to time to the extent such amendment or replacement is not adverse to the Lenders in any material respect:
   a. Lease, dated as of March 14, 2012, between Cole BF Portfolio, LLC and Bonefish Grill, LLC, and related Sublease, dated as of March 14, 2012, between Bonefish Grill, LLC and Outback Steakhouse of Florida, LLC.
   b. Lease, dated as of March 14, 2012, between National Retail Properties, LP and Bonefish Grill, LLC.
   c. Lease, dated as of March 14, 2012, between Cole CA Portfolio, LLC and Carrabba's Italian Grill, LLC.
   d. Lease, dated as of March 14, 2012, between National Retail Properties, LP and Carrabba's Italian Grill, LLC.
   e. Lease, dated as of March 14, 2012, between Cole FS Englewood Co, LLC and OS Prime, LLC.
   f. Lease, dated as of March 14, 2012, between National Retail Properties, LP and OS Prime, LLC.
   g. Lease, dated as of March 14, 2012, between Cole OU Portfolio, LLC and Outback Steakhouse of Florida, LLC.
   h. Lease, dated as of March 14, 2012, between National Retail Properties, LP and Outback Steakhouse of Florida, LLC.
   i. Lease, dated as of March 14, 2012, between National Retail Properties Trust and Outback Steakhouse of Florida, LLC.

Schedule 10.02
Administrative Agent's Office, Certain Addresses for Notices

ADMINISTRATIVE AGENT:

Administrative Agent's Office
(for payments and Requests for Credit Extensions):
Wells Fargo Bank, National Association MAC D 1109-019
1525 West W.T. Harris Blvd. Charlotte, North Carolina 28262
Attention: Syndication Agency Services Telephone: (704) 590-2703
Facsimile: (704) 715-0092

With copies to:
Wells Fargo Bank, National Association 550 S. Tryon St., D1086-061
Charlotte, NC 28202 Attn: Rob Rechkemmer Tel: 704-410-1221
E-mail: robert.rechkemmer@wellsfargo.com

Other Notices as Administrative Agent: Wells Fargo Bank, National Association MAC D 1109-019
1525 West W.T. Harris Blvd. Charlotte, North Carolina 28262
Attention: Syndication Agency Services Telephone: (704) 590-2703
Facsimile: (704) 715-0092

With copies to:
Wells Fargo Bank, National Association 550 S. Tryon St., D1086-061
Charlotte, NC 28202 Attn: Rob Rechkemmer Tel: 704-410-1221
E-mail: robert.rechkemmer@wellsfargo.com

L/C ISSUERS:

Wells Fargo Bank, National Association MAC D 1109-019
1525 West W.T. Harris Blvd. Charlotte, North Carolina 28262
Attention: Syndication Agency Services Telephone: (704) 590-2703
Facsimile: (704) 715-0092

With copies to:
Wells Fargo Bank, National Association Wells Fargo Bank, National Association 550 S. Tryon St., D1086-061
Charlotte, NC 28202 Attn: Rob Rechkemmer Tel: 704-410-1221
E-mail: robert.rechkemmer@wellsfargo.com

Bank of America, N.A.
1 Fleet Way
PA6-580-02-30
Scranton, PA 18507
Attention: Bank of America Global Trade Telephone: 1-800-370-7519
Facsimile: 1-800-755-8743
Electronic Mail: tradeclientserviceteamus@baml.com

JPMorgan Chase Bank, N.A. JPM-Bangalore Loan Operations
500 Stanton Christiana Road, NNC5, Floor 01 Newark, DE 19713-2107
Attention: Bharath Devaraju Facsimile: (201) 244-3885
Electronic Mail: na.cpg@jpmorgan.com

With copies to:
JPMorgan Chase Bank, N.A.
10420 Highland Manor Drive, Floor 04
Tampa, FL, 33610-9128
Attention: GTS IB Standby Telephone: (800) 634-1969
Facsimile: (856) 294-5267
Electronic Mail: GTS.IB.Standby@JPMChase.com

Coöperatieve Rabobank U.A., New York Branch 245 Park Avenue 37th Floor
New York, NY 10167 Attention: Sandra Rodriguez Telephone: (212) 574-7315
Facsimile: (914) 304-9326
Electronic Mail: RaboNYSBLC@rabobank.com

SWING LINE LENDER:
Wells Fargo Bank, National Association MAC D 1109-019
1525 West W.T. Harris Blvd. Charlotte, North Carolina 28262
Attention: Syndication Agency Services Telephone: (704) 590-2703
Facsimile: (704) 715-0092

With copies to:
Wells Fargo Bank, National Association Wells Fargo Bank, National Association 550 S. Tryon St., D1086-061
Charlotte, NC 28202 Attn: Rob Rechkemmer Tel: 704-410-1221
E-mail: robert.rechkemmer@wellsfargo.com

BORROWERS:

Bloomin' Brands, Inc.
OSI Restaurant Partners, LLC
2202 North West Shore Blvd., Suite 500 Tampa, FL 33607
Attention: David Deno, Chief Financial and Administrative Officer and Executive Vice President
Telephone: (813) 282-1225
Facsimile: (813) 387-8409
Electronic Mail: daviddeno@bloominbrands.com Website Address: www.bloominbrands.com

EXHIBIT A

[FORM OF] COMMITTED LOAN NOTICE

To: Wells Fargo Bank, National Association,
as Administrative Agent MAC D1109-019
1525 West W.T. Harris Blvd. Charlotte, North Carolina 28262
Attention: Syndication Agency Services

[Date]

Ladies and Gentlemen:

Reference is made to the Amended and Restated Credit Agreement dated as of November 30, 2017 (as amended, supplemented, restated and/or otherwise modified from time to time, the "Credit Agreement"), among OSI Restaurant Partners, LLC ("OSI"), Bloomin' Brands, Inc. (the "Company" and, together with OSI, the "Borrowers"), the lenders from time to time party thereto (the "Lenders") and Wells Fargo Bank, National Association, as Administrative Agent (in such capacity, the " Administrative Agent"), Swing Line Lender and an L/C Issuer. Capitalized terms used herein and not otherwise defined herein shall have the meanings assigned to such terms in the Credit Agreement.

The undersigned Borrower hereby requests (select one):

- A Borrowing of new Loans
- A conversion of Loans
- A continuation of Loans

to be made on the terms set forth below:

(A) Class of Borrowing[1] _____

(B) Date of Borrowing, conversion or continuation (which is a Business Day) _____

(C) Principal amount _____

(D) Type of Loan[2] _____

(E) Interest Period[3] _____

[1] Term Loans (specify as to whether such Borrowing shall consist of Term Loans (incurred on the Closing Date), Extended Term Loans, Incremental Term Loans or Other Term Loans) or Revolving Credit Loans.

[2] Specify Eurocurrency or Base Rate.

[3] Applicable for Borrowings of Eurocurrency Rate Loans only.

The above request has been made to the Administrative Agent by telephone at [(___) ___].

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[The undersigned Borrower hereby represents and warrants to the Administrative Agent and the Lenders that, on the date of this Committed Loan Notice and on the date of the related Borrowing, the conditions to lending specified in clauses (a) and (b) of Section 4.02 of the Credit Agreement have been satisfied.][4]

[OSI RESTAURANT PARTNERS, LLC,

By: _____
Name:
Title:]

[BLOOMIN' BRANDS, INC.

By: _____
Name:
Title:][5]

[4] Insert bracketed language if the applicable Borrower is requesting a Borrowing of Loans after the Closing Date.
[5] Select applicable Borrower.

EXHIBIT B

[FORM OF]

SWING LINE LOAN NOTICE

To: Wells Fargo Bank, National Association, as Administrative Agent
MAC D1109-019
1525 West W.T. Harris Blvd. Charlotte, North Carolina 28262
Attention: Syndication Agency Services

[Date]

Ladies and Gentlemen:

Reference is made to the Amended and Restated Credit Agreement dated as of November 30, 2017 (as amended, supplemented, restated and/or otherwise modified from time to time, the "Credit Agreement"), among OSI Restaurant Partners, LLC ("OSI"), Bloomin' Brands, Inc. (the "Company" and, together with OSI, the "Borrowers"), the lenders from time to time party thereto (the "Lenders") and Wells Fargo Bank, National Association, as Administrative Agent (in such capacity, the " Administrative Agent"), Swing Line Lender and an L/C Issuer. Capitalized terms used herein and not otherwise defined herein shall have the meanings assigned to such terms in the Credit Agreement. The undersigned Borrower hereby gives you notice pursuant to Section 2.04(b) of the Credit Agreement that it requests a Swing Line Borrowing under the Credit Agreement, and in that connection sets forth below the terms on which such Swing Line Borrowing is requested to be made:

(A) Principal Amount to be Borrowed[1] _____

(B) Date of Borrowing, conversion or continuation (which is a Business Day) _____

The above request has been made to the Swing Line Lender and Administrative Agent by telephone at [(_)___].

The undersigned Borrower hereby represents and warrants to the Administrative Agent and the Lenders that, on the date of this Swing Line Loan Notice and on the date of the related Swing Line Borrowing, the conditions to lending specified in clauses (a) and (b) of Section 4.02 of the Credit Agreement have been satisfied.

[1] Shall be a minimum of $100,000.

[OSI RESTAURANT PARTNERS, LLC,

By: _____
Name:
Title:]

[BLOOMIN' BRANDS, INC.

By: _____
Name:
Title:][2]

[2] Select applicable Borrower.

EXHIBIT C-1

LENDER: [•]

[FORM OF]

TERM NOTE

New York, New York
[Date]

FOR VALUE RECEIVED, the undersigned, OSI RESTAURANT PARTNERS, LLC, a Delaware limited liability company ("OSI") and BLOOMIN' BRANDS, INC., a Delaware corporation (the "Company" and, together with OSI, the "Borrowers"), hereby promise to pay to the Lender set forth above (the "Lender") or its registered assigns, in lawful money of the United States of America in immediately available funds at the Administrative Agent's Office (such term, and each other capitalized term used but not defined herein, having the meaning assigned to it in the Amended and Restated Credit Agreement dated as of November 30, 2017 (as the same may be amended, supplemented, restated and/or otherwise modified from time to time, the "Credit Agreement"), among the Borrowers, the lenders from time to time party thereto and Wells Fargo Bank, National Association, as Administrative Agent (in such capacity, the "Administrative Agent"), Swing Line Lender and an L/C Issuer, (i) on the dates set forth in the Credit Agreement, the principal amounts set forth in the Credit Agreement with respect to Term Loans made by the Lender to the Borrowers pursuant to the Credit Agreement and (ii) on each Interest Payment Date, interest at the rate or rates per annum as provided in the Credit Agreement on the unpaid principal amount of all Term Loans made by the Lender to the Borrowers pursuant to the Credit Agreement.

The Borrowers promise to pay interest, on demand, on any overdue principal and, to the extent permitted by law, overdue interest from their due dates at the rate or rates provided in the Credit Agreement.

The Borrowers hereby waive diligence, presentment, demand, protest and notice of any kind whatsoever. The nonexercise by the holder hereof of any of its rights hereunder in any particular instance shall not constitute a waiver thereof in that or any subsequent instance.

All borrowings evidenced by this note and all payments and prepayments of the principal hereof and interest hereon and the respective dates thereof shall be endorsed by the holder hereof on the schedule attached hereto and made a part hereof or on a continuation thereof which shall be attached hereto and made a part hereof, or otherwise recorded by such holder in its internal records; provided, however, that the failure of the holder hereof to make such a notation or any error in such notation shall not affect the obligations of the Borrowers under this note.

This note is one of the Term Notes referred to in the Credit Agreement that, among other things, contains provisions for the acceleration of the maturity hereof upon the happening of certain events, for optional and mandatory prepayment of the principal hereof prior to the maturity hereof and for the amendment or waiver of certain provisions of the Credit Agreement, all upon the terms and conditions therein specified.

THIS NOTE SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

OSI RESTAURANT PARTNERS, LLC

By: _____
Name:
Title:

BLOOMIN' BRANDS, INC.

By: _____
Name:
Title:

LOANS AND PAYMENTS

Date	Amount of Loan	Maturity Date	Payments of Principal/Interest	Principal Balance of Note	Name of Person Making the Notation

EXHIBIT C-2

LENDER: [•]

[FORM OF]

[SECOND AMENDED AND RESTATED] REVOLVING CREDIT NOTE

New York, New York
[Date]

FOR VALUE RECEIVED, the undersigned, OSI RESTAURANT PARTNERS, LLC, a Delaware limited liability company ("OSI") and BLOOMIN' BRANDS, INC., a Delaware corporation (the "Company" and, together with OSI, the "Borrowers"), hereby promise to pay to the Lender set forth above (the "Lender") or its registered assigns, in lawful money of the United States of America in immediately available funds at the Administrative Agent's Office (such term, and each other capitalized term used but not defined herein, having the meaning assigned to it in the Amended and Restated Credit Agreement dated as of November 30, 2017 (as amended, supplemented, restated and/or otherwise modified from time to time, the "Credit Agreement"), among the Borrowers, the lenders from time to time party thereto and Wells Fargo Bank, National Association, as Administrative Agent (in such capacity, the "Administrative Agent"), Swing Line Lender and an L/C Issuer, (A) on the dates set forth in the Credit Agreement, the lesser of (i) the principal amount set forth above and (ii) the aggregate unpaid principal amount of all Revolving Credit Loans made by the Lender to the Borrowers pursuant to the Credit Agreement, and (B) on each Interest Payment Date, interest from the date hereof on the principal amount from time to time outstanding on each such Revolving Credit Loan at the rate or rates per annum and payable on such dates as provided in the Credit Agreement.

The Borrowers promise to pay interest, on demand, on any overdue principal and, to the extent permitted by law, overdue interest from their due dates at the rate or rates provided in the Credit Agreement.

The Borrowers hereby waive diligence, presentment, demand, protest and notice of any kind whatsoever. The nonexercise by the holder hereof of any of its rights hereunder in any particular instance shall not constitute a waiver thereof in that or any subsequent instance.

All borrowings evidenced by this note and all payments and prepayments of the principal hereof and interest hereon and the respective dates thereof shall be endorsed by the holder hereof on the schedule attached hereto and made a part hereof or on a continuation thereof which shall be attached hereto and made a part hereof, or otherwise recorded by such holder in its internal records; provided, however, that the failure of the holder hereof to make such a notation or any error in such notation shall not affect the obligations of the Borrowers under this note.

This note is one of the promissory notes referred to in the Credit Agreement that, among other things, contains provisions for the acceleration of the maturity hereof upon the happening of certain events, for optional and mandatory prepayment of the principal hereof prior to the maturity hereof and for the amendment or waiver of certain provisions of the Credit Agreement, all upon the terms and conditions therein specified.

[This Second Amended and Restated Revolving Credit Note amends and restates, and supersedes and replaces, in each case in its entirety, the Amended and Restated Revolving Credit Note dated as of March 31, 2015 (the "Original Note") executed by OSI in favor of the Lender in connection with the Existing Credit Agreement, but no novation of the Indebtedness outstanding under the Original Note shall be deemed to have occurred by virtue of the amendment and restatement of the Original Note, and none is

intended or implied. By execution hereof, the Borrowers hereby confirm and reaffirm their continuing liability with respect to such Indebtedness.]

THIS NOTE SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

OSI RESTAURANT PARTNERS, LLC

By: _____
Name:
Title:

BLOOMIN' BRANDS, INC.

By: _____
Name:
Title:

Exhibit C-2
Page 4

LOANS AND PAYMENTS

Date	Amount of Loan	Maturity Date	Payments of Principal/Interest	Principal Balance of Note	Name of Person Making the Notation

LENDER: **WELLS FARGO BANK, NATIONAL ASSOCIATION**

[FORM OF]

AMENDED AND RESTATED SWING LINE NOTE

New York, New York
[Date]

FOR VALUE RECEIVED, the undersigned, OSI RESTAURANT PARTNERS, LLC, a Delaware limited liability company ("OSI") and BLOOMIN' BRANDS, INC., a Delaware corporation (the "Company" and, together with OSI, the "Borrowers"), hereby promise to pay to the Lender set forth above (the "Lender") or its registered assigns, in lawful money of the United States of America in immediately available funds at the Administrative Agent's Office (such term, and each other capitalized term used but not defined herein, having the meaning assigned to it in the Amended and Restated Credit Agreement dated as of November 30, 2017 (as amended, supplemented, restated and/or otherwise modified from time to time, the "Credit Agreement"), among the Borrowers, the lenders from time to time party thereto and Wells Fargo Bank, National Association, as Administrative Agent (in such capacity, the "Administrative Agent"), Swing Line Lender and an L/C Issuer, (A) on the dates set forth in the Credit Agreement, the lesser of (i) the principal amount set forth above and (ii) the aggregate unpaid principal amount of all Swing Line Loans made by the Lender to the Borrowers pursuant to the Credit Agreement, and (B) on each Interest Payment Date, interest from the date hereof on the principal amount from time to time outstanding on each such Swing Line Loan at the rate or rates per annum and payable on such dates as provided in the Credit Agreement.

The Borrowers promise to pay interest, on demand, on any overdue principal and, to the extent permitted by law, overdue interest from their due dates at a rate or rates provided in the Credit Agreement.

The Borrowers hereby waive diligence, presentment, demand, protest and notice of any kind whatsoever. The nonexercise by the holder hereof of any of its rights hereunder in any particular instance shall not constitute a waiver thereof in that or any subsequent instance.

All borrowings evidenced by this note and all payments and prepayments of the principal hereof and interest hereon and the respective dates thereof shall be endorsed by the holder hereof on the schedule attached hereto and made a part hereof or on a continuation thereof which shall be attached hereto and made a part hereof, or otherwise recorded by such holder in its internal records; provided, however, that the failure of the holder hereof to make such a notation or any error in such notation shall not affect the obligations of the Borrowers under this note.

This note is one of the promissory notes referred to in the Credit Agreement that, among other things, contains provisions for the acceleration of the maturity hereof upon the happening of certain events, for optional and mandatory prepayment of the principal hereof prior to the maturity hereof and for the amendment or waiver of certain provisions of the Credit Agreement, all upon the terms and conditions therein specified.

This Amended and Restated Swing Line Note amends and restates, and supersedes and replaces, in each case in its entirety, the Swing Line Note dated as of May 16, 2014 (the "Original Note") executed by OSI in favor of the Lender in connection with the Existing Credit Agreement, but no novation of the Indebtedness outstanding under the Original Note shall be deemed to have occurred by virtue of the

amendment and restatement of the Original Note, and none is intended or implied. By execution hereof, the Borrowers hereby confirm and reaffirm their continuing liability with respect to such Indebtedness.

THIS NOTE SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

OSI RESTAURANT PARTNERS, LLC

By: _____
Name:
Title:

BLOOMIN' BRANDS, INC.

By: _____
Name:
Title:

LOANS AND PAYMENTS

Date	Amount of Loan	Maturity Date	Payments of Principal/Interest	Principal Balance of Note	Name of Person Making the Notation

96064450_3

EXHIBIT D

[FORM OF]

COMPLIANCE CERTIFICATE

Reference is made to the Amended and Restated Credit Agreement dated as of November 30, 2017 (as amended, supplemented, restated and/or otherwise modified from time to time, the "Credit Agreement"), among OSI Restaurant Partners, LLC ("OSI"), Bloomin' Brands, Inc. (the "Company" and, together with OSI, the "Borrowers"), the lenders from time to time party thereto (the "Lenders") and Wells Fargo Bank, National Association, as Administrative Agent (in such capacity, the "Administrative Agent"), Swing Line Lender and an L/C Issuer (capitalized terms used herein have the meanings attributed thereto in the Credit Agreement unless otherwise defined herein). Pursuant to Section 6.02(b) of the Credit Agreement, the undersigned, in his/her capacity as a Responsible Officer of the Company, certifies as follows:

1. [Attached hereto as Exhibit A is the audited consolidated balance sheet of the Company and its Subsidiaries as of December 31, 20[ ] and related consolidated statements of income or operations, stockholders' equity and cash flows for the fiscal year then ended, 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, audited and accompanied by a report and opinion of [_____], prepared in accordance with [Public Company Oversight Board] [American Institute of Certified Public Accountants] auditing standards and not subject to any "going concern" or like qualification or exception or any qualification or exception as to the scope of such audit (except as may be required as a result of (x) a prospective Event of Default with respect to the Financial Covenant or (y) the impending maturity of the Loans under the Credit Agreement).]

2. [Attached hereto as Exhibit A is the consolidated balance sheet of the Company and its Subsidiaries as of [____] and the related (i) consolidated statements of income or operations for such fiscal quarter and for the portion of the fiscal year then ended and (ii) consolidated statements of cash flows for the portion of the 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. These present fairly in all material respects the financial condition, results of operations, stockholders' equity and cash flows of the Company and its Subsidiaries in accordance with GAAP, subject only to normal year-end audit adjustments and the absence of footnotes.]

3. To my knowledge, except as otherwise disclosed to the Administrative Agent in writing pursuant to the Credit Agreement, at no time during the period between [____] and [____] (the "Certificate Period") did a Default or an Event of Default exist. [If unable to provide the foregoing certification, fully describe the reasons therefor and circumstances thereof and any action taken or proposed to be taken with respect thereto on Annex A attached hereto.]

4. The following represent true and accurate calculations, as of the last day of the Certificate Period, to be used to determine whether the Company is in compliance with the Financial Covenant:

   (i) Total Net Leverage Ratio:
   Consolidated= [ ]

Consolidated EBITDA= [ ]
Actual Ratio= [ ] to 1.0
Required Ratio= [ ] to 1.0

Supporting detail showing the calculation of Consolidated Total Debt is attached hereto as Schedule 1. Supporting detail showing the calculation of Consolidated EBITDA is attached hereto as Schedule 2.

5. The following represent true and accurate calculations, as of the last day of the Certificate Period, to be used to determine the Applicable Rate in accordance with the Credit Agreement:

(i) Total Net Leverage Ratio:

Consolidated Total Debt = [ ]
Consolidated EBITDA= [ ]
Ratio= [ ] to 1.0

6. [Attached hereto as Exhibit [B] is the information required to be delivered pursuant to Section 6.02(e)(iii) of the Credit Agreement.][1]

7. [Attached hereto as Exhibit [C] are detailed calculations setting forth Excess Cash Flow.][2]

8. [Set forth below is a description of each event, condition or circumstance during the Certificate Period that required a mandatory prepayment under Section 2.05(b) of the Credit Agreement:

(i) Section 2.05(b)(i) of the Credit Agreement; see paragraph 7 above.

(ii) Section 2.05(b)(ii) of the Credit Agreement;

(iii) Section 2.05(b)(iii) of the Credit Agreement;][3]

9. [Attached as Exhibit [D] is an update of the information required pursuant to Section 3.03(c) of the Security Agreement][There has been no change in respect of the information required pursuant to Section 3.03(c) of the Security Agreement since [the Closing Date][the date of the last annual Compliance Certificate.]][4]

* * *

[1] To be included only in the annual compliance certificate.

[2] To be included only in the annual compliance certificate.

[3] To be included only in the annual compliance certificate.

[4] To be included only in the annual compliance certificate.

IN WITNESS WHEREOF, the undersigned, in his/her capacity as a Responsible Officer of the Company, has executed this certificate for and on behalf of the Company and has caused this certificate to be delivered this day of___, 20 .

BLOOMIN' BRANDS, INC.

By: _____
Name:
Title:

Exhibit A

Audited Consolidated Balance Sheet

Exhibit B

[(1) List each Subsidiary: [ ]]

[There has been no change in the identity of Subsidiaries since [the Closing Date] [the date of the last Compliance Certificate].][5]

[5] Use this language if there has not been a change in Subsidiaries since the later of the Closing Date and the date of the last Compliance Certificate.

Exhibit C

Excess Cash Flow Calculation

Exhibit D

[Update of the information required pursuant to Section 3.03(c) of the Security Agreement][There has been no change in respect of the information required pursuant to Section 3.03(c) of the Security Agreement since [the Closing Date][the date of the last annual Compliance Certificate].]

EXHIBIT E

[FORM OF]

ASSIGNMENT AND ASSUMPTION AGREEMENT

This Assignment and Assumption Agreement (this " Assignment and Assumption") is dated as of the Effective Date set forth below and is entered into by and between the Assignor (as defined below) and the Assignee (as defined below). Capitalized terms used in this Assignment and Assumption and not otherwise defined herein have the meanings specified in the Amended and Restated Credit Agreement dated as of November 30, 2017 (as amended, supplemented, restated and/or otherwise modified from time to time, the "Credit Agreement"), among OSI Restaurant Partners, LLC ("OSI"), Bloomin' Brands, Inc. (the "Company" and, together with OSI, the "Borrowers"), the lenders from time to time party thereto (the "Lenders") and Wells Fargo Bank, National Association, as Administrative Agent (in such capacity, the " Administrative Agent"), Swing Line Lender and an L/C Issuer, receipt of a copy of which is hereby acknowledged by the Assignee. The Standard Terms and Conditions set forth in Annex 1 attached hereto are hereby agreed to and incorporated herein by reference and made a part of this Assignment and Assumption as if set forth herein in full.

For an agreed consideration, the Assignor hereby irrevocably sells and assigns to the Assignee, and the Assignee hereby irrevocably purchases and assumes from the Assignor, subject to and in accordance with the Standard Terms and Conditions and the Credit Agreement, as of the Effective Date inserted by the Administrative Agent as contemplated below, (i) all of the Assignor's rights and obligations in its capacity as a Lender under the Credit Agreement and any other documents or instruments delivered pursuant thereto to the extent related to the amount and percentage interest identified below of all of such outstanding rights and obligations of the Assignor under the facility identified below (including participations in any Letters of Credit or Swing Line Loans included in such facility) and (ii) to the extent permitted to be assigned under applicable law, all claims, suits, causes of action and any other right of the Assignor (in its capacity as a Lender) against any Person, whether known or unknown, arising under or in connection with the Credit Agreement, any other documents or instruments delivered pursuant thereto or the loan transactions governed thereby or in any way based on or related to any of the foregoing, including, but not limited to, contract claims, tort claims, malpractice claims, statutory claims and all other claims at law or in equity related to the rights and obligations sold and assigned pursuant to clause (i) above (the rights and obligations sold and assigned pursuant to clauses (i) and (ii) above being referred to herein collectively as the "Assigned Interest"). Such sale and assignment is without recourse to the Assignor and, except as expressly provided in this Assignment and Assumption, without representation or warranty by the Assignor.

1. Assignor (the "Assignor"):

2. Assignee (the "Assignee"):

   [Assignee is [not] a Defaulting Lender]

3. Borrowers: OSI Restaurant Partners, LLC
   Bloomin' Brands, Inc.

4. Administrative Agent: Wells Fargo Bank, National Association

5. Assigned Interest:

Facility	Aggregate Amount of Commitment/Loans of all Lenders	Amount of Commitment/Loans Assigned	Percentage Assigned of Commitment/ Loans[1]
Term Loans[2]	$	$	%
Revolving Credit Facility[3]	$	$	%
	$	$	%

Effective Date:

1 Set forth, to at least 8 decimals, as a percentage of the Commitment/Loans of all Lenders thereunder.
2 Specify the Class of Term Loans (i.e., Term Loans incurred on the Closing Date, Incremental Term Loans, Extended Term Loans or Other Term Loans).
3 Specify the Class of Revolving Credit Commitments (i.e., Revolving Credit Commitment, Extended Revolving Credit Commitment or Other Revolving Credit Commitment).

The terms set forth in this Assignment and Assumption are hereby agreed to:

[NAME OF ASSIGNOR], as Assignor

By: _____
Name:
Title:

[NAME OF ASSIGNEE], as Assignee

By: _____
Name:
Title:

[Consented to and][4] Accepted:

WELLS FARGO BANK, NATIONAL ASSOCIATION,
as Administrative Agent

By: _____
Name:
Title:

[Consented to:

[PRINCIPAL L/C ISSUER], as L/C Issuer

By: _____
Name:
Title:

[WELLS FARGO BANK, NATIONAL ASSOCIATION, as Swing Line Lender]

By: _____
Name:
Title:][5]

[OSI RESTAURANT PARTNERS, LLC, as a Borrower

By: _____
Name:
Title:]

[BLOOMIN' BRANDS, INC., as a Borrower

By: _____
Name:
Title:][6]

[4] No consent of the Administrative Agent shall be required for (i) an assignment of all or any portion of a Loan to a Lender, an Affiliate of a Lender or an Approved Fund or (ii) an assignment to an Agent or an Affiliate of an Agent.

[5] No consent of any Principal L/C Issuer or the Swing Line Lender shall be required for (i) an assignment of a Term Loan or (ii) an assignment to an Agent or an Affiliate of an Agent.

[6] No consent of the Borrowers shall be required for (i) an assignment of a Term Loan to a Lender, an Affiliate of a Lender, an Approved Fund, (ii) an assignment of a Revolving Credit Commitment to a Revolving Credit Lender or Affiliate of a Revolving Credit Lender or an Approved Fund of a Revolving Credit Lender or (iii) if an Event of Default under Section 8.01(a), (f) or (g) of the Credit Agreement has occurred and is continuing, an assignment to any Assignee.

CREDIT AGREEMENT[1]

STANDARD TERMS AND CONDITIONS FOR ASSIGNMENT AND ASSUMPTION

1. Representations and Warranties.

1.1 Assignor. The Assignor (a) represents and warrants that (i) it is the legal and beneficial owner of the Assigned Interest, (ii) the Assigned Interest is free and clear of any lien, encumbrance or other adverse claim and (iii) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and Assumption and to consummate the transactions contemplated hereby; and (b) assumes no responsibility with respect to (i) any statements, warranties or representations made in or in connection with the Credit Agreement, (ii) the execution, legality, validity, enforceability, genuineness, sufficiency or value of the Credit Agreement, (iii) the financial condition of, the Borrowers or any of their Subsidiaries or Affiliates or any other Person obligated in respect of the Credit Agreement or (iv) the performance or observance by the Borrowers or any of their Subsidiaries or Affiliates or any other Person of any of their obligations under the Credit Agreement.

1.2 Assignee. The Assignee (a) represents and warrants that (i) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and Assumption and to consummate the transactions contemplated hereby and to become a Lender under the Credit Agreement,
(ii) it satisfies the requirements, if any, specified in the Credit Agreement that are required to be satisfied by it in order to acquire the Assigned Interest and become a Lender, (iii) from and after the Effective Date, it shall be bound by the provisions of the Credit Agreement as a Lender thereunder and, to the extent of the Assigned Interest, shall have the obligations of a Lender thereunder, (iv) it has received a copy of the Credit Agreement, together with copies of the most recent financial statements delivered pursuant to Section 6.01 thereof, and such other documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into this Assignment and Assumption and to purchase the Assigned Interest on the basis of which it has made such analysis and decision independently and without reliance on any Agent or any other Lender, and (v) if it is a Foreign Lender, attached to this Assignment and Assumption is any documentation required to be delivered by it pursuant to Section 3.01 of the Credit Agreement, duly completed and executed by the Assignee; and (b) agrees that (i) it will, independently and without reliance on the Assignor, any Agent or any other Lender, and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under the Credit Agreement, and (ii) it will perform in accordance with their terms all of the obligations which by the terms of the Credit Agreement are required to be performed by it as a Lender.

2. Payments. From and after the Effective Date, the Administrative Agent shall make all payments in respect of the Assigned Interest (including payments of principal, interest, fees and other amounts) to the Assignor for amounts which have accrued to but excluding the Effective Date and to the Assignee for amounts which have accrued from and after the Effective Date.

[1] Capitalized terms used in this Assignment and Assumption and not otherwise defined herein have the meanings specified in the Amended and Restated Credit Agreement dated of November 30, 2017 (as amended, supplemented or otherwise modified from time to time, the "Credit Agreement"), among OSI Restaurant Partners, LLC ("OSI"), Bloomin' Brands, Inc. (the "Company" and together with OSI, the "Borrowers"), the lenders from time to time party thereto (the "Lenders") and Wells Fargo Bank, National Association, as Administrative Agent (in such capacity, the "Administrative Agent"), Swing Line Lender and an L/C Issuer.

3. General Provisions. This Assignment and Assumption shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns. This Assignment and Assumption may be executed in any number of counterparts, which together shall constitute one instrument. Delivery of an executed counterpart of a signature page of this Assignment and Assumption by facsimile or other electronic transmission shall be as effective as delivery of a manually executed counterpart of this Assignment and Assumption. This Assignment and Assumption shall be construed in accordance with and governed by the law of the State of New York.

EXHIBIT F

[FORM OF]

GUARANTY

96064450_3

AMENDED AND RESTATED GUARANTY AGREEMENT

dated as of

November 30, 2017,

among

OSI RESTAURANT PARTNERS, LLC,

BLOOMIN' BRANDS, INC.,

THE SUBSIDIARIES OF BLOOMIN' BRANDS, INC.
IDENTIFIED HEREIN

and

WELLS FARGO BANK, NATIONAL ASSOCIATION,
as Administrative Agent

Table of Contents

AMENDED AND RESTATED GUARANTY AGREEMENT dated as of November 30, 2017 among OSI RESTAURANT PARTNERS, LLC ("OSI"), BLOOMIN' BRANDS, INC. (the "Company" and together with OSI, the "Borrowers"), the other Subsidiaries of the Company identified herein, WELLS FARGO BANK, NATIONAL ASSOCIATION, as Administrative Agent, Swing Line Lender and an L/C Issuer and each lender from time to time party hereto (collectively, the "Lenders" and individually, a "Lender").

Reference is made to the Amended and Restated Credit Agreement dated as of November 30, 2017 (as amended, restated, supplemented and/or otherwise modified from time to time, the "Credit Agreement"), among the Borrowers, each Lender from time to time party thereto and Wells Fargo Bank, National Association, as Administrative Agent.

The Lenders have agreed to extend credit to the Borrowers subject to the terms and conditions set forth in the Credit Agreement, the Hedge Banks have agreed to enter into and/or maintain one or more Secured Hedge Agreements on the terms and conditions set forth therein and the Cash Management Banks have agreed to provide and/or maintain Cash Management Services on the terms and conditions agreed upon by the Borrowers or the respective Subsidiary and such Cash Management Bank. The obligations of the Lenders to extend such credit, the obligation of the Hedge Banks to enter into and/or maintain such Secured Hedge Agreements and the obligation of the Cash Management Banks to provide and/or maintain Cash Management Services are, in each case, conditioned upon, among other things, the execution and delivery of this Agreement by each Guarantor. The Borrowers and the Subsidiary Parties are affiliates of one another, are an integral part of a consolidated enterprise and will derive substantial direct and indirect benefits from (i) the extensions of credit to the Borrowers pursuant to the Credit Agreement, (ii) the entering into and/or maintaining by the Hedge Banks of Secured Hedge Agreements with a Borrower and/or one or more of its respective Subsidiaries and (iii) the providing and/or maintaining of Cash Management Services by the Cash Management Banks to a Borrower and/or one or more of its respective Subsidiaries, and are willing to execute and deliver this Agreement in order to induce the Lenders to extend such credit, the Hedge Banks to enter into and/or maintain such Secured Hedge Agreements and the Cash Management Banks to provide and/or maintain such Cash Management Services.

Accordingly, in consideration of the foregoing and other benefits accruing to each Guarantor, the receipt and sufficiency of which are hereby acknowledged, each Guarantor hereby makes the following representations and warranties to the Administrative Agent for the benefit of the Secured Parties and hereby covenants and agrees with each other Guarantor and the Administrative Agent for the benefit of the Secured Parties as follows:

ARTICLE I

Definitions

Section 1.01. Credit Agreement. (a) Capitalized terms used in this Agreement and not otherwise defined herein have the meanings specified in the Credit Agreement.

(b) The rules of construction specified in Article I of the Credit Agreement also apply to this Agreement.

Section 1.02. Other Defined Terms. As used in this Agreement, the following terms have the meanings specified below:

"Agreement" means this Amended and Restated Guaranty Agreement.

"Credit Agreement" has the meaning assigned to such term in the preliminary statement of this Agreement.

"Discharge of Guaranteed Obligations" means the termination of this Agreement and the Guarantees made herein pursuant to Section 4.13(a) hereof.

"Guaranty Agreement Supplement" means an instrument substantially in the form of Exhibit I hereto.

"Guaranteed Obligations" mean the "Obligations" as defined in the Credit Agreement.

"Guaranteed Party" means each Borrower, each Subsidiary Guarantor and each Subsidiary of a Borrower party to any Secured Hedge Agreement.

"Guarantor" means each Borrower and each Subsidiary Party.

"Qualified ECP Guarantor" means, in respect of any Swap Obligation, each Guarantor that has total assets exceeding $10,000,000 at the time the relevant Guaranty or grant of the relevant security interest becomes effective with respect to such Swap Obligation or such other Person as constitutes an "eligible contract participant" under (and as defined in) the Commodity Exchange Act or any regulations promulgated thereunder and can cause another person to qualify as an "eligible contract participant" at such time by entering into a keepwell under Section 1a(18)(A)(v)(II) of the Commodity Exchange Act.

"Secured Credit Document" means each Loan Document, each Secured Hedge Agreement and any agreement evidencing any Cash Management Obligation.

"Secured Parties" means, collectively, the Administrative Agent, the Collateral Agent, the Lenders, the Hedge Banks, the Cash Management Banks, the Supplemental Administrative Agent and each co-agent or sub-agent appointed by the Administrative Agent from time to time pursuant to Section 9.02 of the Credit Agreement.

"Subsidiary Parties" means (a) the Subsidiaries identified on Schedule I and (b) each other Subsidiary that becomes a party to this Agreement as a Subsidiary Party after the Closing Date.

ARTICLE II

Guaranty

Section 2.01. Guaranty. Each Guarantor irrevocably, absolutely and unconditionally guarantees, jointly with the other Guarantors and severally, as a primary obligor and not merely as a surety, the due and punctual payment and performance of the Guaranteed Obligations, in each case, whether such Guaranteed Obligations are now existing or hereafter incurred under, arising out of or in connection with any Secured Credit Document, and whether at maturity, by acceleration or otherwise. Each of the Guarantors further agrees that the Guaranteed Obligations may be extended, increased or renewed, in whole or in part, without notice to, or further assent from such Guarantor, and that such Guarantor will remain bound upon its guaranty notwithstanding any extension, increase or renewal of any Guaranteed Obligation. Each of the Guarantors waives, to the fullest extent permitted under applicable Law, presentment to, demand of payment from, and protest to, the applicable Guaranteed Party or any other Loan Party of any of the Guaranteed Obligations, and also waives, to the fullest extent permitted under applicable Law, notice of acceptance of its guaranty and notice of protest for nonpayment.

Section 2.02. Guarantee of Payment. Each of the Guarantors further agrees that its guaranty hereunder constitutes a guarantee of payment when due and not of collection, and, to the fullest extent permitted under applicable Law, waives any right to require that any resort be had by the Administrative Agent or any other Secured Party to any security held for the payment of the Guaranteed Obligations, or to any balance of any deposit account or credit on the books of the Administrative Agent or any other Secured Party in favor of any Guaranteed Party or any other Person. The obligations of each Guarantor hereunder are independent of the obligations of any other Guarantor, any other guarantor, any Borrower or any other Guaranteed Party, and a separate action or actions may be brought and prosecuted against each Guarantor whether or not action is brought against any other Guarantor, any other guarantor, any Borrower or any other Guaranteed Party and whether or not any other Guarantor, any other guarantor, any Borrower or any other Guaranteed party be joined in any such action or actions. Any payment required to be made by a Guarantor hereunder may be required by the Administrative Agent or any other Secured Party on any number of occasions.

Section 2.03. No Limitations. (a) Except for termination of a Guarantor's obligations hereunder as expressly provided in Section 4.13, but without prejudice to Section 2.04, the obligations of each Guarantor hereunder shall not be subject to any reduction, limitation, impairment or termination for any reason, including any claim of waiver, release, surrender, alteration or compromise, and shall not be subject to any defense or set-off, counterclaim, recoupment or termination whatsoever by reason of the invalidity, illegality or unenforceability of the Guaranteed Obligations, or otherwise. Without limiting the generality of the foregoing, except for termination of a Guarantor's obligations hereunder as expressly provided in Section 4.13, the obligations of each Guarantor hereunder shall not be discharged or impaired or otherwise affected by (i) the failure of the Administrative Agent or any other Secured Party to assert any claim or demand or to enforce any right or remedy under the provisions of any Secured Credit Document or otherwise; (ii) any rescission, waiver, amendment or modification of, or any release from any of the terms or provisions of, any Secured Credit Document or any other agreement, including with respect to any other Guarantor under this Agreement; (iii) the release of any security held by the Collateral Agent or any other Secured Party for the Guaranteed Obligations; (iv) any default, failure or delay, willful or otherwise, in the performance of the Guaranteed Obligations; (v) the failure to perfect any security interest in, or the release of, any of the Collateral held by or on behalf of the Collateral Agent or any other Secured party; (vi) the lack of legal existence of any Borrower or any Guarantor or legal obligation to discharge any of the Guaranteed Obligations by any Borrower or any Guarantor for any reason whatsoever, including, without limitation, in any insolvency, bankruptcy or reorganization of any Loan Party; or (vii) any other act or omission that may or might in any manner or to any extent vary the risk of any Guarantor or otherwise operate as a discharge of any Guarantor as a matter of law or equity (other than the indefeasible payment in full in cash of all the Guaranteed Obligations). Each Guarantor expressly authorizes the applicable Secured Parties to take and hold security for the payment and performance of the Guaranteed Obligations, to exchange, waive or release any or all such security (with or without consideration), to enforce or apply such security and direct the order and manner of any sale thereof in their sole discretion or to release or substitute any one or more other guarantors or obligors upon or in respect of the Guaranteed Obligations all without affecting the obligations of any Guarantor hereunder.

(b) Except for termination of a Guarantor's obligations hereunder as expressly permitted in Section 4.13, but without prejudice to Section 2.04, to the fullest extent permitted by applicable Law, each Guarantor waives any defense based on or arising out of any defense of any Borrower or any other Guaranteed Party or the unenforceability of the Guaranteed Obligations or any part thereof from any cause, or the cessation from any cause of the liability of any Borrower or any other Guaranteed Party, other than the indefeasible payment in full in cash of all the Guaranteed Obligations. The Administrative Agent and the other Secured Parties may in accordance with the terms of the Collateral Documents, at their election, foreclose on any security held by one or more of them by one or more judicial or nonjudicial sales, accept an assignment of any such security in lieu of foreclosure, compromise or adjust any part of the Guaranteed Obligations, make any other accommodation with any Borrower or any other Guaranteed Party or exercise any other right or

remedy available to them against any Borrower or any other Guaranteed Party, without affecting or impairing in any way the liability of any Guarantor hereunder except to the extent the Guaranteed Obligations have been indefeasibly paid in full in cash. To the fullest extent permitted by applicable Law, each Guarantor waives any defense arising out of any such election even though such election operates, pursuant to applicable Law, to impair or to extinguish any right of reimbursement or subrogation or other right or remedy of such Guarantor against any Borrower or any other Guaranteed Party, as the case may be, or any security.

Section 2.04. Reinstatement. Notwithstanding anything to the contrary contained in this Agreement, each of the Guarantors agrees that (i) its guaranty hereunder shall continue to be effective or be reinstated, as the case may be, if at any time payment, or any part thereof, of any Guaranteed Obligation is rescinded or must otherwise be restored by the Administrative Agent or any other Secured Party upon the bankruptcy or reorganization of any Borrower or any other Guaranteed Party or otherwise and (ii) the provisions of this Section 2.04 shall survive termination of this Agreement.

Section 2.05. Agreement To Pay; Subrogation. In furtherance of the foregoing and not in limitation of any other right that the Administrative Agent or any other Secured Party has at law or in equity against any Guarantor by virtue hereof, upon the failure of any Borrower or any other Guaranteed Party to pay any Guaranteed Obligation when and as the same shall become due, whether at maturity, by acceleration, after notice of prepayment or otherwise, each Guarantor hereby promises to and will forthwith pay, or cause to be paid, to the Administrative Agent for distribution to the applicable Secured Parties in cash the amount of such unpaid Guaranteed Obligation. Upon payment by any Guarantor of any sums to the Administrative Agent as provided above, all rights of such Guarantor against any Borrower or any other Guaranteed Party arising as a result thereof by way of right of subrogation, contribution, reimbursement, indemnity or otherwise shall in all respects be subject to Article III.

Section 2.06. Information. Each Guarantor assumes all responsibility for being and keeping itself informed of each Borrower's and each other Guaranteed Party's financial condition and assets, and of all other circumstances bearing upon the risk of nonpayment of the Guaranteed Obligations and the nature, scope and extent of the risks that such Guarantor assumes and incurs hereunder, and agrees that none of the Administrative Agent or the other Secured Parties will have any duty to advise such Guarantor of information known to it or any of them regarding such circumstances or risks.

ARTICLE III

Indemnity, Subrogation and Subordination

Section 3.01. Indemnity and Subrogation. In addition to all such rights of indemnity and subrogation as the Guarantors may have under applicable Law (but subject to Section 3.03), each Guaranteed Party agrees that in the event a payment shall be made by any Guarantor under this Agreement on account of any Guaranteed Obligation owed directly by such Guaranteed Party (i.e., other than any obligation arising under this Agreement), such Guaranteed Party shall indemnify such Guarantor for the full amount of such payment and such Guarantor shall be subrogated to the rights of the Person to whom such payment shall have been made to the extent of such payment.

Section 3.02. Contribution and Subrogation. At any time a payment by any Subsidiary Party in respect of the Guaranteed Obligations is made under this Agreement that shall not have been fully indemnified as provided in Section 3.01, the right of contribution of each Subsidiary Party against each other Subsidiary Party shall be determined as provided in the immediately succeeding sentence, with the right of contribution of each Subsidiary Party to be revised and restated as of each date on which an unreimbursed payment (a "Relevant Payment") is made on the Guaranteed Obligations under this Agreement. At any time that a Relevant Payment is made by a Subsidiary Party that results in the aggregate payments made by such Subsidiary Party in respect of the Guaranteed Obligations to and including the date of the Relevant Payment exceeding such Subsidiary Party's Contribution Percentage (as defined below) of the aggregate payments made by all Subsidiary Parties in respect of the Guaranteed Obligations to and including the date of the Relevant Payment (such excess, the "Aggregate Excess Amount"), each such Subsidiary Party shall have a right of contribution against each other Subsidiary Party who has made payments in respect of the Guaranteed Obligations to and including the date of the Relevant Payment in an aggregate amount less than such other Subsidiary Party's Contribution Percentage of the aggregate payments made to and including the date of the Relevant Payment by all Subsidiary Parties in respect of the Guaranteed Obligations (the aggregate amount of such deficit, the "Aggregate Deficit Amount") in an amount equal to (x) a fraction the numerator of which is the Aggregate Excess Amount of such Subsidiary Party and the denominator of which is the Aggregate Excess Amount of all Subsidiary Parties multiplied by (y) the Aggregate Deficit Amount of such other Subsidiary Party. A Subsidiary Party's right of contribution pursuant to the preceding sentences shall arise at the time of each computation, subject to adjustment to the time of each computation; provided that all contribution rights of such Subsidiary Party shall be subject to Section 3.03. As used in this Section 3.02: (i) each Subsidiary Party's "Contribution Percentage" shall mean the percentage obtained by dividing (x) the Adjusted Net Worth (as defined below) of such Subsidiary Party by (y) the aggregate Adjusted Net Worth of all Subsidiary Parties; (ii) the "Adjusted Net Worth" of each Subsidiary Party shall mean the greater of (x) the Net Worth (as defined below) of such Subsidiary Party and (y) zero; and (iii) the "Net Worth" of each Subsidiary Party shall mean the amount by which the fair saleable value of such Subsidiary Party's assets on the date of any Relevant Payment exceeds its existing debts and other liabilities (including contingent liabilities, but without giving effect to any Guaranteed Obligations arising under this Agreement or any guaranteed obligations arising under any guaranty of any Junior Financing) on such date. Notwithstanding anything to the contrary contained above, any Subsidiary Party that is released from this Agreement pursuant to Section 4.13 hereof shall thereafter have no contribution obligations, or rights, pursuant to this Section 3.02, and at the time of any such release, if the released Subsidiary Party had an Aggregate Excess Amount or an Aggregate Deficit Amount, same shall be deemed reduced to $0, and the contribution rights and obligations of the remaining Subsidiary Parties shall be recalculated on the respective date of release (as otherwise provided above) based on the payments made hereunder by the remaining Subsidiary Parties. Each of the Subsidiary Parties recognizes and acknowledges that the rights to contribution arising hereunder shall constitute an asset in favor of the party entitled to such contribution. In this context, each Subsidiary Party has the right to waive its contribution right against any other Subsidiary Party to the extent that after giving effect to such waiver such Subsidiary Party would remain solvent, in the determination of the Required Lenders.

Section 3.03. Subordination. Notwithstanding any provision of this Agreement to the contrary, all rights of the Guarantors under Sections 3.01 and 3.02 and all other rights of indemnity, contribution or subrogation under applicable Law or otherwise shall be fully subordinated to the indefeasible payment in full in cash of the Guaranteed Obligations; provided, that if any amount shall be paid to such Guarantor on account of such subrogation rights at any time prior to the irrevocable payment in full in cash of all the Guaranteed Obligations, such amount shall be held in trust for the benefit of the Secured Parties and shall forthwith be paid to the Administrative Agent to be credited and applied against the Guaranteed Obligations, whether matured or unmatured, in accordance with Section 8.04 of the Credit Agreement. No failure on the part of any Borrower or any Guarantor to make the payments required by Sections 3.01 and 3.02 (or any

other payments required under applicable Law or otherwise) shall in any respect limit the obligations and liabilities of any Guarantor with respect to its obligations hereunder, and subject to Section 4.16, each Guarantor shall remain liable for the full amount of the obligations of such Guarantor hereunder.

ARTICLE IV

Miscellaneous

Section 4.01. Notices. All communications and notices hereunder shall (except as otherwise expressly permitted herein) be in writing and given as provided in Section 10.02 of the Credit Agreement. All communications and notices hereunder to any Subsidiary Party shall be given to it in care of the Company as provided in Section 10.02 of the Credit Agreement.

Section 4.02. Waivers; Amendment. (a) No failure or delay by the Administrative Agent, any L/C Issuer, any Lender or any other Secured Party in exercising any right, remedy, power or privilege hereunder or under any other Secured Credit Document shall operate as a waiver thereof, nor shall any single or partial exercise of any such right, remedy, power or privilege or any abandonment or discontinuance of steps to enforce such a right, remedy, power or privilege, preclude any other or further exercise thereof, or the exercise of any other right, remedy, power or privilege. The rights, remedies, powers and privileges of the Secured Parties hereunder and under the other Secured Credit Documents are cumulative and are not exclusive of any rights, remedies, powers or privileges that they would otherwise have. No waiver of any provision of this Agreement or consent to any departure by any Loan Party therefrom shall in any event be effective unless the same shall be permitted by paragraph (b) of this Section 4.02, and then such waiver or consent shall be effective only in the specific instance and for the purpose for which given. Without limiting the generality of the foregoing, the making of a Loan or issuance of a Letter of Credit shall not be construed as a waiver of any Default, regardless of whether the Administrative Agent, any Lender or any L/C Issuer may have had notice or knowledge of such Default at the time. No notice or demand on any Loan Party in any case shall entitle any Loan Party to any other or further notice or demand in similar or other circumstances.

(b) Neither this Agreement nor any provision hereof may be waived, amended or modified except pursuant to an agreement or agreements in writing entered into by the Administrative Agent and the Loan Party or Loan Parties with respect to which such waiver, amendment or modification is to apply, subject to any consent required in accordance with Section 10.01 of the Credit Agreement.

(c) Each Guarantor hereby acknowledges and affirms that it understands that to the extent the Guaranteed Obligations are secured by real property located in the State of California, such Guarantor shall be liable for the full amount of the liability hereunder notwithstanding foreclosure on such real property by trustee sale or any other reason impairing such Guarantor's or any Secured Party's right to proceed against any Borrower or any other guarantor of the Guaranteed Obligations.

(d) Each Guarantor hereby waives, to the fullest extent permitted by applicable Law, all rights and benefits under Sections 580a, 580b, 580d and 726 of the California Code of Civil Procedure. Each Guarantor hereby further waives, to the fullest extent permitted by applicable Law, without limiting the generality of the foregoing or any other provision hereof, all rights and benefits which might otherwise be available to such Guarantor under Sections 2809, 2810, 2815, 2819, 2821, 2839, 2845, 2846, 2847, 2848, 2849, 2850, 2899 and 3433 of the California Civil Code.

(e) Each Guarantor waives its rights of subrogation and reimbursement and any other rights and defenses available to such Guarantor by reason of Sections 2787 to 2855, inclusive, of the California

Civil Code, including, without limitation, (1) any defenses such Guarantor may have to this Agreement by reason of an election of remedies by the Secured Parties and (2) any rights or defenses such Guarantor may have by reason of protection afforded to the Borrowers pursuant to the antideficiency or other laws of California limiting or discharging the Borrowers' indebtedness, including, without limitation, Section 580a, 580b, 580d and 726 of the California Code of Civil Procedure. In furtherance of such provisions, each Guarantor hereby waives all rights and defenses arising out of an election of remedies of the Secured Parties, even though that election of remedies, such as a nonjudicial foreclosure destroys such Guarantor's rights of subrogation and reimbursement against a Borrower by the operation of Section 580d of the California Code of Civil Procedure or otherwise.

(f) Each Guarantor warrants and agrees that each of the waivers set forth above is made with full knowledge of its significance and consequences and that if any of such waivers are determined to be contrary to any applicable Law or public policy, such waivers shall be effective only to the maximum extent permitted by law.

Section 4.03. Administrative Agent's Fees and Expenses; Indemnification. (a) The parties hereto agree that the Administrative Agent shall be entitled to reimbursement of its expenses incurred hereunder as provided in Section 10.04 of the Credit Agreement.

(b) Without limitation of its indemnification obligations under the other Secured Credit Documents, each Guarantor jointly and severally agrees to indemnify the Administrative Agent and the other Indemnitees (as defined in Section 10.05 of the Credit Agreement) against, and hold each Indemnitee harmless from, any and all losses, claims, damages, liabilities and related expenses, including the reasonable fees, charges and disbursements of any counsel for any Indemnitee (but limited, in the case of legal fees and expenses, to the reasonable and documented out-of-pocket fees, disbursements and other charges of one counsel to all Indemnitees taken as a whole and, if reasonably necessary, one firm of local counsel in each relevant jurisdiction, and solely in the case of an actual or potential conflict of interest, one additional counsel in each relevant jurisdiction to each group of similarly situated affected Indemnitees), incurred by or asserted against any Indemnitee arising out of, in connection with, or as a result of, the execution, delivery, performance or enforcement of this Agreement or any claim, litigation, investigation or proceeding relating to any of the foregoing, whether or not any Indemnitee is a party thereto; provided that such indemnity shall not, as to any Indemnitee, be available to the extent that such losses, claims, damages, liabilities or related expenses are determined by a court of competent jurisdiction by a final and non-appealable decision to have resulted from the gross negligence, bad faith or willful misconduct of, or material breach of this Agreement by, such Indemnitee or of any Affiliate, director, officer, employee, counsel, agent or attorney-in-fact of such Indemnitee.

(c) Any such amounts payable as provided hereunder shall be additional Guaranteed Obligations secured hereby and by the other Collateral Documents. The provisions of this Section 4.03 shall remain operative and in full force and effect regardless of the termination of this Agreement or any other Secured Credit Document, the consummation of the transactions contemplated hereby, the repayment of any of the Guaranteed Obligations, the invalidity or unenforceability of any term or provision of this Agreement or any other Secured Credit Document, or any investigation made by or on behalf of the Administrative Agent or any other Secured Party. All amounts due under this Section 4.03 shall be payable within ten Business Days of written demand therefor.

Section 4.04. Successors and Assigns. Whenever in this Agreement any of the parties hereto is referred to, such reference shall be deemed to include the permitted successors and assigns of such party; and all covenants, promises and agreements by or on behalf of any Guarantor or the Administrative Agent that are contained in this Agreement shall bind and inure to the benefit of their respective successors and assigns.

Section 4.05. Survival of Agreement. All covenants, agreements, representations and warranties made by the Guaranteed Parties in the Secured Credit Documents and in the certificates or other instruments prepared or delivered in connection with or pursuant to this Agreement or any other Secured Credit Document shall be considered to have been relied upon by the relevant Secured Parties and shall survive the execution and delivery of the relevant Secured Credit Documents and the making of any Loans and issuance of any Letters of Credit, regardless of any investigation made by any Secured Party or on its behalf and notwithstanding that the Administrative Agent, any L/C Issuer, any Lender or any other Secured Party may have had notice or knowledge of any Default or default under any other Secured Credit Document or any incorrect representation or warranty at the time any credit is extended under any Secured Credit Document, and shall continue in full force and effect with respect to each Guarantor until this Agreement is terminated with respect to such Guarantor or such Guarantor is otherwise released from its obligations under this Agreement in each case pursuant to Section 4.13.

Section 4.06. Counterparts; Effectiveness; Several Agreement. This Agreement may be executed in counterparts, each of which shall constitute an original but all of which when taken together shall constitute a single contract. Delivery of an executed signature page to this Agreement by facsimile or electronic (i.e., "tif" or "pdf") transmission shall be as effective as delivery of a manually signed counterpart of this Agreement. This Agreement shall become effective as to any Loan Party when a counterpart hereof executed on behalf of such Loan Party shall have been delivered to the Administrative Agent and a counterpart hereof shall have been executed on behalf of the Administrative Agent, and thereafter shall be binding upon such Loan Party and the Administrative Agent and their respective permitted successors and assigns, and shall inure to the benefit of such Loan Party, the Administrative Agent and the other Secured Parties and their respective successors and assigns, except that no Loan Party shall have the right to assign or transfer its rights or obligations hereunder or any interest herein (and any such assignment or transfer shall be void) except as expressly contemplated by this Agreement or the Credit Agreement. This Agreement shall be construed as a separate agreement with respect to each Loan Party and may be amended, modified, restated, supplemented, waived or released with respect to any Loan Party without the approval of any other Loan Party and without affecting the obligations of any other Loan Party hereunder.

Section 4.07. Severability. Any provision of this Agreement held to be invalid, illegal or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such invalidity, illegality or unenforceability without affecting the validity, legality and enforceability of the remaining provisions hereof; and the invalidity of a particular provision in a particular jurisdiction shall not invalidate such provision in any other jurisdiction. The parties shall endeavor in good faith negotiations to replace the invalid, illegal or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the invalid, illegal or unenforceable provisions.

Section 4.08. Right of Set-Off. In addition to any rights and remedies of the Lenders provided by Law, upon the occurrence and during the continuance of any Event of Default, each Lender and its Affiliates is authorized at any time and from time to time, without prior notice to the Borrowers or any other Guaranteed Party, any such notice being waived by the Borrowers and each other Guaranteed Party 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) at any time held by, and other Indebtedness at any time owing by, such Lender and its Affiliates to or for the credit or the account of the respective Loan Parties against any and all Guaranteed Obligations owing to such Lender and its Affiliates hereunder, now or hereafter existing, irrespective of whether or not such Lender or Affiliate shall have made demand under this Agreement and although such Guaranteed Obligations may be contingent or unmatured or denominated in a currency different from that of the applicable deposit or Indebtedness. Each Lender agrees promptly to notify the Company and the Administrative Agent after any such set off and application made by such Lender; provided, that the failure to give such notice shall not affect the validity of such setoff and application. The rights of each Lender

under this Section 4.08 are in addition to other rights and remedies (including other rights of setoff) that such Lender may have.

Section 4.09. Governing Law; Jurisdiction; Consent to Service of Process. (a) This Agreement shall be construed in accordance with and governed by the law of the State of New York.

(b) Each of the Loan Parties hereby irrevocably and unconditionally submits, for itself and its property, to the exclusive jurisdiction of the courts of the State of New York sitting in New York City in the Borough of Manhattan 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 hereby irrevocably and unconditionally agrees that all claims in respect of any such action or proceeding may be heard and determined in such New York State 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. Each party hereto agrees that the Agents and Lenders retain the right to serve process in any other manner permitted by law and to bring proceedings against any Grantor in the courts of any other jurisdiction in connection with the exercise of any rights under this Agreement or the enforcement of any judgment.

(c) Each of the Loan Parties hereby 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 4.09. 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) Each party to this Agreement irrevocably consents to service of process in the manner provided for notices in Section 4.01. Nothing in this Agreement or any other Loan Document will affect the right of any party to this Agreement to serve process in any other manner permitted by law.

Section 4.10. WAIVER OF JURY TRIAL . EACH PARTY HERETO HEREBY EXPRESSLY WAIVES ANY RIGHT TO TRIAL BY JURY OF ANY CLAIM, DEMAND, ACTION OR CAUSE OF ACTION ARISING UNDER THIS AGREEMENT OR IN ANY WAY CONNECTED WITH OR RELATED OR INCIDENTAL TO THE DEALINGS OF THE PARTIES HERETO WHETHER NOW EXISTING OR HEREAFTER ARISING, AND WHETHER FOUNDED IN CONTRACT OR TORT OR OTHERWISE; AND EACH PARTY HEREBY AGREES AND CONSENTS THAT ANY SUCH CLAIM, DEMAND, ACTION OR CAUSE OF ACTION SHALL BE DECIDED BY COURT TRIAL WITHOUT A JURY, AND THAT ANY PARTY TO THIS AGREEMENT MAY FILE AN ORIGINAL COUNTERPART OR A COPY OF THIS SECTION 4.10 WITH ANY COURT AS WRITTEN EVIDENCE OF THE CONSENT OF THE SIGNATORIES HERETO TO THE WAIVER OF THEIR RIGHT TO TRIAL BY JURY.

Section 4.11. Headings. Article and Section headings and the Table of Contents used herein are for convenience of reference only, are not part of this Agreement and are not to affect the construction of, or to be taken into consideration in interpreting, this Agreement.

Section 4.12. Obligations Absolute. All rights of the Administrative Agent hereunder and all obligations of each Guarantor hereunder shall be absolute and unconditional irrespective of (a) any lack of validity or enforceability of the Credit Agreement, any other Loan Document, any other Secured Hedge Agreement, any other agreement with respect to any of the Guaranteed Obligations or any other agreement or instrument relating to any of the foregoing, (b) any change in the time, manner or place of payment of,

or in any other term of, all or any of the Guaranteed Obligations, or any other amendment or waiver of or any consent to any departure from the Credit Agreement, any other Loan Document, any other Secured Hedge Agreement or any other agreement or instrument, (c) any release or amendment or waiver of or consent under or departure from any guaranty guaranteeing all or any portion of the Guaranteed Obligations or (d) subject to the terms of Section 4.13, any other circumstance that might otherwise constitute a defense available to, or a discharge of, any Guarantor in respect of the Guaranteed Obligations or this Agreement.

Section 4.13. Termination or Release. (a) Subject to Section 2.04, this Agreement and the Guarantees made herein shall terminate with respect to all Guaranteed Obligations when all the outstanding Guaranteed Obligations (other than Guaranteed Obligations in respect of Secured Hedge Agreements and Cash Management Obligations not yet due and payable (to the extent permitted by the terms thereof) and contingent indemnification obligations not yet accrued and payable) have been indefeasibly paid in full and the Lenders have no further commitment to lend under the Credit Agreement, the L/C Obligations have been reduced to zero (other than L/C Obligations that have been fully cash collateralized or supported by a backstop letter of credit in each case in an amount and on terms reasonably satisfactory to the Administrative Agent and the L/C Issuer) and the L/C Issuers have no further obligations to issue Letters of Credit under the Credit Agreement.

(b) A Subsidiary Party shall automatically be released from its obligations hereunder upon the consummation of any transaction permitted by the Credit Agreement as a result of which such Subsidiary Party ceases to be a Subsidiary of the Company or becomes an Excluded Subsidiary.

(c) In connection with any termination or release pursuant to paragraph (a) or (b), the Administrative Agent shall promptly execute and deliver to any Guarantor, at such Guarantor's expense, all documents that such Guarantor shall reasonably request to evidence such termination or release. Any execution and delivery of documents pursuant to this Section 4.13 shall be without recourse to or warranty by the Administrative Agent.

(d) At any time that each Borrower desires that the Administrative Agent take any of the actions described in the immediately preceding clause (c), it shall, upon request of the Administrative Agent, deliver to the Administrative Agent an officer's certificate certifying that the release of the respective Subsidiary Party is permitted pursuant to paragraph (a) or (b). The Administrative Agent shall have no liability whatsoever to any Secured Party as the result of any release of any Subsidiary Party by it as permitted (or which the Administrative Agent in good faith believes to be permitted) by this Section 4.13.

(e) Notwithstanding anything to the contrary set forth in this Agreement, each Cash Management Bank and each Hedge Bank by the acceptance of the benefits under this Agreement hereby acknowledge and agree that (i) the obligations of the Borrowers or any Subsidiary under any Secured Hedge Agreement and the Cash Management Obligations shall be guaranteed pursuant to this Agreement only to the extent that, and for so long as, the other Guaranteed Obligations are so guaranteed and (ii) any release of a Guarantor effected in the manner permitted by this Agreement shall not require the consent of any Hedge Bank or Cash Management Bank.

Section 4.14. Additional Subsidiaries. Pursuant to Section 6.11 of the Credit Agreement, certain Subsidiaries of the Loan Parties that were not in existence on the date of the Credit Agreement are required to enter in this Agreement as Subsidiary Parties upon becoming a Subsidiary. In addition, certain Subsidiaries of the Loan Parties that are not required under the Credit Agreement to enter in this Agreement as Subsidiary Parties may elect to do so at their option. Upon execution and delivery by the Administrative Agent and a Subsidiary of a Guaranty Agreement Supplement, such Subsidiary shall become a Subsidiary Party hereunder with the same force and effect as if originally named as a Subsidiary Party herein. The execution and delivery of any such instrument shall not require the consent of any other Loan Party hereunder. The rights and

obligations of each Loan Party hereunder shall remain in full force and effect notwithstanding the addition of any new Loan Party as a party to this Agreement.

Section 4.15. Recourse. This Agreement is made with full recourse to each Guarantor and pursuant to and upon all the warranties, representations, covenants and agreements on the part of such Guarantor contained herein, in the Loan Documents and the other Secured Credit Documents and otherwise in writing in connection herewith or therewith.

Section 4.16. Limitation on Guaranteed Obligations. Each Guarantor that is a Subsidiary Party and each Secured Party (by its acceptance of the benefits of this Agreement) hereby confirms that it is its intention that this Agreement not constitute a fraudulent transfer or conveyance for purposes of any Debtor Relief Laws (including the Bankruptcy Code of the United States, the Uniform Fraudulent Conveyance Act or any similar Federal or state law). To effectuate the foregoing intention, each Guarantor that is a Subsidiary Party and each Secured Party (by its acceptance of the benefits of this Agreement) hereby irrevocably agrees that the Guaranteed Obligations owing by such Guarantor under this Agreement shall be limited to such amount as will, after giving effect to such amount and all other (contingent or otherwise) liabilities of such Guarantor that are relevant under such Debtor Relief Laws (it being understood that it is the intention of the parties to this Agreement and the parties to any guarantee of any Junior Financing that is subordinated to any of the Guaranteed Obligations, to the maximum extent permitted under applicable Laws, that the liabilities in respect of the guarantees of such Junior Financing shall not be included for the foregoing purposes and that, if any reduction is required to the amount guaranteed by any Guarantor hereunder and with respect to such Junior Financing that its guarantee of amounts owing in respect of such Junior Financing shall first be reduced) and after giving effect to any rights to contribution and/or subrogation pursuant to any agreement providing for an equitable contribution and/or subrogation among such Guarantor and the other Guarantors, result in the Guaranteed Obligations of such Guarantor in respect of such amount not constituting a fraudulent transfer or conveyance and the maximum liability of each Guarantor hereunder and under the Secured Credit Documents shall in no event exceed such amount. Notwithstanding the provisions of the two preceding sentences, as between the Secured Parties and the holders of such Junior Financing, it is agreed (and the provisions of Junior Financing Documentation shall so provide) that any diminution (whether pursuant to court decree or otherwise) of any Guarantor's obligation to make any distribution or payment pursuant to this Agreement shall have no force or effect for purposes of the subordination provisions contained in such Junior Financing Documentation, and that any payments received in respect of a Guarantor's obligations with respect to such Junior Financing shall be turned over to the holders of the "Senior Indebtedness" (as defined in such Junior Financing Documentation) (or obligations which would have constituted Senior Indebtedness if same had not been reduced or disallowed) of such Guarantor (which Senior Indebtedness shall be calculated as if there were no diminution thereto pursuant to this Section 4.16 or for any other reason other than the indefeasible payment in full in cash of the respective obligations which would otherwise have constituted Senior Indebtedness) until all such Senior Indebtedness (or obligations which would have constituted Senior Indebtedness if same had not been reduced or disallowed) has been indefeasibly paid in full in cash.

Section 4.17. Keepwell. Each Qualified ECP Guarantor hereby jointly and severally absolutely, unconditionally and irrevocably undertakes to provide such funds or other support as may be needed from time to time by each other Guarantor to honor all of its obligations under this Agreement in respect of Swap Obligations (provided, however, that each Qualified ECP Guarantor shall only be liable under this Section 4.17 for the maximum amount of such liability that can be hereby incurred without rendering its obligations under this Section 4.17, or otherwise under this Agreement, as it relates to such other Guarantor, voidable under applicable Law relating to fraudulent conveyance or fraudulent transfer, and not for any greater amount). The obligations of each Qualified ECP Guarantor under this Section shall remain in full force and effect until a Discharge of Guaranteed Obligations. Each Qualified ECP Guarantor intends that this Section 4.17 constitute, and this Section 4.17 shall be deemed to constitute, a "keepwell, support, or other agreement"

for the benefit of each other Loan Party for all purposes of Section 1a(18)(A)(v)(II) of the Commodity Exchange Act.

Section 4.18. Amendment and Restatement; No Novation. This Agreement constitutes an amendment and restatement of that certain Guaranty Agreement dated of October 26, 2012 (as amended, restated, supplemented, reaffirmed or otherwise modified, the "Existing Guaranty Agreement"), effective from and after the Closing Date. The execution and delivery of this Agreement shall not constitute a novation of any indebtedness or other obligations owing to the Lenders or the Collateral Agent under the Existing Credit Agreement or guaranteed by the Existing Guaranty Agreement or release of any Liens securing any such indebtedness or obligations.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties hereto have caused their duly authorized officers to execute and deliver this Agreement as of the date first above written.

OSI RESTAURANT PARTNERS, LLC, as a Borrower

By: _____
Name: Michael A'Hearn
Title: Vice President

BLOOMIN' BRANDS, INC., as Borrower

By: _____
Name: Michael A'Hearn
Title: Vice President and Treasurer

BLOOMIN' BRANDS GIFT CARD SERVICES, LLC
OS RESTAURANT SERVICES, LLC
OUTBACK DESIGNATED PARTNER, LLC
OUTBACK KANSAS LLC

By: OUTBACK STEAKHOUSE OF FLORIDA, LLC,
its member

By: OSI RESTAURANT PARTNERS, LLC,
its member

By:_____
Name: Joseph J. Kadow
Title: Executive Vice President, Chief Legal Officer & Assistant Secretary

BONEFISH OF BEL AIR LLC

By: BONEFISH GRILL, LLC, its managing member

By: OSI RESTAURANT PARTNERS, LLC,
its member

By:_____
Name: Joseph J. Kadow
Title: Executive Vice President, Chief Legal Officer & Assistant Secretary

BONEFISH/ASHEVILLE, LIMITED PARTNERSHIP
BONEFISH/CAROLINAS, LIMITED PARTNERSHIP
BONEFISH/COLUMBUS-I, LIMITED PARTNERSHIP
BONEFISH/CRESCENT SPRINGS, LIMITED PARTNERSHIP
BONEFISH/GREENSBORO, LIMITED PARTNERSHIP
BONEFISH/HYDE PARK, LIMITED PARTNERSHIP

By: BONEFISH GRILL, LLC, its general partner

By: OSI RESTAURANT PARTNERS, LLC,
its member

By:_____
Name: Joseph J. Kadow
Title: Executive Vice President, Chief Legal Officer & Assistant Secretary

BONEFISH BEVERAGES, LLC

BONEFISH HOLDINGS, LLC
CIGI BEVERAGES OF TEXAS, LLC
CIGI HOLDINGS, LLC
OUTBACK BEVERAGES OF TEXAS, LLC
OBTEX HOLDINGS, LLC

By: _____

Name: Joseph J. Kadow
Title: Executive Vice President, Chief Legal

BONEFISH BRANDYWINE, LLC

BONEFISH DESIGNATED PARTNER, LLC

BONEFISH KANSAS, LLC

By: BONEFISH GRILL, LLC, its member

By: OSI RESTAURANT PARTNERS, LLC,
its member

By:_____

Name: Joseph J. Kadow
Title: Executive Vice President, Chief Legal
Officer & Assistant Secretary

BFG NEBRASKA, INC.
BFG OKLAHOMA, INC.
CIGI NEBRASKA, INC.
CIGI OKLAHOMA, INC.
OS MANAGEMENT, INC.
OS MORTGAGE HOLDINGS, INC.
OSF NEBRASKA, INC.
OSF OKLAHOMA, INC.
OUTBACK ALABAMA, INC.
OUTBACK & CARRABBA'S OF NEW MEXICO, INC.

By: _____

Name: David J. Deno
Title: Chief Financial and Administrative Officer,
Executive Vice President

CARRABBA'S DESIGNATED PARTNER, LLC
CARRABBA'S KANSAS LLC

By: CARRABBA'S ITALIAN GRILL, LLC,
its member

By: OSI RESTAURANT PARTNERS, LLC,
its member

By:_____
Name: Joseph J. Kadow
Title: Executive Vice President, Chief
Legal Officer & Assistant Secretary

CARRABBA'S ITALIAN GRILL OF HOWARD COUNTY, INC.

By: _____
Name: Malcom Mordue
Title: Secretary, Treasurer & President

BONEFISH GRILL, LLC
CARRABBA'S ITALIAN GRILL, LLC
OS REALTY, LLC
OUTBACK STEAKHOUSE OF FLORIDA, LLC
PRIVATE RESTAURANT MASTER LESSEE, LLC
DOORSIDE, LLC

By: OSI RESTAURANT PARTNERS, LLC,
its member

By: Name: Joseph J. Kadow
Title: Executive Vice President, Chief
Legal Office & Assistant Secretary

CARRABBA'S OF BOWIE, LLC

By: CARRABBA'S ITALIAN GRILL, LLC,
its managing member

By: OSI RESTAURANT PARTNERS, LLC,
its member

By:_____
Name: Joseph J. Kadow
Title: Executive Vice President, Chief Legal
Legal Officer & Assistant Secretary

CARRABS OF GERMANTOWN, INC.
CARRABA'S OF WALDORF, INC.

By: CARRABA'S ITALIAN GRILL, LLC,
its sole shareholder

By: OSI RESTAURANT PARTNERS, LLC, its member

By: _____
Name: Joseph J. Kadow
Title: Executive Vice President, Chief
Legal Officer & Assistant Secretary

CARRABBA'S/BIRMINGHAM 280, LIMITED PARTNERSHIP

By: CARRABBA'S ITALIAN GRILL, LLC,
its general member

By: OSI RESTAURANT PARTNERS, LLC,
its member

By:_____
Name: Joseph J. Kadow
Title: Executive Vice President, Chief Legal Officer & Assistant Secretary

By: CARRABBA'S DESIGNATED PARTNER, LLC,
its general partner

By: CARRABBA'S ITALIAN GRILL, LLC,
its member

By: OSI RESTAURANT PARTNERS, LLC, its member

By:_____
Name: Joseph J. Kadow
Title: Executive Vice President
Chief Legal Officer & Assistant Secretary

CARRABBA'S/DC-I, LIMITED PARTNERSHIP

By: CARRABBA'S ITALIAN GRILL, LLC,
its general partner

By: OSI RESTAURANT PARTNERS, LLC,
its member

By:_____
Name: Joseph J. Kadow
Title: Executive Vice President, Chief
Legal Officer & Assistant Secretary

CIGI/BFG OF EAST BRUNSWICK PARTNERSHIP

By: CARRABBA'S ITALIAN GRILL, LLC, its partner

By: OSI RESTAURANT PARTNERS, LLC,
its member

By:_____
Name: Joseph J. Kadow
Title: Executive Vice President, Chief
Legal Officer & Assistant Secretary

By: BONEFISH GRILL, LLC, its partner

By: OSI RESTAURANT PARTNERS, LLC,
its member

By:_____
Name: Joseph J. Kadow
Title: Executive Vice President, Chief
Legal Officer & Assistant Secretary

OUTBACK OF ASPEN HILL, INC.
OUTBACK OF GERMANTOWN, INC.
FREDERICK OUTBACK, INC.

By: _____
Name: Stephen S. Newton
Title: Treasurer, President & Secretary

OSF/BFG OF DEPTFORD PARTNERSHIP
OSF/BFG OF LAWRENCEVILLE PARTNERSHIP

By: OUTBACK STEAKHOUSE OF FLORIDA, LLC,
its partner

By: OSI RESTAURANT PARTNERS, LLC,
its member

By:_____
Name: Joseph J. Kadow
Title: Executive Vice President, Chief
Legal Officer & Assistant Secretary

By: BONEFISH GRILL, LLC, its partner

By: OSI RESTAURANT PARTNERS, LLC, its
member

By:_____
Name: Joseph J. Kadow
Title: Executive Vice President, Chief
Legal Officer & Assistant Secretary

OSF/CIGI OF EVESHAM PARTNERSHIP
OSF/CIGI OF EVESHAM PARTNERSHIP
OUTBACK/CARRABBA'S PARTNERSHIP

By: OUTBACK STEAKHOUSE OF FLORIDA, LLC its partner

By: OSI RESTAURANT PARTNERS, LLC,
its member

By:_____
Name: Joseph J. Kadow
Title: Executive Vice President, Chief
Legal Officer & Assistant Secretary

By: CARRABBA'S ITALIAN GRILL, LLC, its partner

By: OSI RESTAURANT PARTNERS, LLC,
its member

By:_____
Name: Joseph J. Kadow
Title: Executive Vice President, Chief
Legal Officer & Assistant Secretary

OUTBACK STEAKHOUSE WEST VIRGINIA, INC.

By: _____

Name: Joseph J. Kadow
Title: Director

OUTBACK/STONE-II, LIMITED PARTNERSHIP

By: OUTBACK STEAKHOUSE OF FLORIDA, LLC,
its general partner

By: OSI RESTAURANT PARTNERS, LLC,
its member

By:_____

Name: Joseph J. Kadow
Title: Executive Vice President, Chief
Legal Officer & Assistant Secretary

OUTBACK OF LAUREL, LLC

By: OUTBACK STEAKHOUSE OF FLORIDA, LLC,
its Sole Manager

By: OSI RESTAURANT PARTNERS, LLC,
its member

By:_____

Name: Joseph J. Kadow
Title: Executive Vice President, Chief
Legal Officer & Assistant Secretary

OSI HOLDCO, INC.
OSI HOLDCO I, INC.
OSI HOLDCO II, INC.

By: _____
Name: Joseph J. Kadow
Title: Executive Vice President & Secretary

NEW PRIVATE RESTAURANT PROPERTIES, LLC

By: _____
Name: Joseph J. Kadow
Title: Secretary, Chief Legal Officer &
Executive Vice President

WELLS FARGO BANK, NATIONAL ASSOCIATION, as Administrative Agent

By: _____

Name:

Title

SCHEDULE I to the Amended and Restated Guaranty Agreement

SUBSIDIARY PARTIES

1. BFG Nebraska, Inc.
2. BFG Oklahoma, Inc.
3. Bloomin' Brands Gift Card Services, LLC
4. Bonefish Beverages, LLC
5. Bonefish Brandywine, LLC
6. Bonefish Designated Partner, LLC
7. Bonefish Grill, LLC
8. Bonefish Holdings, LLC
9. Bonefish Kansas LLC
10. Bonefish of Bel Air, LLC
11. Bonefish/Asheville, Limited Partnership
12. Bonefish/Carolinas, Limited Partnership
13. Bonefish/Columbus-I, Limited Partnership
14. Bonefish/Crescent Springs, Limited Partnership
15. Bonefish/Greensboro, Limited Partnership
16. Bonefish/Hyde Park, Limited Partnership
17. Carrabba's Designated Partner, LLC
18. Carrabba's Italian Grill of Howard County, Inc.
19. Carrabba's Italian Grill, LLC
20. Carrabba's Kansas LLC
21. Carrabba's of Bowie, LLC
22. Carrabbas of Germantown, Inc.
23. Carrabba's of Waldorf, Inc.
24. Carrabba's/Birmingham 280, Limited Partnership

25. Carrabba's/DC-I, Limited Partnership
26. CIGI Beverages of Texas, LLC
27. CIGI Holdings, LLC
28. CIGI Nebraska, Inc.
29. CIGI Oklahoma, Inc.
30. CIGI/BFG of East Brunswick Partnership
31. DoorSide, LLC
32. Frederick Outback, Inc.
33. New Private Restaurant Properties, LLC
34. OBTex Holdings, LLC
35. OS Management, Inc.
36. OS Mortgage Holdings, Inc.
37. OS Realty, LLC
38. OS Restaurant Services, LLC
39. OSF Nebraska, Inc.
40. OSF Oklahoma, Inc.
41. OSF/BFG of Deptford Partnership
42. OSF/BFG of Lawrenceville Partnership
43. OSF/CIGI of Evesham Partnership
44. OSI HoldCo, Inc.
45. OSI HoldCo I, Inc.
46. OSI, HoldCo II, Inc.
47. Outback & Carrabba's of New Mexico, Inc.
48. Outback Alabama, Inc.
49. Outback Beverages of Texas, LLC
50. Outback Designated Partner, LLC

51. Outback Kansas LLC

52. Outback of Aspen Hill, Inc.

53. Outback of Germantown, Inc.

54. Outback of Laurel, LLC

55. Outback Steakhouse of Florida, LLC

56. Outback Steakhouse West Virginia, Inc.

57. Outback/Carrabba's Partnership

58. Outback/Stone-II, Limited Partnership

59. Private Restaurant Master Lessee, LLC

EXHIBIT I to the Amended and Restated
Guaranty Agreement

SUPPLEMENT NO. (this "Supplement") dated as of [●], to the Amended and Restated Guaranty Agreement dated as of November 30, 2017 (the "Guaranty Agreement"), among OSI RESTAURANT PARTNERS, LLC ("OSI"), BLOOMIN' BRANDS, INC. (the "Company" and together with OSI, the "Borrowers"), the Subsidiaries of the Company identified therein and WELLS FARGO BANK, NATIONAL ASSOCIATION, as Administrative Agent.

A. Reference is made to (i) the Amended and Restated Credit Agreement dated as of November 30, 2017 (as amended, restated, supplemented or otherwise modified from time to time, the "Credit Agreement"), among the Borrowers, each Lender from time to time party thereto and Wells Fargo Bank, National Association, as Administrative Agent, (ii) each Secured Hedge Agreement (as defined in the Credit Agreement) and (iii) the Cash Management Obligations (as defined in the Credit Agreement).

B. Capitalized terms used herein and not otherwise defined herein shall have the meanings assigned to such terms in the Credit Agreement and the Guaranty Agreement as applicable.

C. The Guarantors have entered into the Guaranty Agreement in order to induce (x) the Lenders to make Loans and the L/C Issuers to issue Letters of Credit, (y) the Hedge Banks to enter into and/or maintain Secured Hedge Agreements and (z) the Cash Management Banks to provide Cash Management Services. Section 4.14 of the Guaranty Agreement provides that additional Subsidiaries of the Company may become Subsidiary Parties under the Guaranty Agreement by execution and delivery of an instrument in the form of this Supplement. The undersigned Subsidiary (the "New Subsidiary") is executing this Supplement in accordance with the requirements of the Credit Agreement to become a Subsidiary Party under the Guaranty Agreement in order to induce the Lenders to make additional Loans and the L/C Issuers to issue additional Letters of Credit and as consideration for Loans previously made and Letters of Credit previously issued.

Accordingly, the Administrative Agent and the New Subsidiary agree as follows:

Section 1. In accordance with Section 4.14 of the Guaranty Agreement, the New Subsidiary by its signature below becomes a Subsidiary Party and Guarantor under the Guaranty Agreement with the same force and effect as if originally named therein as a Subsidiary Party and the New Subsidiary hereby (a) agrees to all the terms and provisions of the Guaranty Agreement applicable to it as a Subsidiary Party and Guarantor thereunder and (b) represents and warrants that the representations and warranties made by it as a Guarantor thereunder are true and correct on and as of the date hereof. Each reference to a "Guarantor" in the Guaranty Agreement shall be deemed to include the New Subsidiary. The Guaranty Agreement is hereby incorporated herein by reference.

Section 2. The New Subsidiary represents and warrants to the Administrative Agent and the other Secured Parties that (i) it has the power and authority to enter into this Supplement and (ii) this Supplement has been duly authorized, executed and delivered by it and constitutes its legal, valid and binding obligation, enforceable against it in accordance with its terms.

Section 3. This Supplement may be executed in counterparts (and by different parties hereto on different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. This Supplement shall become effective when the Administrative Agent shall have received a counterpart of this Supplement that bears the signature of the New Subsidiary and the Administrative Agent has executed a counterpart hereof. Delivery of an executed signature page to

this Supplement by facsimile or electronic (i.e., "tif" or "pdf") transmission shall be as effective as delivery of a manually signed counterpart of this Supplement.

Section 4. Except as expressly supplemented hereby, the Guaranty Agreement shall remain in full force and effect.

Section 5. THIS SUPPLEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.

Section 6. In case any one or more of the provisions contained in this Supplement should be held invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein and in the Guaranty Agreement shall not in any way be affected or impaired thereby (it being understood that the invalidity of a particular provision in a particular jurisdiction shall not in and of itself affect the validity of such provision in any other jurisdiction). The parties hereto shall endeavor in good-faith negotiations to replace the invalid, illegal or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the invalid, illegal or unenforceable provisions.

Section 7. All communications and notices hereunder shall be in writing and given as provided in Section 4.01 of the Guaranty Agreement.

Section 8. The New Subsidiary agrees to reimburse the Administrative Agent, on the same terms and to the same extent as provided for in Section 4.03 of the Guaranty Agreement, for its reasonable out- of-pocket expenses in connection with this Supplement, including the reasonable fees, other charges and disbursements of counsel for the Administrative Agent.

[Signature Page Follows]

IN WITNESS WHEREOF, the New Subsidiary and the Administrative Agent have duly executed this Supplement to the Guaranty Agreement as of the day and year first above written.

[NAME OF NEW SUBSIDIARY]

By: _____

Name:

Title

EXHIBIT G

[FORM OF]

SECURITY AGREEMENT

96064450_3

AMENDED AND RESTATED SECURITY AGREEMENT

dated as of

November 30, 2017

among

OSI RESTAURANT PARTNERS, LLC,

BLOOMIN' BRANDS, INC.,

THE SUBSIDIARIES OF BLOOMIN' BRANDS, INC.
IDENTIFIED HEREIN

and

WELLS FARGO BANK, NATIONAL ASSOCIATION,
as Collateral Agent

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SCHEDULES

EXHIBITS

AMENDED AND RESTATED SECURITY AGREEMENT dated as of November 30, 2017, among OSI RESTAURANT PARTNERS, LLC ("OSI"), BLOOMIN' BRANDS, INC. (the "Company" and together with OSI, the "Borrowers"), the other Subsidiaries of the Company identified herein and WELLS FARGO BANK, NATIONAL ASSOCIATION, as Collateral Agent for the Secured Parties (as defined below).

Reference is made to (i) the Amended and Restated Credit Agreement dated as of November 30, 2017 (as amended, restated, supplemented and/or otherwise modified from time to time, the "Credit Agreement"), among the Borrowers, each Lender (as defined in the Credit Agreement) from time to time party thereto and Wells Fargo Bank, National Association, as Administrative Agent, Swing Line Lender and an L/C Issuer, (ii) each Guaranty (as defined in the Credit Agreement), (iii) each Secured Hedge Agreement (as defined in the Credit Agreement) and (iv) the Cash Management Obligations (as defined in the Credit Agreement).

The Lenders have agreed to extend credit to the Borrowers subject to the terms and conditions set forth in the Credit Agreement, the Hedge Banks have agreed to enter into and/or maintain one or more Secured Hedge Agreements on the terms and conditions set forth therein and the Cash Management Banks have agreed to provide and/or maintain Cash Management Services on the terms and conditions agreed upon by the Borrowers or the respective Subsidiary and the respective Cash Management Bank. The obligations of the Lenders to extend such credit, the obligation of the Hedge Banks to enter into and/or maintain such Secured Hedge Agreements and the obligation of the Cash Management Bank to provide and/or maintain such Cash Management Services are, in each case, conditioned upon, among other things, the execution and delivery of this Agreement by each Grantor. The Borrowers and the Subsidiary Parties are affiliates of one another, will derive substantial benefits from (i) the extensions of credit to the Borrowers pursuant to the Credit Agreement, (ii) the entering into and/or maintaining by the Hedge Banks of Secured Hedge Agreements with a Borrower and/or one or more of its respective Subsidiaries and (iii) the providing and/or maintaining of Cash Management Services by the Cash Management Banks to a Borrower and/or one or more of its respective Subsidiaries, and are willing to execute and deliver this Agreement in order to induce the Lenders to extend such credit, the Hedge Banks to enter into and maintain such Secured Hedge Agreements and the Cash Management Banks to provide and/or maintain such Cash Management Services. Accordingly, the parties hereto agree as follows:

ARTICLE I

Definitions

Section 1.01. Credit Agreement. (a) Capitalized terms used in this Agreement and not otherwise defined herein have the meanings specified in the Credit Agreement. All terms defined in the New York UCC (as defined herein) and not defined in this Agreement have the meanings specified therein; the term "instrument" shall have the meaning specified in Article 9 of the New York UCC.

(b) The rules of construction specified in Article I of the Credit Agreement also apply to this Agreement.

Section 1.02. Other Defined Terms. As used in this Agreement, the following terms have the meanings specified below:

"Account Debtor" means any Person who is or who may become obligated to any Grantor under, with respect to or on account of an Account.

"After-Acquired Intellectual Property" has the meaning assigned to such term in Section 4.02(d).

"Agreement" means this Amended and Restated Security Agreement.

"Article 9 Collateral" has the meaning assigned to such term in Section 3.01(a).

"Bankruptcy Event of Default" means any Event of Default under Section 8.01(f) of the Credit Agreement.

"Cash Collateral Account" means a non-interest bearing cash collateral account maintained with, and in the sole dominion and control of, the Collateral Agent for the benefit of the Secured Parties.

"Collateral" means the Article 9 Collateral and the Pledged Collateral.

"Controlled" means, with respect to any Intellectual Property right, the possession (whether by ownership or license, other than pursuant to this Agreement) by a party of the right to grant to another party an interest as provided herein under such item or right without violating the terms of any agreement or other arrangements with any third party existing before or after the Closing Date.

"Copyright License" means any written agreement, now or hereafter in effect, (a) granting to any third party any right under an Owned Copyright or any Copyright that a Grantor otherwise has the right to grant a license under, or (b) granting to any Grantor any right under a Copyright now or hereafter owned by any third party, and all rights of such Grantor under any such agreement.

"Copyright Security Agreement" means an agreement substantially in the form of Exhibit II hereto.

"Copyrights" means: (a) all copyright rights in any work subject to the copyright laws of the United States or any other country, whether the holder of such rights is an author, assignee, transferee or otherwise entitled to such rights, whether registered or unregistered and whether published or unpublished; (b) all registrations and applications for registration of any such copyright in the United States or any other country, including registrations, recordings, supplemental registrations and pending applications for registration in the United States Copyright Office, including those listed on Schedule IV; and (c) all (i) rights and privileges arising under applicable Law with respect to the use of such copyrights, (ii) reissues, renewals, continuations and extensions or restorations thereof and amendments thereto, (iii) income, fees, royalties, damages, claims and payments now or hereafter due and/or payable with respect thereto, including damages and payments for past, present or future infringements thereof, (iv) rights corresponding thereto throughout the world and (v) rights to sue for past, present or future infringements thereof.

"Credit Agreement" has the meaning assigned to such term in the preliminary statement of this Agreement.

"Domain Names" means all Internet domain names and associated URL addresses in or to which any Grantor now or hereafter has any right, title or interest, including those listed on Schedule V.

"Excluded Assets" has the meaning assigned to such term in the Credit Agreement.

"General Intangibles" has the meaning provided in Article 9 of the New York UCC and shall in any event include all choses in action and causes of action and all other intangible personal property of every kind and nature now owned or hereafter acquired by any Grantor, as the case may be, including corporate or other business records, indemnification claims, contract rights (including rights under leases, whether entered into as lessor or lessee, Swap Contracts and other agreements), goodwill, registrations,

franchises, tax refund claims and any letter of credit, guarantee, claim, security interest or other security held by or granted to any Grantor, as the case may be, to secure payment by an Account Debtor of any of the Accounts.

"Grantor" means each Borrower and each Subsidiary Party.

"Intellectual Property" means all intellectual and similar property of every kind and nature, including inventions, designs, Patents, Copyrights, Licenses, Trademarks, trade secrets, confidential or proprietary technical and business information, know-how, show-how or other data or information, software, databases, all other proprietary information, including but not limited to Domain Names, and all embodiments or fixations thereof and related documentation, registrations and franchises, and all additions, improvements and accessions to, and books and records describing or used in connection with, any of the foregoing.

"Intellectual Property Collateral" means Collateral consisting of Owned Intellectual Property registered under the Laws of the United States.

"Intellectual Property Security Agreement" means a Copyright Security Agreement, Patent Security Agreement or Trademark Security Agreement, as the context requires.

"License" means any Patent License, Trademark License, Copyright License, or other license or sublicense agreement to which any Grantor is a party, including those listed on Schedule VI.

"New York UCC" means the Uniform Commercial Code as from time to time in effect in the State of New York.

"Owned Copyrights" means Copyrights now Controlled by, or that hereafter become Controlled by any Grantor, whether by acquisition, assignment, or an exclusive license, including those listed on Schedule IV.

"Owned Intellectual Property" means Intellectual Property now Controlled by, or that hereafter becomes Controlled by, any Grantor, whether by acquisition, assignment, or an exclusive license including, but not limited to, all Intellectual Property listed on Schedules IV, V, VI, VII and VIII.

"Owned Patents" means Patents now Controlled by, or that hereafter become Controlled by, any Grantor whether by acquisition, assignment, or an exclusive license, including those listed on Schedule VII.

"Owned Trademarks" means Trademarks now Controlled by, or that hereafter become Controlled by, any Grantor, whether by acquisition, assignment, or an exclusive license, including those listed on Schedule VIII.

"Patent License" means any written agreement, now or hereafter in effect, (a) granting to any third party any right arising under an Owned Patent or any Patent that a Grantor otherwise has the right to grant a license under, or (b) granting to any Grantor any right arising under a Patent now or hereafter owned by any third party; and all rights of any Grantor under any such agreement.

"Patent Security Agreement" means an agreement substantially in the form of Exhibit III hereto.

"Patents" means: (a) all letters patent of the United States or the equivalent thereof in any other country, all registrations and recordings thereof, and all applications for letters patent of the United States or the equivalent thereof in any other country, including registrations, recordings and pending applications in the United States Patent and Trademark Office or any similar offices in any other country, including those

listed on Schedule VII; and (b) (i) rights and privileges arising under applicable Law with respect to the use of any patents, (ii) inventions and improvements described and claimed therein, (iii) reissues, reexaminations, divisions, continuations, renewals, extensions or restorations and continuations- in-part thereof and amendments thereto, (iv) income, fees, royalties, damages, claims and payments now or hereafter due and/or payable thereunder and with respect thereto including damages and payments for past, present or future infringements thereof, (v) rights corresponding thereto throughout the world and (vi) rights to sue for past, present or future infringements thereof.

"Perfection Certificate" means a certificate substantially in the form of Exhibit V hereto, completed and supplemented with the schedules and attachments contemplated thereby, and duly executed by a Responsible Officer of the Company.

"Pledged Collateral" has the meaning assigned to such term in Section 2.01.

"Pledged Debt" has the meaning assigned to such term in Section 2.01.

"Pledged Equity" has the meaning assigned to such term in Section 2.01.

"Pledged Securities" means any promissory notes, stock certificates or other securities now or hereafter included in the Pledged Collateral, including all Pledged Equity, Pledged Debt and all other certificates, instruments or other documents representing or evidencing any Pledged Collateral.

"Secured Credit Document" means each Loan Document, each Secured Hedge Agreement and any agreement evidencing any Cash Management Obligations.

"Secured Obligations" means the "Obligations" as defined in the Credit Agreement; it being acknowledged and agreed that the term "Secured Obligations" as used herein shall include each extension of credit under the Credit Agreement and all obligations (other than any Excluded Swap Obligations) of the Borrowers and/or their respective Subsidiaries under the Secured Hedge Agreements and all Cash Management Obligations, in each case, whether outstanding on the date of this Agreement or extended from time to time after the date of this Agreement.

"Secured Parties" means, collectively, the Administrative Agent, the Collateral Agent, the Lenders, each L/C Issuer, the Hedge Banks, the Cash Management Banks, the Supplemental Administrative Agent and each co-agent or sub-agent appointed by the Administrative Agent from time to time pursuant to Section 9.02 of the Credit Agreement.

"Security Agreement Supplement" means an instrument substantially in the form of Exhibit I hereto.

"Security Interest" has the meaning assigned to such term in Section 3.01(a).

"Subsidiary Parties" means (a) the Subsidiaries identified on Schedule I and (b) each other Subsidiary that becomes a party to this Agreement as a Subsidiary Party after the Closing Date.

"Trademark License" means any written agreement, now or hereafter in effect, (a) granting to any third party any right to use any Owned Trademark or any Trademark that a Grantor otherwise has the right to grant a license under, or (b) granting to any Grantor any right to use any Trademark now or hereafter owned by any third party, and all rights of any Grantor under any such agreement.

"Trademark Security Agreement" shall mean an agreement substantially in the form of Exhibit IV hereto.

"Trademarks" means: (a) all trademarks, service marks, trade names, corporate names, company names, business names, fictitious business names, slogans, trade styles, trade dress, logos, other source or business identifiers, designs and general intangibles of like nature, whether registered or unregistered, now existing or hereafter adopted, acquired or assigned to, all registrations and recordings thereof, and all registration and recording applications filed in connection therewith, including registrations and registration applications in the United States Patent and Trademark Office or any similar offices in any State of the United States or any other country or any political subdivision thereof, and all extensions or renewals thereof, including those listed on Schedule VIII, together with (b) any and all (i) rights and privileges arising under applicable Law with respect to the use of any trademarks, (ii) reissues, continuations, extensions and renewals thereof and amendments thereto, (iii) income, fees, royalties, damages and payments now and hereafter due and/or payable thereunder and with respect thereto, including damages, claims and payments for past, present or future infringements thereof, (iv) rights corresponding thereto throughout the world and (v) rights to sue for past, present and future infringements thereof.

ARTICLE II

Pledge of Securities

Section 2.01. Pledge. As security for the payment or performance, as the case may be, in full of the Secured Obligations, including each Guaranty, each Grantor hereby assigns and pledges to the Collateral Agent, its successors and assigns, for the benefit of the Secured Parties, and hereby grants to the Collateral Agent, its successors and assigns, for the benefit of the Secured Parties, a security interest in, all of such Grantor's right, title and interest in, to and under (i) all Equity Interests of OSI and of each other Domestic Subsidiary directly owned by such Grantor held by it and listed on Schedule II and any other Equity Interests of Domestic Subsidiaries directly owned in the future by such Grantor and the certificates representing all such Equity Interests (the "Pledged Equity"); provided that the Pledged Equity shall not include (A) Equity Interests of any Employment Participation Subsidiary (except to the extent a perfected security interest in such Subsidiary can be obtained by filing of a UCC-1 financing statement), (B) Equity Interests of Foreign Subsidiary Holding Companies, (C) Equity Interests of any Subsidiary of a Foreign Subsidiary, (D) Margin Stock, (E) specifically identified Equity Interests of any Subsidiary with respect to which (i) the Administrative Agent has confirmed in writing to the Company its determination that the costs of providing a pledge of its Equity Interests is excessive in view of the practical benefits to be obtained by the Lenders or (ii) the Borrowers in consultation with the Administrative Agent have reasonably determined that the creation or perfection of pledges of, or security interests in, such Equity Interests would result in material adverse tax consequences to any Borrower or any of its Subsidiaries, (F) Equity Interests of any non-Wholly Owned Subsidiary if (but only to the extent that, and for so long as) (i) the Organization Documents or other agreements with respect to the Equity Interests of such non-Wholly Owned Subsidiary with other equity holders (other than any such agreement where all of the equity holders party thereto are Grantors or Subsidiaries thereof) do not permit or restrict the pledge of such Equity Interests, or (ii) the pledge of such Equity Interests (including any exercise of remedies) would result in a change of control, repurchase obligation or other adverse consequence to any of the Grantors or such Subsidiary (other than the loss of such Equity Interests as a result of any such exercise of remedies), (G) any Equity Interest if (but only to the extent that, and for so long as) the pledge of such Equity Interest hereunder (i) is prohibited by applicable Law other than to the extent such prohibition is rendered ineffective under the UCC or other applicable Laws or (ii) would violate the terms of any written agreement, license, lease or similar arrangement with respect to such Equity Interest or would require consent, approval, license or authorization (in each case, after giving effect to the relevant provisions of the UCC or other applicable Laws) or would give rise to a termination

right (in favor of a Person other than any Borrower or any Subsidiary) pursuant to any "change of control" or other similar provision under such written agreement, license or lease (except to the extent such provision is overridden by the UCC or other applicable Laws), in each case, (x) excluding any such written agreement that relates to Credit Agreement Refinancing Indebtedness or Incremental Equivalent Debt and (y) only to the extent that such limitation on such pledge or security interest is otherwise permitted under Section 7.09 of the Credit Agreement, (H) Equity Interests of each Subsidiary set forth in Schedule 1.01A of the Credit Agreement, (I) Equity Interests of Liquor License Subsidiaries and (J) any other Equity Interests that constitute Excluded Assets (any Equity Interests excluded pursuant to clauses (A) through (J) above, the "Excluded Equity Interests" ; provided, however, that Excluded Equity Interests shall not include any Proceeds, substitutions or replacements of any Excluded Equity Interests referred to in the foregoing clauses (A) through (J) (unless such Proceeds, substitutions or replacements would independently constitute Excluded Equity Interests referred to in the foregoing clauses (A) through (J))); (A) promissory notes and instruments evidencing indebtedness owned by a Grantor and listed opposite the name of such Grantor on Schedule II, and (B) any promissory notes and instruments evidencing indebtedness obtained in the future by such Grantor (the "Pledged Debt"); (iii) all other property that may be delivered to and held by the Collateral Agent pursuant to the terms of this Section 2.01; (iv) subject to Section 2.06, all payments of principal or interest, dividends, cash, instruments and other property from time to time received, receivable or otherwise distributed in respect of, in exchange for or upon the conversion of, and all other Proceeds received in respect of, the securities referred to in clauses (i) and (ii) above; (v) subject to Section 2.06, all rights and privileges of such Grantor with respect to the securities and other property referred to in clauses (i), (ii), (iii) and (iv) above; and (vi) all Proceeds of, and Security Entitlements in, any of the foregoing (the items referred to in clauses (i) through (vi) above being collectively referred to as the "Pledged Collateral" ; provided that Pledged Collateral shall not include any Excluded Assets).

TO HAVE AND TO HOLD the Pledged Collateral, together with all right, title, interest, powers, privileges and preferences pertaining or incidental thereto, unto the Collateral Agent, its successors and assigns, for the benefit of the applicable Secured Parties, forever; subject, however, to the terms, covenants and conditions hereinafter set forth.

Section 2.02. Delivery of the Pledged Collateral. (a) Each Grantor agrees promptly (or, if acquired after the date hereof, within 30 days after receipt thereof by such Grantor (or such longer period as the Collateral Agent may agree in its reasonable discretion)) to deliver or cause to be delivered to the Collateral Agent, for the benefit of the applicable Secured Parties, any and all Pledged Securities (other than any uncertificated securities, but only for so long as such securities remain uncertificated) to the extent such Pledged Securities, in the case of promissory notes and instruments evidencing Indebtedness, are required to be delivered pursuant to paragraph (b) of this Section 2.02.

(b) Each Grantor will cause any Indebtedness for borrowed money having an aggregate principal amount that is in excess of $5,000,000 owed to such Grantor by any Person to be evidenced by a duly executed promissory note to be pledged and delivered to the Collateral Agent, for the benefit of the applicable Secured Parties, pursuant to the terms hereof.

(c) Upon delivery to the Collateral Agent, (i) any Pledged Securities shall be accompanied by stock powers duly executed in blank or other instruments of transfer reasonably satisfactory to the Collateral Agent and by such other instruments and documents as the Collateral Agent may reasonably request and (ii) all other property comprising part of the Pledged Collateral shall be accompanied by proper instruments of assignment (if appropriate) duly executed by the applicable Grantor and such other instruments or documents as the Collateral Agent may reasonably request. Each delivery of Pledged Securities shall be accompanied by a schedule describing the securities, which schedule shall be deemed to supplement Schedule II and made a part hereof; provided that failure to supplement Schedule II hereto shall not affect the validity of such

pledge of such Pledged Securities. Each schedule so delivered shall supplement any prior schedules so delivered.

Section 2.03. Representations, Warranties and Covenants. Each Borrower jointly and severally represents, warrants and covenants, as to themselves and the other Grantors, to and with the Collateral Agent, for the benefit of the Secured Parties, that:

(a) Schedule II, or the supplement thereto, as applicable, correctly sets forth, as of the Closing Date and as of each date on which a supplement to Schedule II is delivered pursuant to Section 2.02(c), the percentage of the issued and outstanding units of each class of the Equity Interests of the issuer thereof represented by the Pledged Equity and includes all Equity Interests required to be pledged and all debt securities and promissory notes required to be pledged and delivered hereunder in order to satisfy the Collateral and Guarantee Requirement;

(b) the Pledged Equity issued by OSI or a Subsidiary of the Company and Pledged Debt (solely with respect to Pledged Debt issued by a Person other than the Company or a Subsidiary of the Company, to the best of each Borrower's knowledge) have been duly and validly authorized and issued by the issuers thereof and (i) in the case of Pledged Equity, are fully paid and nonassessable and (ii) in the case of Pledged Debt (solely with respect to Pledged Debt issued by a Person other than the Company or a Subsidiary of the Company, to the best of each Borrower's knowledge), are legal, valid and binding obligations of the issuers thereof;

(c) except for the security interests granted hereunder, each of the Grantors (i) is and, subject to any transfers made in compliance with the Credit Agreement, will continue to be the direct owner, beneficially and of record, of the Pledged Securities indicated on Schedule II as owned by such Grantors, (ii) holds the same free and clear of all Liens, other than (A) Liens created by the Collateral Documents and (B) Liens expressly permitted pursuant to Section 7.01 of the Credit Agreement, (iii) will make no assignment, pledge, hypothecation or transfer of, or create or permit to exist any security interest in or other Lien on, the Pledged Collateral, other than transfers made in accordance with the Credit Agreement and (A) Liens created by the Collateral Documents and (B) Liens expressly permitted pursuant to Section 7.01 of the Credit Agreement, and (iv) will defend its title or interest thereto or therein against any and all Liens (other than the Liens permitted pursuant to this Section 2.03(c)), however arising, of all Persons whomsoever;

(d) except for (i) restrictions and limitations imposed by the Loan Documents or securities laws generally, (ii) in the case of Pledged Equity of Persons that are not Subsidiaries, transfer restrictions that exist at the time of acquisition of such Equity Interests and (iii) as described in the Perfection Certificate, the Pledged Collateral is and will continue to be freely transferable and assignable, and none of the Pledged Collateral is or will be subject to any option, right of first refusal, shareholders agreement, charter or by-law provisions or contractual restriction of any nature that might prohibit, impair, delay or otherwise affect in any manner material and adverse to the Secured Parties the pledge of such Pledged Collateral hereunder, the sale or disposition thereof pursuant hereto or the exercise by the Collateral Agent of rights and remedies hereunder;

(e) each of the Grantors has the power and authority to pledge the Pledged Collateral pledged by it hereunder in the manner hereby done or contemplated;

(f) no consent or approval of any Governmental Authority, any securities exchange or any other Person was or is necessary to the validity of the pledge effected hereby (other than such as have been obtained and are in full force and effect);

(g) by virtue of the execution and delivery by the Grantors of this Agreement, when any Pledged Securities are delivered to the Collateral Agent in accordance with this Agreement, the Collateral Agent will obtain a legal, valid and first-priority perfected lien upon and security interest in such Pledged Securities as security for the payment and performance of the Secured Obligations, subject only to any Lien permitted pursuant to Section 7.01 of the Credit Agreement; and

(h) the pledge effected hereby is effective to vest in the Collateral Agent, for the benefit of the Secured Parties, the rights of the Collateral Agent in the Pledged Collateral as set forth herein.

Notwithstanding anything to the contrary in this Agreement, to the extent any provision of this Agreement or the Credit Agreement excludes any assets from the scope of the Pledged Collateral, or from any requirement to take any action to perfect any security interest in favor of the Administrative Agent in the Pledged Collateral, the representations, warranties and covenants made by any relevant Grantor in this Agreement with respect to the creation, perfection or priority (as applicable) of the security interest granted in favor of the Administrative Agent (including, without limitation, this Section 2.03) shall be deemed not to apply to such excluded assets.

Section 2.04. Certification of Limited Liability Company and Limited Partnership Interests. No interest in any limited liability company or limited partnership controlled by any Grantor that constitutes Pledged Equity (x) shall be represented by a certificate unless (i) the limited liability company agreement or partnership agreement expressly provides that such interests shall be a "security" within the meaning of Article 8 of the UCC of the applicable jurisdiction, and (ii) such certificate shall be delivered to the Collateral Agent in accordance with Section 2.02 or (y) shall, in the case of any limited liability company or limited partnership that is a Wholly Owned Subsidiary of any Grantor, be an uncertificated "security" within the meaning of Article 8 of the UCC of the applicable jurisdiction unless a control agreement, in form and substance reasonably satisfactory to the Collateral Agent, has been executed and delivered by the relevant Grantor and the issuer of such interests to the Collateral Agent within 30 days from the date hereof or if such interest is acquired after the date hereof, within 30 days from the date of such acquisition (or such longer period as the Collateral Agent may agree in its reasonable discretion).

Section 2.05. Registration in Nominee Name; Denominations. If an Event of Default shall occur and be continuing and the Collateral Agent shall give the Company notice of its intent to exercise such rights, (a) the Collateral Agent, on behalf of the Secured Parties, shall have the right (in its sole and absolute discretion) to hold the Pledged Securities in its own name as pledgee, the name of its nominee (as pledgee or as sub-agent) or the name of the applicable Grantor, endorsed or assigned in blank or in favor of the Collateral Agent and each Grantor will promptly give to the Collateral Agent copies of any notices or other communications received by it with respect to Pledged Securities registered in the name of such Grantor and (b) the Collateral Agent shall have the right to exchange the certificates representing Pledged Securities for certificates of smaller or larger denominations for any purpose consistent with this Agreement and, in the case of Pledged Securities of persons that are not Subsidiaries, to the extent permitted by the documentation governing such Pledged Securities; provided that, notwithstanding the foregoing, if a Bankruptcy Event of Default shall have occurred and be continuing, the Collateral Agent shall not be required to give the notice referred to above in order to exercise the rights described above.

Section 2.06. Voting Rights; Dividends and Interest. (a) Unless and until an Event of Default shall have occurred and be continuing and the Collateral Agent shall have notified the Company that the rights of the Grantors under this Section 2.06 are being suspended:

(i) Each Grantor shall be entitled to exercise any and all voting and/or other consensual rights and powers inuring to an owner of Pledged Securities or any part thereof for any purpose

consistent with the terms of this Agreement, the Credit Agreement and the other Loan Documents; provided that such rights and powers shall not be exercised in any manner that could materially and adversely affect the rights inuring to a holder of any Pledged Securities or the rights and remedies of any of the Collateral Agent or the other Secured Parties under this Agreement, the Credit Agreement or any other Secured Credit Document or the ability of the Secured Parties to exercise the same.

(ii) The Collateral Agent shall promptly (after reasonable advance notice) execute and deliver to each Grantor, or cause to be executed and delivered to such Grantor, all such proxies, powers of attorney and other instruments as such Grantor may reasonably request for the purpose of enabling such Grantor to exercise the voting and/or consensual rights and powers it is entitled to exercise pursuant to subparagraph (i) above.

(iii) Each Grantor shall be entitled to receive and retain any and all dividends, interest, principal and other distributions paid on or distributed in respect of the Pledged Securities, to the extent (and only to the extent) that such dividends, interest, principal and other distributions are permitted by, and otherwise paid or distributed in accordance with, the terms and conditions of the Credit Agreement, the other Loan Documents and applicable Laws; provided that any noncash dividends, interest, principal or other distributions that would constitute Pledged Equity or Pledged Debt, whether resulting from a subdivision, combination or reclassification of the outstanding Equity Interests of the issuer of any Pledged Securities or received in exchange for Pledged Securities or any part thereof, or in redemption thereof, or as a result of any merger, consolidation, acquisition or other exchange of assets to which such issuer may be a party or otherwise, shall be and become part of the Pledged Collateral, and, if received by any Grantor, shall not be commingled by such Grantor with any of its other funds or property but shall be held separate and apart therefrom, shall be held in trust for the benefit of the Collateral Agent and the applicable Secured Parties and shall be forthwith delivered to the Collateral Agent in the same form as so received (with any necessary endorsement reasonably requested by the Collateral Agent). So long as no Default or Event of Default has occurred and is continuing, the Collateral Agent shall promptly deliver to each Grantor any Pledged Securities in its possession if requested to be delivered to the issuer thereof in connection with any exchange or redemption of such Pledged Securities in accordance with this Section 2.06(a)(iii).

(b) Upon the occurrence and during the continuance of an Event of Default, after the Collateral Agent shall have notified the Company of the suspension of the rights of the Grantors under paragraph (a)(iii) of this Section 2.06, then all rights of any Grantor to dividends, interest, principal or other distributions that such Grantor is authorized to receive pursuant to paragraph (a)(iii) of this Section 2.06 shall cease, and all such rights shall thereupon become vested in the Collateral Agent, which shall have the sole and exclusive right and authority to receive and retain such dividends, interest, principal or other distributions. All dividends, interest, principal or other distributions received by any Grantor contrary to the provisions of this Section 2.06 shall be held in trust for the benefit of the Collateral Agent, shall be segregated from other property or funds of such Grantor and shall be forthwith delivered to the Collateral Agent upon demand in the same form as so received (with any necessary endorsement reasonably requested by the Collateral Agent). Any and all money and other property paid over to or received by the Collateral Agent pursuant to the provisions of this paragraph (b) shall be retained by the Collateral Agent in an account to be established by the Collateral Agent upon receipt of such money or other property and shall be applied in accordance with the provisions of Section 5.02. After all Events of Default have been cured or waived, the Collateral Agent shall promptly repay to each Grantor (without interest) all dividends, interest, principal or other distributions that such Grantor would otherwise be permitted to retain pursuant to the terms of paragraph (a)(iii) of this Section 2.06 in the absence of an Event of Default and that remain in such account.

(c) Upon the occurrence and during the continuance of an Event of Default, after the Collateral Agent shall have notified the Company of the suspension of the rights of the Grantors under paragraph (a)

(i) of this Section 2.06, then all rights of any Grantor to exercise the voting and consensual rights and powers it is entitled to exercise pursuant to paragraph (a)(i) of this Section 2.06, and the obligations of the Collateral Agent under paragraph (a)(ii) of this Section 2.06, shall cease, and all such rights shall thereupon become vested in the Collateral Agent, which shall have the sole and exclusive right and authority to exercise such voting and consensual rights and powers; provided that, unless otherwise directed by the Required Lenders, the Collateral Agent shall have the right from time to time following and during the continuance of an Event of Default to permit the Grantors to exercise such rights. After all Events of Default have been cured or waived, each Grantor shall have the exclusive right to exercise the voting and/or consensual rights and powers that such Grantor would otherwise be entitled to exercise pursuant to the terms of paragraph (a)(i) above, and the obligations of the Collateral Agent under paragraph (a)(ii) of this Section 2.06 shall be reinstated.

(d) Any notice given by the Collateral Agent to the Company suspending the rights of the Grantors under paragraph (a) of this Section 2.06 (i) shall be given in writing, (ii) may be given with respect to one or more of the Grantors at the same or different times and (iii) may suspend the rights of the Grantors under paragraph (a)(i) or paragraph (a)(iii) in part without suspending all such rights (as specified by the Collateral Agent in its sole and absolute discretion) and without waiving or otherwise affecting the Collateral Agent's rights to give additional notices from time to time suspending other rights so long as an Event of Default has occurred and is continuing. Notwithstanding anything to the contrary contained in Section 2.06(a), (b) or (c), if a Bankruptcy Event of Default shall have occurred and be continuing, the Collateral Agent shall not be required to give any notice referred to in said Section in order to exercise any of its rights described in such Section, and the suspension of the rights of each of the Grantors under each such Section shall be automatic upon the occurrence of such Bankruptcy Event of Default.

Section 2.07. Collateral Agent Not a Partner or Limited Liability Company Member. Nothing contained in this Agreement shall be construed to make the Collateral Agent or any other Secured Party liable as a member of any limited liability company or as a partner of any partnership and neither the Collateral Agent nor any other Secured Party by virtue of this Agreement or otherwise (except as referred to in the following sentence) shall have any of the duties, obligations or liabilities of a member of any limited liability company or as a partner in any partnership. The parties hereto expressly agree that, unless the Collateral Agent shall become the absolute owner of Pledged Equity consisting of a limited liability company interest or a partnership interest pursuant hereto, this Agreement shall not be construed as creating a partnership or joint venture among the Collateral Agent, any other Secured Party, any Grantor and/or any other Person.

ARTICLE III

Security Interests in Personal Property

Section 3.01. Security Interest. (a) As security for the payment or performance, as the case may be, in full of the Secured Obligations, including each Guaranty, each Grantor hereby assigns and pledges to the Collateral Agent, its successors and assigns, for the benefit of the Secured Parties, and hereby grants to the Collateral Agent, its successors and assigns, for the benefit of the Secured Parties, a security interest (the "Security Interest") in, all right, title or interest in or to any and all of the following assets and properties now owned or at any time hereafter acquired by such Grantor or in which such Grantor now has or at any time in the future may acquire any right, title or interest (collectively, the "Article 9 Collateral"):

(i) all Accounts;

(ii) all Chattel Paper;

(iii) all Documents;

(iv) all Equipment;

(v) all General Intangibles;

(vi) all Instruments;

(vii) all Inventory;

(viii) all Intellectual Property Collateral;

(ix) all Investment Property;

(x) all books and records pertaining to the Article 9 Collateral;

(xi) all Goods and Fixtures;

(xii) all Letter-of-Credit Rights;

(xiii) all Commercial Tort Claims described on Schedule III from time to time;

(xiv) the Cash Collateral Account (and all cash, securities and other investments deposited therein);

(xv) all Supporting Obligations;

(xvi) all Security Entitlements in any or all of the foregoing; and

(xvii) to the extent not otherwise included, all Proceeds and products of any and all of the foregoing and all collateral security and guarantees given by any Person with respect to any of the foregoing; provided that, notwithstanding anything to the contrary in this Agreement, Article 9 Collateral shall not include any, and no Security Interest shall be granted in any, Excluded Assets.

(b) Each Grantor hereby irrevocably authorizes the Collateral Agent for the benefit of the Secured Parties at any time and from time to time to file in any relevant jurisdiction any initial financing statements (including fixture filings) with respect to the Article 9 Collateral or any part thereof and amendments thereto that (i) indicate the Collateral as all assets of such Grantor or words of similar effect as being of an equal or lesser scope or with greater detail, and (ii) contain the information required by Article 9 of the Uniform Commercial Code or the analogous legislation of each applicable jurisdiction for the filing of any financing statement or amendment, including (A) whether such Grantor is an organization, the type of organization and any organizational identification number issued to such Grantor and (B) in the case of a financing statement filed as a fixture filing, a sufficient description of the real property to which such Article 9 Collateral relates. Each Grantor agrees to provide such information to the Collateral Agent promptly upon request.

(c) The Security Interest is granted as security only and shall not subject the Collateral Agent or any other Secured Party to, or in any way alter or modify, any obligation or liability of any Grantor with respect to or arising out of the Article 9 Collateral.

(d) Each Grantor hereby further authorizes the Collateral Agent to file filings with the United States Patent and Trademark Office or United States Copyright Office (or any successor office), including the Trademark Security Agreement, Copyright Security Agreement, and Patent Security Agreement or other documents as may be necessary or advisable for the purpose of perfecting, confirming, continuing, enforcing or protecting the security interest granted by such Grantor hereunder, without the signature of such Grantor, and naming such Grantor, as debtor, and the Collateral Agent, as secured party.

Section 3.02. Representations and Warranties. Each Borrower jointly and severally represents and warrants, as to themselves and the other Grantors, to the Collateral Agent and the Secured Parties that:

(a) Subject to Liens permitted by Section 7.01 of the Credit Agreement, each Grantor has good and valid rights in and title to the Article 9 Collateral with respect to which it has purported to grant a Security Interest hereunder and has full power and authority to grant to the Collateral Agent the Security Interest in such Article 9 Collateral pursuant hereto and to execute, deliver and perform its obligations in accordance with the terms of this Agreement, without the consent or approval of any other Person other than any consent or approval that has been obtained.

(b) The Perfection Certificate has been duly prepared, completed, executed and delivered to the Collateral Agent and the information set forth therein, including the exact legal name of each Grantor, is correct and complete in all material aspects as of the Closing Date. The Uniform Commercial Code financing statements (including fixture filings, as applicable) or other appropriate filings, recordings or registrations prepared by the Collateral Agent based upon the information provided to the Collateral Agent in the Perfection Certificate for filing in each governmental, municipal or other office specified in Schedule 4 to the Perfection Certificate (or specified by notice from the applicable Grantor to the Collateral Agent after the Closing Date in the case of filings, recordings or registrations required by Section 6.11 of the Credit Agreement), are all the filings, recordings and registrations that are necessary to establish a legal, valid and perfected security interest in favor of the Collateral Agent (for the benefit of the Secured Parties) in respect of all Article 9 Collateral in which the Security Interest may be perfected by filing, recording or registration in the United States (or any political subdivision thereof) and its territories and possessions, and no further or subsequent filing, refiling, recording, rerecording, registration or reregistration is necessary in any such jurisdiction, except as provided under applicable Law with respect to the filing of continuation statements. Each Grantor represents and warrants that fully executed agreements in the form of Exhibit II, Exhibit III and Exhibit IV hereof and containing a description of all Collateral consisting of Intellectual Property with respect to United States Patents and United States registered Trademarks (and Trademarks for which United States registration applications are pending) and United States registered Copyrights have been delivered to the Collateral Agent for recording by the United States Patent and Trademark Office and the United States Copyright Office pursuant to 35 U.S.C. § 261, 15 ;U.S.C.§ 1060 or 17 U.S.C. § 205 and the regulations thereunder, as applicable, and otherwise as may be required pursuant to the laws of any other necessary jurisdiction, to protect the validity of and to establish a legal, valid and perfected security interest in favor of the Collateral Agent (for the benefit of the Secured Parties) in respect of all Collateral consisting of Patents, Trademarks and Copyrights in which a security interest may be perfected by filing, recording or registration in the United States (or any political subdivision thereof) and its territories and possessions, and no further or subsequent filing, refiling, recording, rerecording, registration or reregistration is necessary (other than such actions as are necessary to perfect the Security Interest with respect to any Collateral consisting of Patents, Trademarks and Copyrights (or registration or application for registration thereof) acquired or developed after the date hereof).

(c) The Security Interest constitutes (i) a legal and valid security interest in all the Article 9 Collateral securing the payment and performance of the Secured Obligations, (ii) subject

to the filings described in Section 3.02(b), a perfected security interest in all Article 9 Collateral in which a security interest may be perfected by filing, recording or registering a financing statement or analogous document in the United States (or any political subdivision thereof) and its territories and possessions pursuant to the Uniform Commercial Code and (iii) a security interest that shall be perfected in all Collateral in which a security interest may be perfected upon the receipt and recording of this Agreement with the United States Patent and Trademark Office and the United States Copyright Office, as applicable, within the three-month period (commencing as of the date hereof) pursuant to 35 U.S.C. § 261 or 15 U.S.C. § 1060 or the one- month period (commencing as of the date hereof) pursuant to 17 U.S.C. § 205 and otherwise as may be required pursuant to the laws of any other necessary jurisdiction. The Security Interest is and shall be prior to any other Lien on any of the Article 9 Collateral, other than (i) any Lien that is expressly permitted pursuant to Section 7.01 of the Credit Agreement and has priority as a matter of law and (ii) Liens expressly permitted pursuant to Section 7.01 of the Credit Agreement.

(d) The Article 9 Collateral is owned by the Grantors free and clear of any Lien, except for Liens expressly permitted pursuant to Section 7.01 of the Credit Agreement. None of the Grantors has filed or consented to the filing of (i) any financing statement or analogous document under the Uniform Commercial Code or any other applicable Laws covering any Article 9 Collateral, (ii) any assignment in which any Grantor assigns any Article 9 Collateral or any security agreement or similar instrument covering any Collateral with the United States Patent and Trademark Office or the United States Copyright Office, or (iii) any assignment in which any Grantor assigns any Article 9 Collateral or any security agreement or similar instrument covering any Article 9 Collateral with any foreign governmental, municipal or other office, which financing statement or analogous document, assignment, security agreement or similar instrument is still in effect, except, in each case, for Liens expressly permitted pursuant to Section 7.01 of the Credit Agreement.

(e) All Commercial Tort Claims of each Grantor in existence on the date of this Agreement (or on the date upon which such Grantor becomes a party to this Agreement) are described on Schedule III hereto.

Section 3.03. Covenants. (a) The Borrowers agree to promptly notify the Collateral Agent in writing of any change (i) in the legal name of any Grantor, (ii) in the identity or type of organization or corporate structure of any Grantor, (iii) in the jurisdiction of organization of any Grantor, (iv) in the location of any Grantor (determined in accordance with Section 9-307 of the UCC) or (v) in the organizational identification number of any Grantor. In addition, if any Grantor does not have an organizational identification number on the Closing Date (or the date such Grantor becomes a party to this Agreement) and later obtains one, the Company shall promptly thereafter notify the Collateral Agent of such organizational identification number and shall take all actions reasonably satisfactory to the Collateral Agent to the extent necessary to maintain the security interests (and the priority thereof) of the Collateral Agent in the Collateral intended to be granted hereby fully perfected and in full force and effect.

(b) Each Grantor shall, at its own expense, take any and all commercially reasonable actions necessary to defend title to the Article 9 Collateral against all Persons and to defend the Security Interest of the Collateral Agent in the Article 9 Collateral and the priority thereof against any Lien not expressly permitted pursuant to Section 7.01 of the Credit Agreement; provided that, nothing in this Agreement shall prevent any Grantor from discontinuing the operation or maintenance of any of its assets or properties if such discontinuance is both (x) determined by such Grantor in good faith to be desirable in the conduct of its business and (y) is permitted by the Credit Agreement.

(c) Each year, at the time of delivery of annual financial statements with respect to the preceding fiscal year pursuant to Section 6.01 of the Credit Agreement, the Company shall deliver to the Collateral

Agent a certificate executed by a Responsible Officer of the Company setting forth the information required pursuant to Section 1(a) and 1(c) of the Perfection Certificate or confirming that there has been no change in such information since the date of such certificate or the date of the most recent certificate delivered pursuant to this Section 3.03(c).

(d) Each Borrower agrees, on its own behalf and on behalf of each other Grantor, at its own expense, to execute, acknowledge, deliver and cause to be duly filed all such further instruments and documents and take all such actions as the Collateral Agent may from time to time reasonably request to better assure, preserve, protect and perfect the Security Interest and the rights and remedies created hereby, including the payment of any fees and taxes required in connection with the execution and delivery of this Agreement, the granting of the Security Interest and the filing of any financing statements (including fixture filings) or other documents in connection herewith or therewith. If any amount payable under or in connection with any of the Article 9 Collateral that exceeds $5,000,000 shall be or become evidenced by any promissory note or other instrument, such note or instrument shall be promptly pledged and delivered to the Collateral Agent, for the benefit of the Secured Parties, duly endorsed in a manner reasonably satisfactory to the Collateral Agent.

(e) At its option, the Collateral Agent may discharge past due taxes, assessments, charges, fees, Liens, security interests or other encumbrances at any time levied or placed on the Article 9 Collateral and not permitted pursuant to Section 7.01 of the Credit Agreement, and may pay for the maintenance and preservation of the Article 9 Collateral to the extent any Grantor fails to do so as required by the Credit Agreement or this Agreement and within a reasonable period of time after the Collateral Agent has requested that it do so, and each Grantor jointly and severally agrees to reimburse the Collateral Agent within 10 days after demand for any payment made or any reasonable and documented expense incurred by the Collateral Agent pursuant to the foregoing authorization. Nothing in this paragraph shall be interpreted as excusing any Grantor from the performance of, or imposing any obligation on the Collateral Agent or any Secured Party to cure or perform, any covenants or other promises of any Grantor with respect to taxes, assessments, charges, fees, Liens, security interests or other encumbrances and maintenance as set forth herein or in the other Loan Documents.

(f) If at any time any Grantor shall take a security interest in any property of an Account Debtor or any other Person the value of which exceeds $5,000,000 to secure payment and performance of an Account, such Grantor shall promptly assign such security interest to the Collateral Agent for the benefit of the applicable Secured Parties. Such assignment need not be filed of public record unless necessary to continue the perfected status of the security interest against creditors of and transferees from the Account Debtor or other Person granting the security interest.

(g) Each Grantor (rather than the Collateral Agent or any Secured Party) shall remain liable (as between itself and any relevant counterparty) to observe and perform all the conditions and obligations to be observed and performed by it under each contract, agreement or instrument relating to the Article 9 Collateral, all in accordance with the terms and conditions thereof, and each Grantor jointly and severally agrees to indemnify and hold harmless the Collateral Agent and the Secured Parties from and against any and all liability for such performance.

(h) Notwithstanding any provision of this Agreement to the contrary, no control agreement in respect of cash or cash equivalents, deposit or securities accounts or uncertificated securities of persons other than Wholly Owned Subsidiaries directly owned by any Borrower or any Grantor shall be required, and no actions in any non-U.S. jurisdiction or required by the laws of any non-U.S. jurisdiction shall be required in order to create any security interests in assets located or titled outside of the U.S. or to perfect any security interest in such assets, including any Intellectual Property registered in any non-U.S. jurisdiction (it being

understood that there shall be no security agreements or pledge agreements governed under the laws of any non-U.S. jurisdiction).

Section 3.04. Other Actions. In order to further ensure the attachment, perfection and priority of, and the ability of the Collateral Agent to enforce, the Security Interest, each Grantor agrees, in each case at such Grantor's own expense, to take the following actions with respect to the following Article 9 Collateral:

(a) Instruments. If any Grantor shall at any time hold or acquire any Instruments constituting Collateral and evidencing an amount in excess of $5,000,000, such Grantor shall forthwith endorse, assign and deliver the same to the Collateral Agent for the benefit of the applicable Secured Parties, accompanied by such instruments of transfer or assignment duly executed in blank as the Collateral Agent may from time to time reasonably request.

(b) Investment Property. Except to the extent otherwise provided in Article II, if any Grantor shall at any time hold or acquire any certificated securities, such Grantor shall forthwith endorse, assign and deliver the same to the Collateral Agent for the benefit of the applicable Secured Parties, accompanied by such instruments of transfer or assignment duly executed in blank as the Collateral Agent may from time to time reasonably request. If any securities now or hereafter acquired by any Grantor are uncertificated and are issued to such Grantor or its nominee directly by the issuer thereof, upon the Collateral Agent's request and following the occurrence of an Event of Default such Grantor shall promptly notify the Collateral Agent thereof and, at the Collateral Agent's reasonable request, pursuant to an agreement in form and substance reasonably satisfactory to the Collateral Agent, either (i) cause the issuer to agree to comply with instructions from the Collateral Agent as to such securities, without further consent of any Grantor or such nominee, or (ii) arrange for the Collateral Agent to become the registered owner of the securities. If any securities, whether certificated or uncertificated, or other investment property are held by any Grantor or its nominee through a securities intermediary or commodity intermediary, upon the Collateral Agent's request and following the occurrence of an Event of Default, such Grantor shall immediately notify the Collateral Agent thereof and at the Collateral Agent's request and option, pursuant to an agreement in form and substance reasonably satisfactory to the Collateral Agent shall either (i) cause such securities intermediary or (as the case may be) commodity intermediary to agree to comply with entitlement orders or other instructions from the Collateral Agent to such securities intermediary as to such security entitlements, or (as the case may be) to apply any value distributed on account of any commodity contract as directed by the Collateral Agent to such commodity intermediary, in each case without further consent of any Grantor or such nominee, or (ii) in the case of financial assets or other Investment Property held through a securities intermediary, arrange for the Collateral Agent to become the entitlement holder with respect to such Investment Property, with the Grantor being permitted, only with the consent of the Collateral Agent, to exercise rights to withdraw or otherwise deal with such Investment Property. The Collateral Agent agrees with each of the Grantors that the Collateral Agent shall not give any such entitlement orders or instructions or directions to any such issuer, securities intermediary or commodity intermediary, and shall not withhold its consent to the exercise of any withdrawal or dealing rights by any Grantor, unless an Event of Default has occurred and is continuing. The provisions of this paragraph shall not apply to any financial assets credited to a securities account for which the Collateral Agent is the securities intermediary.

(c) Commercial Tort Claims. If any Grantor shall at any time after the date of this Agreement acquire a Commercial Tort Claim in an amount (taking the greater of the aggregate claimed damages thereunder or the reasonably estimated value thereof) of $5,000,000 or more, such Grantor shall promptly notify the Collateral Agent thereof in a writing signed by such Grantor and provide supplements to Schedule III describing the details thereof and shall grant to the Collateral Agent a security interest therein and in the proceeds thereof, all upon the terms of this Agreement.

(d) Letter of Credit Rights. If any Grantor is at any time a beneficiary under a letter of credit with a stated amount of $5,000,000 or more, such Grantor shall promptly notify the Collateral Agent thereof and, at the request of the Collateral Agent, such Grantor shall, pursuant to an agreement in form and substance reasonably satisfactory to the Collateral Agent, use its commercially reasonable efforts to (i) arrange for the issuer and any confirmer of such letter of credit to consent to an assignment to the Collateral Agent of the proceeds of any drawing under such letter of credit or (ii) arrange for the Collateral Agent to become the transferee beneficiary of such letter of credit, with the Collateral Agent agreeing, in each case, that the proceeds of any drawing under the letter of credit are to be applied as provided in this Agreement after the occurrence and during the continuance of an Event of Default.

ARTICLE IV

Certain Provisions Concerning Intellectual Property Collateral

Section 4.01. Grant of License to Use Intellectual Property. Without limiting the provision of Section 3.01 hereof or any other rights of the Collateral Agent as the holder of a Security Interest in any Intellectual Property Collateral, for the purpose of enabling the Collateral Agent to exercise rights and remedies under this Agreement at such time as the Collateral Agent shall be lawfully entitled to exercise such rights and remedies, each Grantor shall, upon request by the Collateral Agent, grant to the Collateral Agent an irrevocable, non-exclusive license (exercisable without payment of royalty or other compensation to the Grantors and exercisable only after the occurrence and during the continuation of an Event of Default) to use, license or sublicense any of the Intellectual Property Collateral now owned or hereafter acquired by such Grantor, and wherever the same may be located, and including in such license reasonable access to all media in which any of the licensed items may be recorded or stored and to all computer software and programs used for the compilation or printout thereof. The use of such license by the Collateral Agent may be exercised, at the option of the Collateral Agent, during the continuation of an Event of Default; provided that any license, sublicense or other transaction entered into by the Collateral Agent in accordance herewith shall be binding upon the Grantors notwithstanding any subsequent cure of an Event of Default.

Section 4.02. Protection of Collateral Agent's Security. (a) Except to the extent failure to act, either individually or in the aggregate, could not reasonably be expected to have a Material Adverse Effect, with respect to registration or pending application of each item of its Intellectual Property Collateral for which such Grantor has standing to do so, each Grantor agrees to take, at its expense, all steps, including, without limitation, in the U.S. Patent and Trademark Office, the U.S. Copyright Office and any other governmental authority located in the United States, to (i) maintain the validity and enforceability of any registered Intellectual Property Collateral and maintain such Intellectual Property Collateral in full force and effect, and (ii) pursue the registration and maintenance of each Patent, Trademark, or Copyright registration or application, now or hereafter included in such Intellectual Property Collateral of such Grantor, including, without limitation, the payment of required fees and taxes, the filing of responses to office actions issued by the U.S. Patent and Trademark Office, the U.S. Copyright Office or other governmental authorities, the filing of applications for renewal or extension, the filing of affidavits under Sections 8 and 15 of the U.S. Trademark Act, the filing of divisional, continuation, continuation-in-part, reissue and renewal applications or extensions, the payment of maintenance fees and the participation in interference, reexamination, opposition, cancellation, infringement and misappropriation proceedings.

(b) Except where failure to do so, either individually or in the aggregate, could not reasonably be expected to have a Material Adverse Effect, each Grantor shall take all steps to preserve and protect each item of its Intellectual Property Collateral, including, without limitation, maintaining the quality of any and all products or services used or provided in connection with any of the Trademarks, consistent with the

quality of the products and services as of the date hereof, and taking all steps necessary to ensure that all licensed users of any of the Trademarks abide by the applicable license's terms with respect to the standards of quality.

(c) Except as could not, either individually or in the aggregate, reasonably be expected to have a Material Adverse Effect, no Grantor shall do or permit any act or knowingly omit to do any act whereby any of its Intellectual Property Collateral may lapse, be terminated, or become invalid or unenforceable or placed in the public domain (or in case of a trade secret, lose its competitive value).

(d) Each Grantor agrees that, should it obtain an ownership or other interest in any Intellectual Property Collateral after the Closing Date ("After-Acquired Intellectual Property"), (i) the provisions of this Agreement shall automatically apply thereto, and (ii) any such After-Acquired Intellectual Property and, in the case of Trademarks, the goodwill symbolized thereby, shall automatically become part of the Intellectual Property Collateral subject to the terms and conditions of this Agreement with respect thereto.

(e) Nothing in this Agreement prevents any Grantor from discontinuing the use or maintenance of any of its Intellectual Property Collateral to the extent permitted by the Credit Agreement if such Grantor determines in its reasonable business judgment that such discontinuance is desirable in the conduct of its business.

Section 4.03. After-Acquired Property. Once every fiscal quarter of the Company, with respect to (i) issued or registered Patents (or published applications therefore) or Trademarks (or applications therefor), and (ii) to registered Copyrights (in each of cases (i) and (ii), other than Excluded Assets), each Grantor shall sign and deliver to the Collateral Agent an appropriate Intellectual Property Security Agreement with respect to all of its applicable Owned Intellectual Property as of the last day of such period, to the extent that such Intellectual Property is not covered by any previous Intellectual Property Security Agreement so signed and delivered by it. In each case, it will promptly cooperate as reasonably necessary to enable the Collateral Agent to make any necessary or reasonably desirable recordations with the U.S. Copyright Office or the U.S. Patent and Trademark Office, as appropriate.

ARTICLE V

Remedies

Section 5.01. Remedies Upon Default. Upon the occurrence and during the continuance of an Event of Default, it is agreed that the Collateral Agent shall have the right to exercise any and all rights afforded to a secured party with respect to the Secured Obligations, as applicable, under the Uniform Commercial Code or other applicable Law, and also may (i) require each Grantor to, and each Grantor agrees that it will at its expense and upon request of the Collateral Agent forthwith, assemble all or part of the Collateral as directed by the Collateral Agent and make it available to the Collateral Agent at a place and time to be designated by the Collateral Agent that is reasonably convenient to both parties; (ii) occupy any premises owned or, to the extent lawful and permitted, leased by any of the Grantors where the Collateral or any part thereof is assembled or located for a reasonable period in order to effectuate its rights and remedies hereunder or under law, without obligation to such Grantor in respect of such occupation; provided that the Collateral Agent shall provide the applicable Grantor with notice thereof prior to or promptly after such occupancy; (iii) exercise any and all rights and remedies of any of the Grantors under or in connection with the Collateral, or otherwise in respect of the Collateral; provided that the Collateral Agent shall provide the applicable Grantor with notice thereof prior to or promptly after such exercise; (iv) withdraw any and all cash or other Collateral from the Cash Collateral Account and to apply such cash and other Collateral to the payment of any and all Secured Obligations in the manner provided in Section 5.02 of this Agreement; (v) subject to the mandatory requirements of applicable Law and the notice requirements described below, sell or otherwise dispose of all or any part of the Collateral securing the Secured Obligations at a public or private sale or at any broker's board or on any securities exchange, for cash, upon credit or for future delivery as the Collateral Agent shall deem appropriate; and (vi) with respect to any Intellectual Property Collateral, on demand, cause the Security Interest to become an assignment, transfer and conveyance of any of or all such Intellectual Property Collateral by the applicable Grantors to the Collateral Agent, or license or sublicense, whether general, special or otherwise, and whether on an exclusive or nonexclusive basis, any such Intellectual Property Collateral throughout the world on such terms and conditions and in such manner as the Collateral Agent shall determine, provided, however, that such terms shall include all terms and restrictions that customarily required to ensure the continuing validity and effectiveness of the Intellectual Property at issue, such as, without limitation, quality control and inure provisions with regard to Trademarks, patent designation provisions with regard to Patents, and copyright notices and restrictions or decompilation and reverse engineering of copyrighted software. The Collateral Agent shall be authorized at any sale of securities (if it deems it advisable to do so) to restrict the prospective bidders or purchasers of such securities to Persons who will represent and agree that they are purchasing the Collateral for their own account for investment and not with a view to the distribution or sale thereof, and upon consummation of any such sale the Collateral Agent shall have the right to assign, transfer and deliver to the purchaser or purchasers thereof the Collateral so sold. Each such purchaser at any sale of Collateral shall hold the property sold absolutely, free from any claim or right on the part of any Grantor, and each Grantor hereby waives (to the extent permitted by law) all rights of redemption, stay and appraisal which such Grantor now has or may at any time in the future have under any rule of law or statute now existing or hereafter enacted.

The Collateral Agent shall give the applicable Grantors 10 days' written notice (which each Grantor agrees is reasonable notice within the meaning of Section 9-611 of the New York UCC or its equivalent in other jurisdictions) of the Collateral Agent's intention to make any sale of Collateral. Such notice, in the case of a public sale, shall state the time and place for such sale and, in the case of a sale at a broker's board or on a securities exchange, shall state the board or exchange at which such sale is to be made and the day on which the Collateral, or portion thereof, will first be offered for sale at such board or exchange. Any such public sale shall be held at such time or times within ordinary business hours and at

such place or places as the Collateral Agent may fix and state in the notice (if any) of such sale. At any such sale, the Collateral, or portion thereof, to be sold may be sold in one lot as an entirety or in separate parcels, as the Collateral Agent may (in its sole and absolute discretion) determine. The Collateral Agent shall not be obligated to make any sale of any Collateral if it shall determine not to do so, regardless of the fact that notice of sale of such Collateral shall have been given. The Collateral Agent may, without notice or publication, adjourn any public or private sale or cause the same to be adjourned from time to time by announcement at the time and place fixed for sale, and such sale may, without further notice, be made at the time and place to which the same was so adjourned. In case any sale of all or any part of the Collateral is made on credit or for future delivery, the Collateral so sold may be retained by the Collateral Agent until the sale price is paid by the purchaser or purchasers thereof, but the Collateral Agent shall not incur any liability in case any such purchaser or purchasers shall fail to take up and pay for the Collateral so sold and, in case of any such failure, such Collateral may be sold again upon like notice. At any public (or, to the extent permitted by law, private) sale made pursuant to this Agreement, any Secured Party may bid for or purchase, free (to the extent permitted by law) from any right of redemption, stay, valuation or appraisal on the part of any Grantor (all said rights being also hereby waived and released to the extent permitted by law), the Collateral or any part thereof offered for sale and may make payment on account thereof by using any claim then due and payable to such Secured Party from any Grantor as a credit against the purchase price, and such Secured Party may, upon compliance with the terms of sale, hold, retain and dispose of such property without further accountability to any Grantor therefor. For purposes hereof, a written agreement to purchase the Collateral or any portion thereof shall be treated as a sale thereof; the Collateral Agent shall be free to carry out such sale pursuant to such agreement and no Grantor shall be entitled to the return of the Collateral or any portion thereof subject thereto, notwithstanding the fact that after the Collateral Agent shall have entered into such an agreement all Events of Default shall have been remedied and the Secured Obligations paid in full (in which case the applicable Grantors shall be entitled to the proceeds of any such sale pursuant to Section 5.02 hereof). As an alternative to exercising the power of sale herein conferred upon it, the Collateral Agent may proceed by a suit or suits at law or in equity to foreclose this Agreement and to sell the Collateral or any portion thereof pursuant to a judgment or decree of a court or courts having competent jurisdiction or pursuant to a proceeding by a court appointed receiver. Any sale pursuant to the provisions of this Section 5.01 shall be deemed to conform to the commercially reasonable standards as provided in Section 9-610(b) of the New York UCC or its equivalent in other jurisdictions.

Each Grantor irrevocably makes, constitutes and appoints the Collateral Agent (and all officers, employees or agents designated by the Collateral Agent) as such Grantor's true and lawful agent (and attorney-in-fact) during the continuance of an Event of Default and after notice to the Company of its intent to exercise such rights (except in the case of a Bankruptcy Event of Default, in which case no such notice shall be required), for the purpose of (i) making, settling and adjusting claims in respect of Article
9 Collateral under policies of insurance, endorsing the name of such Grantor on any check, draft, instrument or other item of payment for the proceeds of such policies if insurance, (ii) making all determinations and decisions with respect thereto and (iii) obtaining or maintaining the policies of insurance required by Section 6.07 of the Credit Agreement or to pay any premium in whole or in part relating thereto. All sums disbursed by the Collateral Agent in connection with this paragraph, including reasonable attorneys' fees, court costs, expenses and other charges relating thereto, shall be payable, within 10 days of demand, by the Grantors to the Collateral Agent and shall be additional Secured Obligations secured hereby.

Section 5.02. Application of Proceeds. The Collateral Agent shall apply the proceeds of any collection or sale of Collateral, including any Collateral consisting of cash, in accordance with the provisions of Section 8.04 of the Credit Agreement. The Collateral Agent shall have absolute discretion as to the time of application of any such proceeds, moneys or balances in accordance with this Agreement. Upon any sale of Collateral by the Collateral Agent (including pursuant to a power of sale

granted by statute or under a judicial proceeding), the receipt of the Collateral Agent or of the officer making the sale shall be a sufficient discharge to the purchaser or purchasers of the Collateral so sold and such purchaser or purchasers shall not be obligated to see to the application of any part of the purchase money paid over to the Collateral Agent or such officer or be answerable in any way for the misapplication thereof. It is understood and agreed that the Grantors shall remain jointly and severally liable to the extent of any deficiency between the amount of the proceeds of the Collateral and the aggregate amount of the Secured Obligations.

ARTICLE VI

Indemnity, Subrogation and Subordination

Section 6.01. Indemnity. In addition to all such rights of indemnity and subrogation as the Grantors may have under applicable Law (but subject to Section 6.03), each Guaranteed Party (as defined in the Guaranty) agrees that, in the event any assets of any Grantor that is a Subsidiary Party shall be sold pursuant to this Agreement or any other Collateral Document to satisfy in whole or in part an Obligation owing directly by such Guaranteed Party to any Secured Party (i.e., other than pursuant to its capacity as a Guarantor under the Guaranty), such Guaranteed Party shall indemnify such Grantor in an amount equal to the fair market value of the assets so sold.

Section 6.02. Contribution and Subrogation. At any time a payment by any Subsidiary Party in respect of the Secured Obligations is made under this Agreement or any other Collateral Document as a result of a sale of assets by such Subsidiary Party that shall not have been fully indemnified as provided in Section 6.01, the right of contribution of each Subsidiary Party against each other Subsidiary Party shall be determined as provided in the immediately succeeding sentence, with the right of contribution of each Subsidiary Party to be revised and restated as of each date on which a payment (a "Relevant Payment") is made on the Secured Obligations under this Agreement and not indemnified pursuant to Section 6.01. At any time that a Relevant Payment is made by a Subsidiary Party that results in the aggregate payments made by such Subsidiary Party in respect of the Secured Obligations to and including the date of the Relevant Payment exceeding such Subsidiary Party's Contribution Percentage (as defined below) of the aggregate payments made by all Subsidiary Parties in respect of the Secured Obligations to and including the date of the Relevant Payment (such excess, the "Aggregate Excess Amount"), each such Subsidiary Party shall have a right of contribution against each other Subsidiary Party who has made payments in respect of the Secured Obligations to and including the date of the Relevant Payment in an aggregate amount less than such other Subsidiary Party's Contribution Percentage of the aggregate payments made to and including the date of the Relevant Payment by all Subsidiary Parties in respect of the Secured Obligations (the aggregate amount of such deficit, the "Aggregate Deficit Amount") in an amount equal to (x) a fraction the numerator of which is the Aggregate Excess Amount of such Subsidiary Party and the denominator of which is the Aggregate Excess Amount of all Subsidiary Parties multiplied by (y) the Aggregate Deficit Amount of such other Subsidiary Party. A Subsidiary Party's right of contribution pursuant to the preceding sentences shall arise at the time of each computation, subject to adjustment to the time of each computation; provided that the contribution rights of such Subsidiary Party shall be subject to Section 6.03. As used in this Section 6.02: (i) each Subsidiary Party's "Contribution Percentage" shall mean the percentage obtained by dividing (x) the Adjusted Net Worth (as defined below) of such Subsidiary Party by (y) the aggregate Adjusted Net Worth of all Subsidiary Parties; (ii) the "Adjusted Net Worth" of each Subsidiary Party shall mean the greater of (x) the Net Worth (as defined below) of such Subsidiary Party and (y) zero; and (iii) the "Net Worth" of each Subsidiary Party shall mean the amount by which the fair saleable value of such Subsidiary Party's assets on the date of any Relevant Payment exceeds its existing debts and other liabilities (including contingent liabilities, but without giving effect to any Guaranteed Obligations arising under the Guaranty or any guaranteed obligations arising under any guaranty of any Junior Financing or any Permitted Refinancing

thereof) on such date. Notwithstanding anything to the contrary contained above, any Subsidiary Party that is released from this Agreement pursuant to Section 7.13 hereof shall thereafter have no contribution obligations, or rights, pursuant to this Section 6.02, and at the time of any such release, if the released Subsidiary Party had an Aggregate Excess Amount or an Aggregate Deficit Amount, same shall be deemed reduced to $0, and the contribution rights and obligations of the remaining Subsidiary Parties shall be recalculated on the respective date of release (as otherwise provided above) based on the payments made hereunder by the remaining Subsidiary Parties. Each of the Subsidiary Parties recognizes and acknowledges that the rights to contribution arising hereunder shall constitute an asset in favor of the party entitled to such contribution. In this context, each Subsidiary Party has the right to waive its contribution right against any other Subsidiary Party to the extent that after giving effect to such waiver such Subsidiary Party would remain solvent, in the determination of the Required Lenders.

Section 6.03. Subordination. Notwithstanding any provision of this Agreement to the contrary, all rights of the Grantors under Sections 6.01 and 6.02 and all other rights of indemnity, contribution or subrogation under applicable Law or otherwise shall be fully subordinated to the indefeasible payment in full in cash of the Secured Obligations; provided, that if any amount shall be paid to such Grantor on account of such subrogation rights at any time prior to the irrevocable payment in full in cash of all the Secured Obligations, such amount shall be held in trust for the benefit of the Secured Parties and shall forthwith be paid to the Collateral Agent to be credited and applied against the Secured Obligations, whether matured or unmatured, in accordance with Section 5.02 of this Agreement. No failure on the part of any Borrower or any Grantor to make the payments required by Sections 6.01 and 6.02 (or any other payments required under applicable Law or otherwise) shall in any respect limit the obligations and liabilities of any Grantor with respect to its obligations hereunder, and each Grantor shall remain liable for the full amount of the obligations of such Grantor hereunder.

ARTICLE VII

Miscellaneous

Section 7.01. Notices. All communications and notices hereunder shall (except as otherwise expressly permitted herein) be in writing and given as provided in Section 10.02 of the Credit Agreement. All communications and notices hereunder to any Subsidiary Party shall be given to it in care of the Company as provided in Section 10.02 of the Credit Agreement.

Section 7.02. Waivers; Amendment. (a) No failure or delay by the Collateral Agent, any L/C Issuer or any Lender 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 such right, remedy, power or privilege, or any abandonment or discontinuance of steps to enforce such a right, remedy, power or privilege, preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege. The rights, remedies, powers and privileges of the Collateral Agent, the L/C Issuers and the Lenders hereunder and under the other Loan Documents are cumulative and are not exclusive of any rights or remedies that they would otherwise have. No waiver of any provision of this Agreement or consent to any departure by any Loan Party therefrom shall in any event be effective unless the same shall be permitted by paragraph (b) of this Section 7.02, and then such waiver or consent shall be effective only in the specific instance and for the purpose for which given. Without limiting the generality of the foregoing, the making of a Loan or issuance of a Letter of Credit shall not be construed as a waiver of any Default, regardless of whether the Collateral Agent, any Lender or any L/C Issuer may have had notice or knowledge of such Default at the time. No notice or demand on any Loan Party in any case shall entitle any Loan Party to any other or further notice or demand in similar or other circumstances. (b) Neither this Agreement nor any provision hereof may be waived, amended or modified except pursuant to an agreement or agreements in writing entered into by the Collateral Agent and the Loan Party or Loan Parties with respect to which such

waiver, amendment or modification is to apply, subject to any consent required in accordance with Section 10.01 of the Credit Agreement.

Section 7.03. Collateral Agent's Fees and Expenses; Indemnification. (a) The parties hereto agree that the Collateral Agent shall be entitled to reimbursement of its expenses incurred hereunder as provided in Section 10.04 of the Credit Agreement.

(b) Without limitation of its indemnification obligations under the other Loan Documents, the Grantors jointly and severally agree to indemnify the Collateral Agent and the other Indemnitees (as defined in Section 10.05 of the Credit Agreement) against, and hold each Indemnitee harmless from, any and all losses, claims, damages, liabilities and related expenses, including the reasonable fees, charges and disbursements of any counsel for any Indemnitee (but limited, in the case of legal fees and expenses, to the reasonable and documented out-of-pocket fees, disbursements and other charges of one counsel to all Indemnitees taken as a whole and, if reasonably necessary, one firm of local counsel in each relevant jurisdiction, and solely in the case of an actual or potential conflict of interest, one additional counsel in each relevant jurisdiction to each group of similarly situated affected Indemnitees), incurred by or asserted against any Indemnitee arising out of, in connection with, or as a result of, the execution, delivery, performance or enforcement of this Agreement or any claim, litigation, investigation or proceeding relating to any of the foregoing agreement or instrument contemplated hereby, or to the Collateral, whether or not any Indemnitee is a party thereto; provided that such indemnity shall not, as to any Indemnitee, be available to the extent that such losses, claims, damages, liabilities or related expenses are determined by a court of competent jurisdiction by a final and non-appealable judgment to have resulted from the gross negligence, bad faith or willful misconduct of, or material breach of the Loan Documents by, such Indemnitee or of any Affiliate, director, officer, employee, counsel, agent, trustee, investment advisor or attorney-in-fact of such Indemnitee.

(c) Any such amounts payable as provided hereunder shall be additional Secured Obligations secured hereby and by the other Collateral Documents. The provisions of this Section 7.03 shall remain operative and in full force and effect regardless of the termination of this Agreement or any other Loan Document, the consummation of the transactions contemplated hereby, the repayment of any of the Secured Obligations, the invalidity or unenforceability of any term or provision of this Agreement or any other Loan Document, or any investigation made by or on behalf of the Collateral Agent or any other Secured Party. All amounts due under this Section 7.03 shall be payable within 10 days of written demand therefor.

Section 7.04. Successors and Assigns. Whenever in this Agreement any of the parties hereto is referred to, such reference shall be deemed to include the permitted successors and assigns of such party; and all covenants, promises and agreements by or on behalf of any Grantor or the Collateral Agent that are contained in this Agreement shall bind and inure to the benefit of their respective successors and assigns.

Section 7.05. Survival of Agreement. All covenants, agreements, representations and warranties made by the Loan Parties in the Loan Documents and in the certificates or other instruments prepared or delivered in connection with or pursuant to this Agreement or any other Loan Document shall be considered to have been relied upon by the Lenders and shall survive the execution and delivery of the Loan Documents and the making of any Loans and issuance of any Letters of Credit, regardless of any investigation made by any Lender or on its behalf and notwithstanding that the Collateral Agent, any L/C Issuer or any Lender may have had notice or knowledge of any Default or incorrect representation or warranty at the time any credit is extended under the Credit Agreement, and shall continue in full force and effect as long as the principal of or any accrued interest on any Loan or any fee or any other amount payable under any Loan Document is outstanding and unpaid or any Letter of Credit is outstanding (except if such Letter of Credit is cash collateralized or subject to a backstop letter of credit in each case in an amount and on terms reasonably satisfactory to the Administrative Agent and the L/C Issuer) and so long as the Commitments have not expired or terminated.

Section 7.06. Counterparts; Effectiveness; Several Agreement. This Agreement may be executed in counterparts, each of which shall constitute an original but all of which when taken together shall constitute a single contract. Delivery of an executed signature page to this Agreement by facsimile or electronic (i.e., "tif" or "pdf") transmission shall be as effective as delivery of a manually signed counterpart of this Agreement. This Agreement shall become effective as to any Loan Party when a counterpart hereof executed on behalf of such Loan Party shall have been delivered to the Collateral Agent and a counterpart hereof shall have been executed on behalf of the Collateral Agent, and thereafter shall be binding upon such Loan Party and the Collateral Agent and their respective permitted successors and assigns, and shall inure to the benefit of such Loan Party, the Collateral Agent and the other Secured Parties and their respective successors and assigns, except that no Loan Party shall have the right to assign or transfer its rights or obligations hereunder or any interest herein or in the Collateral (and any such assignment or transfer shall be void) except as expressly contemplated by this Agreement or the Credit Agreement. This Agreement shall be construed as a separate agreement with respect to each Loan Party and may be amended, modified, supplemented, waived or released with respect to any Loan Party without the approval of any other Loan Party and without affecting the obligations of any other Loan Party hereunder.

Section 7.07. Severability. Any provision of this Agreement held to be invalid, illegal or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such invalidity, illegality or unenforceability without affecting the validity, legality and enforceability of the remaining provisions hereof; and the invalidity of a particular provision in a particular jurisdiction shall not invalidate such provision in any other jurisdiction. The parties shall endeavor in good faith negotiations to replace the invalid, illegal or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the invalid, illegal or unenforceable provisions.

Section 7.08. Right of Set-Off. In addition to any rights and remedies of the Lenders provided by Law, upon the occurrence and during the continuance of any Event of Default, each Lender and its Affiliates is authorized at any time and from time to time, without prior notice to the Borrowers or any other Loan Party, any such notice being waived by the Borrowers and each Loan Party 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) at any time held by, and other Indebtedness at any time owing by, such Lender and its Affiliates to or for the credit or the account of the respective Loan Parties against any and all obligations owing to such Lender and its Affiliates hereunder, now or hereafter existing, irrespective of whether or not such Lender or Affiliate shall have made demand under this Agreement and although such obligations may be contingent or unmatured or denominated in a currency different from that of the applicable deposit or Indebtedness. Each Lender agrees promptly to notify the Company and the Collateral Agent after any such set off and application made by such Lender; provided, that the failure to give such notice shall not affect the validity of such setoff and application. The rights of each Lender under this Section 7.08 are in addition to other rights and remedies (including other rights of setoff) that such Lender may have.

Section 7.09. Governing Law; Jurisdiction; Consent to Service of Process. (a) This Agreement shall be construed in accordance with and governed by the law of the State of New York.

(b) Each of the Loan Parties hereby irrevocably and unconditionally submits, for itself and its property, to the exclusive jurisdiction of the courts of the State of New York sitting in New York City in the Borough of Manhattan 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 hereby irrevocably and unconditionally agrees that all claims in respect of any such action or proceeding may be heard and determined in such New York State 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. Each party hereto agrees that the Agents and Lenders retain the right to serve process in any other manner permitted by law or to bring proceedings against any Grantor in the courts of any other jurisdiction in connection with the exercise of any rights under this Agreement or the enforcement of any judgment.

(c) Each of the Loan Parties hereby 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 7.09. 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) Each party to this Agreement irrevocably consents to service of process in the manner provided for notices in Section 7.01. Nothing in this Agreement or any other Loan Document will affect the right of any party to this Agreement to serve process in any other manner permitted by law.

Section 7.10. WAIVER OF JURY TRIAL . EACH PARTY HERETO HEREBY EXPRESSLY WAIVES ANY RIGHT TO TRIAL BY JURY OF ANY CLAIM, DEMAND, ACTION OR CAUSE OF ACTION ARISING UNDER THIS AGREEMENT OR IN ANY WAY CONNECTED WITH OR RELATED OR INCIDENTAL TO THE DEALINGS OF THE PARTIES HERETO WHETHER NOW EXISTING OR HEREAFTER ARISING, AND WHETHER FOUNDED IN CONTRACT OR TORT OR OTHERWISE; AND EACH PARTY HEREBY AGREES AND CONSENTS THAT ANY SUCH CLAIM, DEMAND, ACTION OR CAUSE OF ACTION SHALL BE DECIDED BY COURT TRIAL WITHOUT A JURY, AND THAT ANY PARTY TO THIS AGREEMENT MAY FILE AN ORIGINAL COUNTERPART OR A COPY OF THIS SECTION 7.10 WITH ANY COURT AS WRITTEN EVIDENCE OF THE CONSENT OF THE SIGNATORIES HERETO TO THE WAIVER OF THEIR RIGHT TO TRIAL BY JURY.

Section 7.11. Headings. Article and Section headings and the Table of Contents used herein are for convenience of reference only, are not part of this Agreement and are not to affect the construction of, or to be taken into consideration in interpreting, this Agreement.

Section 7.12. Security Interest Absolute. All rights of the Collateral Agent hereunder, the Security Interest, the grant of a security interest in the Pledged Collateral and all obligations of each Grantor hereunder shall be absolute and unconditional irrespective of (a) any lack of validity or enforceability of the Credit Agreement, any other Loan Document, the Secured Hedge Agreements, any agreement with respect to any of the Secured Obligations or any other agreement or instrument relating to any of the foregoing, (b) any change in the time, manner or place of payment of, or in any other term of, all or any of the Secured Obligations, or any other amendment or waiver of or any consent to any departure from the Credit Agreement, any other Loan Document, the Secured Hedge Agreements or any other agreement or instrument, (c) any exchange, release or non-perfection of any Lien on other collateral, or any release or amendment or waiver of or consent under or departure from any guarantee, securing or guaranteeing all or any of the Secured Obligations or (d) any other circumstance that might otherwise constitute a defense available to, or a discharge of, any Grantor in respect of the Secured Obligations or this Agreement.

Section 7.13. Termination or Release. (a) This Agreement, the Security Interest and all other security interests granted hereby shall terminate when all the outstanding Secured Obligations (other than Secured Obligations in respect of Secured Hedge Agreements and Cash Management Obligations not yet due and payable (to the extent permitted by the terms thereof) and contingent indemnification obligations not yet accrued and payable) have been indefeasibly paid in full and the Lenders have no further commitment to lend under the Credit Agreement, the L/C Obligations have been reduced to zero (except if such Letter of

Credit is fully cash collateralized or supported by a backstop letter of credit in each case in an amount and on terms reasonably satisfactory to the Administrative Agent and the L/C Issuer) and the L/C Issuers have no further obligations to issue Letters of Credit under the Credit Agreement.

(b) A Subsidiary Party shall automatically be released from its obligations hereunder and the Security Interest in the Collateral of such Subsidiary Party shall be automatically released upon the consummation of any transaction permitted by the Credit Agreement as a result of which such Subsidiary Party ceases to be a Subsidiary of the Company.

(c) Upon any sale or other transfer by any Grantor of any Collateral that is permitted under the Credit Agreement, or upon the effectiveness of any written consent to the release of the security interest granted hereby in any Collateral pursuant to Section 10.01 of the Credit Agreement, the security interest in such Collateral shall be automatically released.

(d) In connection with any termination or release pursuant to paragraph (a), (b) or (c), the Collateral Agent shall promptly execute and deliver to any Grantor, at such Grantor's expense, all documents (including relevant certificates, securities and other instruments) that such Grantor shall reasonably request to evidence such termination or release. Any execution and delivery of documents pursuant to this Section 7.13 shall be without recourse to or warranty by the Collateral Agent.

(e) At any time that the respective Grantor desires that the Collateral Agent take any action described in the immediately preceding paragraph (d), it shall, upon request of the Collateral Agent, deliver to the Collateral Agent an officer's certificate certifying that the release of the respective Collateral is permitted pursuant to paragraph (a), (b) or (c). The Collateral Agent shall have no liability whatsoever to any Secured Party as the result of any release of Collateral by it as permitted (or which the Collateral Agent in good faith believes to be permitted) by this Section 7.13.

(f) Notwithstanding anything to the contrary set forth in this Agreement, each Cash Management Bank and each Hedge Bank by the acceptance of the benefits under this Agreement hereby acknowledge and agree that (i) the obligations of the Borrowers or any Subsidiary under any Secured Hedge Agreement and the Cash Management Obligations shall be secured pursuant to this Agreement only to the extent that, and for so long as, the other Secured Obligations are so secured and (ii) any release of Collateral effected in the manner permitted by this Agreement shall not require the consent of any Hedge Bank or Cash Management Bank.

Section 7.14. Additional Subsidiaries. Pursuant to Section 6.11 of the Credit Agreement, certain Subsidiaries of the Loan Parties that were not in existence on the date of the Credit Agreement are required to enter in this Agreement as Grantors upon becoming Subsidiaries. In addition, certain Subsidiaries of the Loan Parties that are not required under the Credit Agreement to enter in this Agreement as Grantors may elect to do so at their option. Upon execution and delivery by the Collateral Agent and a Subsidiary of a Security Agreement Supplement, such Subsidiary shall become a Subsidiary Party hereunder with the same force and effect as if originally named as a Subsidiary Party herein. The execution and delivery of any such instrument shall not require the consent of any other Loan Party hereunder. The rights and obligations of each Loan Party hereunder shall remain in full force and effect notwithstanding the addition of any new Loan Party as a party to this Agreement.

Section 7.15. Collateral Agent Appointed Attorney-in-Fact. Each Grantor hereby appoints the Collateral Agent the attorney-in-fact of such Grantor for the purpose of carrying out the provisions of this Agreement and taking any action and executing any instrument that the Collateral Agent may deem necessary or advisable to accomplish the purposes hereof at any time after and during the continuance of an Event of Default, which appointment is irrevocable and coupled with an interest. Without limiting the generality of

the foregoing, the Collateral Agent shall have the right, upon the occurrence and during the continuance of an Event of Default and (unless a Bankruptcy Event of Default has occurred and is continuing) delivery of notice by the Collateral Agent to the Company of its intent to exercise such rights, with full power of substitution either in the Collateral Agent's name or in the name of such Grantor (a) to receive, endorse, assign and/or deliver any and all notes, acceptances, checks, drafts, money orders or other evidences of payment relating to the Collateral or any part thereof; (b) to demand, collect, receive payment of, give receipt for and give discharges and releases of all or any of the Collateral; (c) to sign the name of any Grantor on any invoice or bill of lading relating to any of the Collateral; (d) to send verifications of Accounts to any Account Debtor; (e) to commence and prosecute any and all suits, actions or proceedings at law or in equity in any court of competent jurisdiction to collect or otherwise realize on all or any of the Collateral or to enforce any rights in respect of any Collateral; (f) to settle, compromise, compound, adjust or defend any actions, suits or proceedings relating to all or any of the Collateral; (g) to notify, or to require any Grantor to notify, Account Debtors to make payment directly to the Collateral Agent or the Cash Collateral Account and adjust, settle or compromise the amount of payment of any Account; and (h) to use, sell, assign, transfer, pledge, make any agreement with respect to or otherwise deal with all or any of the Collateral, and to do all other acts and things necessary to carry out the purposes of this Agreement, as fully and completely as though the Collateral Agent were the absolute owner of the Collateral for all purposes; provided that nothing herein contained shall be construed as requiring or obligating the Collateral Agent to make any commitment or to make any inquiry as to the nature or sufficiency of any payment received by the Collateral Agent, or to present or file any claim or notice, or to take any action with respect to the Collateral or any part thereof or the moneys due or to become due in respect thereof or any property covered thereby. The Collateral Agent and the other Secured Parties shall be accountable only for amounts actually received as a result of the exercise of the powers granted to them herein, and neither they nor their officers, directors, employees or agents shall be responsible to any Grantor for any act or failure to act hereunder, except for their own gross negligence or willful misconduct or that of any of their Affiliates, directors, officers, employees, counsel, agents or attorneys-in-fact.

Section 7.16. General Authority of the Collateral Agent. By acceptance of the benefits of this Agreement and any other Collateral Documents, each Secured Party (whether or not a signatory hereto) shall be deemed irrevocably (a) to consent to the appointment of the Collateral Agent as its agent hereunder and under such other Collateral Documents, (b) to confirm that the Collateral Agent shall have the authority to act as the exclusive agent of such Secured Party for the enforcement of any provisions of this Agreement and such other Collateral Documents against any Grantor, the exercise of remedies hereunder or thereunder and the giving or withholding of any consent or approval hereunder or thereunder relating to any Collateral or any Grantor's obligations with respect thereto, (c) to agree that it shall not take any action to enforce any provisions of this Agreement or any other Collateral Document against any Grantor, to exercise any remedy hereunder or thereunder or to give any consents or approvals hereunder or thereunder except as expressly provided in this Agreement or any other Collateral Document and (d) to agree to be bound by the terms of this Agreement and any other Collateral Documents.

Section 7.17. Mortgages. In the event that any of the Collateral hereunder is also subject to a valid and enforceable Lien under the terms of a Mortgage and the terms thereof are inconsistent with the terms of this Agreement, then with respect to such Collateral, the terms of such Mortgage shall control in the case of Fixtures and real estate leases, letting and licenses of, and contracts and agreements relating to the lease of, real property, and the terms of this Agreement shall control in the case of all other Collateral.

Section 7.18. Recourse; Limited Obligations. This Agreement is made with full recourse to each Grantor and pursuant to and upon all the warranties, representations, covenants and agreements on the part of such Grantor contained herein, in the Loan Documents and the Secured Hedge Agreements and otherwise in writing in connection herewith or therewith. It is the desire and intent of each Grantor and the Secured Parties that this Agreement shall be enforced against each Grantor to the fullest extent permissible under the laws applied in each jurisdiction in which enforcement is sought. Notwithstanding anything to the contrary contained herein, and in furtherance of the foregoing, it is noted that the obligations of each Grantor that is a Subsidiary Party have been limited as expressly provided in the Guaranty and are limited hereunder as and to the same extent provided therein.

Section 7.19. Amendment and Restatement; No Novation. This Agreement constitutes an amendment and restatement of that certain Security Agreement dated of October 26, 2012 (as amended, restated, supplemented, reaffirmed or otherwise modified, the "Existing Security Agreement"), effective from and after the Closing Date. The execution and delivery of this Agreement shall not constitute a novation of any indebtedness or other obligations owing to the Lenders or the Collateral Agent under the Existing Credit Agreement or secured by the Existing Security Agreement or release of any Liens securing any such indebtedness or obligations.

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IN WITNESS WHEREOF, the parties hereto have caused their duly authorized officers to execute and deliver this Agreement as of the date first above written.

GRANTORS:

OSI RESTAURANT PARTNERS, LLC

By: _____
Name: Michael A'Hearn
Title: Vice President

BLOOMIN' BRANDS, INC.

By: _____
Name: Michael A'Hearn
Title: Vice President and Treasurer

BLOOMIN' BRANDS GIFT CARD SERVICES, LLC
OS RESTAURANT SERVICES, LLC
OUTBACK DESIGNATED PARTNER, LLC
OUTBACK KANSAS LLC

By: OUTBACK STEAKHOUSE OF FLORIDA, LLC,
its member

By: OSI RESTAURANT PARTNERS, LLC,
its member

By:_____
Name: Joseph J. Kadow
Title: Executive Vice President, Chief Legal Officer & Assistant Secretary

BONEFISH OF BEL AIR LLC

By: BONEFISH GRILL, LLC, its managing member

By: OSI RESTAURANT PARTNERS, LLC,
its member

By:_____
Name: Joseph J. Kadow
Title: Executive Vice President, Chief Legal Officer & Assistant Secretary

BONEFISH/ASHEVILLE, LIMITED PARTNERSHIP
BONEFISH/CAROLINAS, LIMITED PARTNERSHIP
BONEFISH/COLUMBUS-I, LIMITED PARTNERSHIP
BONEFISH/CRESCENT SPRINGS, LIMITED PARTNERSHIP
BONEFISH/GREENSBORO, LIMITED PARTNERSHIP
BONEFISH/HYDE PARK, LIMITED PARTNERSHIP

By: BONEFISH GRILL, LLC, its general partner

By: OSI RESTAURANT PARTNERS, LLC,
its member

By:_____
Name: Joseph J. Kadow
Title: Executive Vice President, Chief Legal Officer & Assistant Secretary

BONEFISH BEVERAGES, LLC

BONEFISH HOLDINGS, LLC
CIGI BEVERAGES OF TEXAS, LLC
CIGI HOLDINGS, LLC
OUTBACK BEVERAGES OF TEXAS, LLC
OBTEX HOLDINGS, LLC

By: _____
Name: Joseph J. Kadow
Title: Manager

BONEFISH BRANDYWINE, LLC

BONEFISH DESIGNATED PARTNER, LLC

BONEFISH KANSAS, LLC

By: BONEFISH GRILL, LLC, its member

By: OSI RESTAURANT PARTNERS, LLC,
its member

By:_____
Name: Joseph J. Kadow
Title: Executive Vice President, Chief Legal
Officer & Assistant Secretary

BFG NEBRASKA, INC.
BFG OKLAHOMA, INC.
CIGI NEBRASKA, INC.
CIGI OKLAHOMA, INC.
OS MANAGEMENT, INC.
OS MORTGAGE HOLDINGS, INC.
OSF NEBRASKA, INC.
OSF OKLAHOMA, INC.
OUTBACK ALABAMA, INC.
OUTBACK & CARRABBA'S OF NEW MEXICO, INC.

By: _____

Name: David J. Deno
Title: Chief Financial and Administrative Officer,
Executive Vice President

CARRABBA'S DESIGNATED PARTNER, LLC
CARRABBA'S KANSAS LLC

By: CARRABBA'S ITALIAN GRILL, LLC,
its member

By: OSI RESTAURANT PARTNERS, LLC,
its member

By:_____
Name: Joseph J. Kadow
Title: Executive Vice President, Chief
Legal Officer & Assistant Secretary

CARRABBA'S ITALIAN GRILL OF HOWARD COUNTY, INC.

By: _____
Name: Malcom Mordue
Title: Secretary, Treasurer & President

BONEFISH GRILL, LLC
CARRABBA'S ITALIAN GRILL, LLC
OS REALTY, LLC
OUTBACK STEAKHOUSE OF FLORIDA, LLC
PRIVATE RESTAURANT MASTER LESSEE, LLC
DOORSIDE, LLC

By: OSI RESTAURANT PARTNERS, LLC,
its member

By: _____
Name: Joseph J. Kadow
Title: Executive Vice President, Chief
Legal Office & Assistant Secretary

CARRABBA'S OF BOWIE, LLC

By: CARRABBA'S ITALIAN GRILL, LLC,
its managing member

By: OSI RESTAURANT PARTNERS, LLC,
its member

By:_____
Name: Joseph J. Kadow
Title: Executive Vice President, Chief Legal
Legal Officer & Assistant Secretary

CARRABS OF GERMANTOWN, INC.
CARRABA'S OF WALDORF, INC.

By: CARRABA'S ITALIAN GRILL, LLC,
its sole shareholder

By: OSI RESTAURANT PARTNERS, LLC, its member

By: _____
Name: Joseph J. Kadow
Title: Executive Vice President, Chief
Legal Officer & Assistant Secretary

CARRABBA'S/BIRMINGHAM 280, LIMITED PARTNERSHIP

By: CARRABBA'S ITALIAN GRILL, LLC,
its general member

By: OSI RESTAURANT PARTNERS, LLC,
its member

By:_____
Name: Joseph J. Kadow
Title: Executive Vice President, Chief Legal Officer & Assistant Secretary

By: CARRABBA'S DESIGNATED PARTNER, LLC,
its general partner

By: CARRABBA'S ITALIAN GRILL, LLC,
its member

By: OSI RESTAURANT PARTNERS, LLC, its member

By:_____
Name: Joseph J. Kadow
Title: Executive Vice President
Chief Legal Officer & Assistant Secretary

CARRABBA'S/DC-I, LIMITED PARTNERSHIP

By: CARRABBA'S ITALIAN GRILL, LLC,
its general partner

By: OSI RESTAURANT PARTNERS, LLC,
its member

By:_____
Name: Joseph J. Kadow
Title: Executive Vice President, Chief
Legal Officer & Assistant Secretary

CIGI/BFG OF EAST BRUNSWICK PARTNERSHIP

By: CARRABBA'S ITALIAN GRILL, LLC, its partner

By: OSI RESTAURANT PARTNERS, LLC,
its member

By:_____
Name: Joseph J. Kadow
Title: Executive Vice President, Chief
Legal Officer & Assistant Secretary

By: BONEFISH GRILL, LLC, its partner

By: OSI RESTAURANT PARTNERS, LLC,
its member

By:_____
Name: Joseph J. Kadow
Title: Executive Vice President, Chief
Legal Officer & Assistant Secretary

OUTBACK OF ASPEN HILL, INC.
OUTBACK OF GERMANTOWN, INC.
FREDERICK OUTBACK, INC.

By: _____
Name: Stephen S. Newton
Title: Treasurer, President & Secretary

OSF/BFG OF DEPTFORD PARTNERSHIP
OSF/BFG OF LAWRENCEVILLE PARTNERSHIP

By: OUTBACK STEAKHOUSE OF FLORIDA, LLC,
its partner

By: OSI RESTAURANT PARTNERS, LLC,
its member

By:_____
Name: Joseph J. Kadow
Title: Executive Vice President, Chief
Legal Officer & Assistant Secretary

By: BONEFISH GRILL, LLC, its partner

By: OSI RESTAURANT PARTNERS, LLC, its
member

By:_____
Name: Joseph J. Kadow
Title: Executive Vice President, Chief
Legal Officer & Assistant Secretary

OSF/CIGI OF EVESHAM PARTNERSHIP
OUTBACK/CARRABBA'S PARTNERSHIP

By: OUTBACK STEAKHOUSE OF FLORIDA, LLC, its partner

By: OSI RESTAURANT PARTNERS, LLC,
its member

By:_____
Name: Joseph J. Kadow
Title: Executive Vice President, Chief
Legal Officer & Assistant Secretary

By: CARRABBA'S ITALIAN GRILL, LLC, its partner

By: OSI RESTAURANT PARTNERS, LLC,
its member

By:_____
Name: Joseph J. Kadow
Title: Executive Vice President, Chief
Legal Officer & Assistant Secretary

OUTBACK STEAKHOUSE WEST VIRGINIA, INC.

By: _____

Name: Joseph J. Kadow

Title: Director

OUTBACK/STONE-II, LIMITED PARTNERSHIP

By: OUTBACK STEAKHOUSE OF FLORIDA, LLC,
its general partner

By: OSI RESTAURANT PARTNERS, LLC,
its member

By:_____

Name: Joseph J. Kadow

Title: Executive Vice President, Chief
Legal Officer & Assistant Secretary

OUTBACK OF LAUREL, LLC

By: OUTBACK STEAKHOUSE OF FLORIDA, LLC,
its Sole Manager

By: OSI RESTAURANT PARTNERS, LLC,
its member

By:_____

Name: Joseph J. Kadow

Title: Executive Vice President, Chief
Legal Officer & Assistant Secretary

OSI HOLDCO, INC.
OSI HOLDCO I, INC.
OSI HOLDCO II, INC.

By: _____
Name: Joseph J. Kadow
Title: Executive Vice President & Secretary

NEW PRIVATE RESTAURANT PROPERTIES, LLC

By: _____
Name: Joseph J. Kadow
Title: Secretary, Chief Legal Officer &
Executive Vice President

COLLATERAL AGENT:

WELLS FARGO BANK, NATIONAL ASSOCIATION, as Administrative Agent

By: _____

Name:

Title

SCHEDULE I to the Amended and Restated Security Agreement

SUBSIDIARY PARTIES

1. BFG Nebraska, Inc.
2. BFG Oklahoma, Inc.
3. Bloomin' Brands Gift Card Services, LLC
4. Bonefish Beverages, LLC
5. Bonefish Brandywine, LLC
6. Bonefish Designated Partner, LLC
7. Bonefish Grill, LLC
8. Bonefish Holdings, LLC
9. Bonefish Kansas LLC
10. Bonefish of Bel Air, LLC
11. Bonefish/Asheville, Limited Partnership
12. Bonefish/Carolinas, Limited Partnership
13. Bonefish/Columbus-I, Limited Partnership
14. Bonefish/Crescent Springs, Limited Partnership
15. Bonefish/Greensboro, Limited Partnership
16. Bonefish/Hyde Park, Limited Partnership
17. Carrabba's Designated Partner, LLC
18. Carrabba's Italian Grill of Howard County, Inc.
19. Carrabba's Italian Grill, LLC
20. Carrabba's Kansas LLC
21. Carrabba's of Bowie, LLC
22. Carrabbas of Germantown, Inc.

23. Carrabba's of Waldorf, Inc.
24. Carrabba's/Birmingham 280, Limited Partnership
25. Carrabba's/DC-I, Limited Partnership
26. CIGI Beverages of Texas, LLC
27. CIGI Holdings, LLC
28. CIGI Nebraska, Inc.
29. CIGI Oklahoma, Inc.
30. CIGI/BFG of East Brunswick Partnership
31. DoorSide, LLC
32. Frederick Outback, Inc.
33. New Private Restaurant Properties, LLC
34. OBTex Holdings, LLC
35. OS Management, Inc.
36. OS Mortgage Holdings, Inc.
37. OS Realty, LLC
38. OS Restaurant Services, LLC
39. OSF Nebraska, Inc.
40. OSF Oklahoma, Inc.
41. OSF/BFG of Deptford Partnership
42. OSF/BFG of Lawrenceville Partnership
43. OSF/CIGI of Evesham Partnership
44. OSI HoldCo, Inc.
45. OSI HoldCo I, Inc.
46. OSI, HoldCo II, Inc.
47. Outback & Carrabba's of New Mexico, Inc.
48. Outback Alabama, Inc.
49. Outback Beverages of Texas, LLC

50. Outback Designated Partner, LLC

51. Outback Kansas LLC

52. Outback of Aspen Hill, Inc.

53. Outback of Germantown, Inc.

54. Outback of Laurel, LLC

55. Outback Steakhouse of Florida, LLC

56. Outback Steakhouse West Virginia, Inc.

57. Outback/Carrabba's Partnership

58. Outback/Stone-II, Limited Partnership

59. Private Restaurant Master Lessee, LLC

SCHEDULE II to the Amended and Restated Security Agreement

EQUITY INTERESTS

Issuer	Number of Certificate	Registered Owner	Number and Class of Equity Interest	Percentage of Equity Interests

DEBT SECURITIES

Issuer	Principal Amount	Date of Note	Maturity Date

SCHEDULE III to the Amended and Restated Security Agreement

COMMERCIAL TORT CLAIMS

SCHEDULE IV to the Amended and Restated
Security Agreement

U.S. COPYRIGHTS OWNED BY [NAME OR GRANTOR]

[Make a separate page of Schedule IV for each Grantor and state if no copyrights are owned. List in numerical order by Registration No.]

U.S. Copyright Registrations

Title	Reg. No.	Author

Pending U.S. Copyright Applications for Registration

Title	Author	Class	Date Filed

Unregistered Copyrights

SCHEDULE V to the Amended and Restated
Security Agreement

DOMAIN NAMES OWNED BY [NAME OF GRANTOR]

[Make a separate page of Schedule V for each Grantor and state if no Domain Names are owned.]

Internet Domain Names	Country	Registration No. (or other applicable identifier)

SCHEDULE VI to the Amended and Restated
Security Agreement

U.S. COPYRIGHTS LICENSES OWNED BY [NAME OR GRANTOR]

[Make a separate page of Schedule VI for each Grantor and state if no Copyrights Licenses are owned.]

PATENTS LICENSES OWNED BY [NAME OF GRANTOR]

[Make a separate page of Schedule VI for each Grantor and state if no Patents Licenses are owned.]

TRADEMARK LICENSES OWNED BY [NAME OF GRANTOR]

[Make a separate page of Schedule VI for each Grantor and state if no Trademark Licenses are owned.]

SCHEDULE VII to the Amended and Restated
Security Agreement

PATENTS OWNED BY [NAME OF GRANTOR]

[Make a separate page of Schedule VII for each Grantor and state if no patents are owned. List in numerical order by Patent No./Patent Application No.]

U.S. Patent Registrations

Patent Numbers	Issue Date

U.S. Patent Applications

Patent Numbers	Filing Date

TRADEMARK/TRADE NAMES OWNED BY [NAME OF GRANTOR]

[Make a separate page of Schedule VIII for each Grantor and state if no trademarks/trade names are owned. List in numerical order by trademark registration/application no.]

U.S. Trademark Registrations

Mark	Reg. Date	Reg. No.

U.S. Trademark Applications

Mark	Filing Date	Application No.

Common Law Trademarks

EXHIBIT I to the Amended and Restated
Security Agreement

SUPPLEMENT NO._dated as of [●], to the Amended and Restated Security Agreement dated as of November 30, 2017 (as amended, restated, supplemented or otherwise modified from time to time, the "Security Agreement"), among OSI RESTAURANT PARTNERS, LLC ("OSI"), BLOOMIN' BRANDS, INC. (the "Company" and together with OSI, the "Borrowers"), the Subsidiaries of the Company identified therein and WELLS FARGO BANK, NATIONAL ASSOCIATION, as Collateral Agent for the Secured Parties (as defined below).

A. Reference is made to (i) the Amended and Restated Credit Agreement dated as of November 30, 2017 (as amended, restated, supplemented or otherwise modified from time to time, the "Credit Agreement"), among the Borrowers, each Lender from time to time party thereto and Wells Fargo Bank, National Association, as Administrative Agent, (ii) the Guaranty (as defined in the Credit Agreement), (iii) each Secured Hedge Agreement (as defined in the Credit Agreement) and (vi) the Cash Management Obligations (as defined in the Credit agreement).

B. Capitalized terms used herein and not otherwise defined herein shall have the meanings assigned to such terms in the Credit Agreement and the Security Agreement referred to therein.

C. The Grantors have entered into the Security Agreement in order to induce (x) the Lenders to make Loans and the L/C Issuers to issue Letters of Credit, (y) the Hedge Banks to enter into and/or maintain Secured Hedge Agreements and (z) the Cash Management Bank to provide Cash Management Services. Section 7.14 of the Security Agreement provides that additional Subsidiaries of the Company may become Subsidiary Parties under the Security Agreement by execution and delivery of an instrument substantially in the form of this Supplement. The undersigned Subsidiary (the "New Subsidiary") is executing this Supplement in accordance with the requirements of the Credit Agreement to become a Subsidiary Party under the Security Agreement in order to induce the Lenders to make additional Loans and the L/C Issuers to issue additional Letters of Credit and as consideration for Loans previously made and Letters of Credit previously issued.

Accordingly, the Collateral Agent and the New Subsidiary agree as follows:

Section 1. In accordance with Section 7.14 of the Security Agreement, the New Subsidiary by its signature below becomes a Subsidiary Party (and accordingly, becomes a Grantor) and Grantor under the Security Agreement with the same force and effect as if originally named therein as a Subsidiary Party and the New Subsidiary hereby (a) agrees to all the terms and provisions of the Security Agreement applicable to it as a Subsidiary Party and Grantor thereunder and (b) represents and warrants that the representations and warranties made by it as a Grantor thereunder are true and correct on and as of the date hereof. In furtherance of the foregoing, the New Subsidiary, as security for the payment and performance in full of the Secured Obligations does hereby create and grant to the Collateral Agent, its successors and assigns, for the benefit of the Secured Parties, their successors and assigns, a security interest in and lien on all of the New Subsidiary's right, title and interest in and to the Collateral (as defined in the Security Agreement) of the New Subsidiary. Each reference to a "Grantor" in the Security Agreement shall be deemed to include the New Subsidiary. The Security Agreement is hereby incorporated herein by reference.

Section 2. The New Subsidiary represents and warrants to the Collateral Agent and the other Secured Parties that (i) it has the power and authority to enter into this Supplement and (ii) this Supplement has been

duly authorized, executed and delivered by it and constitutes its legal, valid and binding obligation, enforceable against it in accordance with its terms.

Section 3. This Supplement may be executed in counterparts (and by different parties hereto on different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. This Supplement shall become effective when the Collateral Agent shall have received a counterpart of this Supplement that bears the signature of the New Subsidiary and the Collateral Agent has executed a counterpart hereof. Delivery of an executed signature page to this Supplement by facsimile or electronic (i.e., "tif" or "pdf") transmission shall be as effective as delivery of a manually signed counterpart of this Supplement.

Section 4. The New Subsidiary hereby represents and warrants that (a) set forth on Schedule I attached hereto is a true and correct schedule of the location of any and all Collateral of the New Subsidiary and (b) set forth under its signature hereto is the true and correct legal name of the New Subsidiary, its jurisdiction of formation and the location of its chief executive office.

Section 5. Except as expressly supplemented hereby, the Security Agreement shall remain in full force and effect.

Section 6. THIS SUPPLEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.

Section 7. In case any one or more of the provisions contained in this Supplement should be held invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein and in the Security Agreement shall not in any way be affected or impaired thereby (it being understood that the invalidity of a particular provision in a particular jurisdiction shall not in and of itself affect the validity of such provision in any other jurisdiction). The parties hereto shall endeavor in good-faith negotiations to replace the invalid, illegal or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the invalid, illegal or unenforceable provisions.

Section 8. All communications and notices hereunder shall be in writing and given as provided in Section 7.01 of the Security Agreement.

Section 9. The New Subsidiary agrees to reimburse the Collateral Agent for its reasonable out-of- pocket expenses in connection with this Supplement, including the reasonable fees, other charges and disbursements of counsel for the Collateral Agent.

[Signature Page Follows]

IN WITNESS WHEREOF, the New Subsidiary and the Collateral Agent have duly executed this Supplement to the Security Agreement as of the day and year first above written.

[NAME OF NEW SUBSIDIARY]

By: _____
Name:
Title:
Legal Name:
Jurisdiction of Formation:
Location of Chief Executive Office:

WELLS FARGO BANK, NATIONAL ASSOCIATION, as Collateral Agent

By: _____
Name:
Title:

LOCATION OF COLLATERAL

Description	Location

EQUITY INTERESTS

Issuer	Number of Certificate	Registered Owner	Number and Class of Equity Interest	Percentage of Equity Interests

DEBT SECURITIES

Issuer	Principal Amount	Date of Note	Maturity Date

EXHIBIT II to the Amended and Restated Security Agreement

[FORM OF]

COPYRIGHT SECURITY AGREEMENT

COPYRIGHT SECURITY AGREEMENT, dated as of [___], 20[_], made by [_____], a [___] (the "Grantor"), having its chief executive office at [____], in favor of WELLS FARGO BANK, NATIONAL ASSOCIATION, as collateral agent (together with its successors in such capacity, the "Grantee"), with offices at 1525 West W.T. Harris Blvd., MAC D1109-019, Charlotte, North Carolina, 28262, for the Secured Parties referred to in the Amended and Restated Credit Agreement, dated as of November 30, 2017 (as amended, restated, supplemented or otherwise modified from time to time, the "Credit Agreement"), among OSI Restaurant Partners, LLC, a Delaware limited liability company, Bloomin' Brands, Inc., a Delaware corporation, each Lender (as defined in the Credit Agreement) from time to time party thereto and the Grantee, as Administrative Agent.

WHEREAS, the Grantor is party to an Amended and Restated Security Agreement, dated as of November 30, 2017 (as amended, restated, supplemented or otherwise modified from time to time, the "Security Agreement"), in favor of the Grantee pursuant to which the Grantor is required to execute and deliver this Copyright Security Agreement;

NOW, THEREFORE, in consideration of the premises and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and to induce the Lenders to extend credit under the Credit Agreement, the Grantor hereby agrees with the Grantee as follows:

SECTION 1. Defined Terms. Unless otherwise defined herein, capitalized terms used herein and not defined have the meaning given to them in the Security Agreement, or if not defined therein, in the Credit Agreement.

SECTION 2. Grant of Security Interest in Copyrights. As security for the payment and performance in full of the Obligations, including the Guarantees, the Grantor hereby assigns and pledges to the Grantee, its successors and assigns, for the benefit of the Secured Parties, and hereby grants to the Grantee, its successors and assigns, for the benefit of the Secured Parties, a continuing security interest (the "Security Interest") in, to, or under all right, title or interest in or to any and all of the Owned Copyrights, including those listed on Schedule I hereto, and all proceeds of the Owned Copyrights (in each case, other than Excluded Assets).

SECTION 3. Security Agreement. The Security Interest granted pursuant to this Copyright Security Agreement is granted in conjunction with the security interest granted to the Grantee pursuant to the Security Agreement, and the Grantee and the Grantor hereby acknowledge and affirm that the rights and remedies of the Grantee with respect to the Security Interest in the Owned Copyrights made and granted hereby are more fully set forth in the Security Agreement, the terms and provisions of which are incorporated by reference herein as if fully set forth herein. In the event that any provision of this Copyright Security Agreement is deemed to conflict with the Security Agreement, the provisions of the Security Agreement shall control.

SECTION 4. Counterparts. This Copyright Security Agreement may be executed in any number of counterparts, all of which shall constitute one and the same instrument, and any party hereto may execute this Copyright Security Agreement by signing and delivering one or more counterparts.

SECTION 5. Recordation. The Grantor authorizes and requests that the United States Copyright Office record this Agreement.

SECTION 6. Governing Law. This Copyright Security Agreement shall be governed by and construed in accordance with the laws of the State of New York.

[signature page follows]

IN WITNESS WHEREOF, the Grantor has caused this Copyright Security Agreement to be executed and delivered by its duly authorized officer as of the date first set forth above.

[_____], as Grantor

By: _____
Name:
Title:

Accepted and Agreed:
WELLS FARGO BANK, NATIONAL ASSOCIATION,
as Grantee

By: _____
Name:
Title:

SCHEDULE I
to
COPYRIGHT SECURITY AGREEMENT
COPYRIGHT REGISTRATIONS AND COPYRIGHT APPLICATIONS

UNITED STATES COPYRIGHTS:

U.S. Copyright Registrations

Title	Reg. No.	Author

Pending U.S. Copyright Applications for Registration

Title	Author	Date Filed

EXHIBIT III to the Amended and Restated Security Agreement

[FORM OF]

PATENT SECURITY AGREEMENT

PATENT SECURITY AGREEMENT, dated as of [____], 20[_], made by [_____], a [____] (the "Grantor"), having its chief executive office at [____], in favor of WELLS FARGO BANK, NATIONAL ASSOCIATION, as collateral agent (together with its successors in such capacity, the "Grantee"), with offices at 1525 West W.T. Harris Blvd., MAC D1109-019, Charlotte, North Carolina, 28262, for the Secured Parties referred to in the Amended and Restated Credit Agreement, dated as of November 30, 2017 (as amended, restated, supplemented or otherwise modified from time to time, the "Credit Agreement"), among OSI Restaurant Partners, LLC, a Delaware limited liability company, Bloomin' Brands, Inc., a Delaware corporation, each Lender (as defined in the Credit Agreement) from time to time party thereto and the Grantee, as Administrative Agent.

WHEREAS, the Grantor is party to an Amended and Restated Security Agreement, dated as of November 30, 2017 (as amended, restated, supplemented or otherwise modified from time to time, the "Security Agreement"), in favor of the Grantee pursuant to which the Grantor is required to execute and deliver this Patent Security Agreement;

NOW, THEREFORE, in consideration of the premises and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and to induce the Lenders to extend credit under the Credit Agreement, the Grantor hereby agrees with the Grantee as follows:

SECTION 1. Defined Terms. Unless otherwise defined herein, capitalized terms used herein and not defined have the meaning given to them in the Security Agreement, or if not defined therein, in the Credit Agreement.

SECTION 2. Grant of Security Interest in Patents. As security for the payment and performance in full of the Obligations, including the Guarantees, the Grantor hereby assigns and pledges to the Grantee, its successors and assigns, for the benefit of the Secured Parties, and hereby grants to the Grantee, its successors and assigns, for the benefit of the Secured Parties, a continuing security interest (the "Security Interest") in, to, or under all right, title or interest in or to any and all Owned Patents, including those listed on Schedule I hereto, and all proceeds and products of the Owned Patents and all causes of action arising prior to or after the date hereof for infringement or competition regarding the same of any of the Owned Patents (in each case, other than Excluded Assets).

SECTION 3. Security Agreement. The Security Interest granted pursuant to this Patent Security Agreement is granted in conjunction with the security interest granted to the Grantee pursuant to the Security Agreement, and the Grantee and the Grantor hereby acknowledge and affirm that the rights and remedies of the Grantee with respect to the Security Interest in the Owned Patents made and granted hereby are more fully set forth in the Security Agreement, the terms and provisions of which are incorporated by reference herein as if fully set forth herein. In the event that any provision of this Patent Security Agreement is deemed to conflict with the Security Agreement, the provisions of the Security Agreement shall control.

SECTION 4. Counterparts. This Patent Security Agreement may be executed in any number of counterparts, all of which shall constitute one and the same instrument, and any party hereto may execute this Patent Security Agreement by signing and delivering one or more counterparts.

SECTION 5. Recordation. The Grantor authorizes and requests that the Commissioner of Patents and Trademarks record this Agreement.

SECTION 6. Governing Law. This Patent Security Agreement shall be governed by and construed in accordance with the laws of the State of New York.

[signature page follows]

IN WITNESS WHEREOF, the Grantor has caused this Patent Security Agreement to be executed and delivered by its duly authorized officer as of the date first set forth above.

[_____],
as Grantor

By: _____
Name:
Title

Accepted and Agreed:

WELLS FARGO BANK, NATIONAL ASSOCIATION,
as Grantee

By: _____

Name:

Title

SCHEDULE I
to
PATENT SECURITY AGREEMENT
PATENT REGISTRATIONS AND PATENT APPLICATIONS

UNITED STATES PATENTS:

U.S. Patent Registrations

Patent Numbers	Issue Date

U.S. Patent Applications

Patent Application No.	Filing Date

EXHIBIT IV to the Amended and Restated
Security Agreement

[FORM OF] TRADEMARK SECURITY AGREEMENT

TRADEMARK SECURITY AGREEMENT, dated as of [___], 20[_] made by [___], a [___] (the "Grantor"), having its chief executive office at [___], in favor of WELLS FARGO BANK, NATIONAL ASSOCIATION, as collateral agent (together with its successors in such capacity, the "Grantee"), with offices at 1525 West W.T. Harris Blvd., MAC D1109-019, Charlotte, North Carolina, 28262, for the Secured Parties referred to in the Amended and Restated Credit Agreement, dated as of November 30, 2017 (as amended, restated, supplemented or otherwise modified from time to time, the "Credit Agreement"), among OSI Restaurant Partners, LLC, a Delaware limited liability company, Bloomin' Brands, Inc., a Delaware corporation, each Lender (as defined in the Credit Agreement) from time to time party thereto and the Grantee, as Administrative Agent.

WHEREAS, the Grantor is party to an Amended and Restated Security Agreement, dated as of November 30, 2017 (as amended, restated, supplemented or otherwise modified from time to time, the "Security Agreement"), in favor of the Grantee pursuant to which the Grantor is required to execute and deliver this Trademark Security Agreement;

NOW, THEREFORE, in consideration of the premises and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and to induce the Lenders to extend credit under the Credit Agreement, the Grantor hereby agrees with the Grantee as follows:

SECTION 1. Defined Terms. Unless otherwise defined herein, capitalized terms used herein and not defined have the meaning given to them in the Security Agreement, or if not defined therein, in the Credit Agreement.

SECTION 2. Grant of Security Interest in Trademarks. As security for the payment and performance in full of the Obligations, including the Guarantees, the Grantor hereby assigns and pledges to the Grantee, its successors and assigns, for the benefit of the Secured Parties, and hereby grants to the Grantee, its successors and assigns, for the benefit of the Secured Parties, a continuing security interest (the "Security Interest") in, to, or under all right, title or interest in or to any and all of the Owned Trademarks, including those listed on Schedule I hereto, and all proceeds of the Owned Trademarks, the goodwill of the businesses with which the Owned Trademarks are associated, and all causes of action arising prior to or after the date hereof for infringement of any the Owned Trademarks or unfair competition regarding the same (in each case, other than Excluded Assets).

SECTION 3. Security Agreement. The Security Interest granted pursuant to this Trademark Security Agreement is granted in conjunction with the security interest granted to the Grantee pursuant to the Security Agreement, and the Grantee and the Grantor hereby acknowledge and affirm that the rights and remedies of the Grantee with respect to the Security Interest in the Owned Trademark made and granted hereby are more fully set forth in the Security Agreement, the terms and provisions of which are incorporated by reference herein as if fully set forth herein. In the event that any provision of this Trademark Security Agreement is deemed to conflict with the Security Agreement, the provisions of the Security Agreement shall control.

SECTION 4. Counterparts. This Trademark Security Agreement may be executed in any number of counterparts, all of which shall constitute one and the same instrument, and any party hereto may execute this Trademark Security Agreement by signing and delivering one or more counterparts.

SECTION 5. Recordation. The Grantor authorizes and requests that the Commissioner of Patents and Trademarks record this Agreement.

SECTION 6. Governing Law. This Trademark Security Agreement shall be governed by and construed in accordance with the laws of the State of New York.

[signature page follows]

IN WITNESS WHEREOF, the Grantor has caused this Trademark Security Agreement to be executed and delivered by its duly authorized officer as of the date first set forth above.

[_____], as Grantor

By: _____
Name:
Title:

Accepted and Agreed:

WELLS FARGO BANK, NATIONAL ASSOCIATION,
as Grantee

By: _____

Name:

Title

SCHEDULE I
to
TRADEMARK SECURITY AGREEMENT TRADEMARK REGISTRATIONS AND TRADEMARK APPLICATIONS

UNITED STATES TRADEMARKS:

U.S. Trademark Registrations

Mark	Reg. Date	Reg. No

U.S. Trademark Applications

Mark	Filing Date	Application No.

EXHIBIT V to the Amended and Restated
Security Agreement

FORM OF PERFECTION CERTIFICATE

Reference is made to the Amended and Restated Credit Agreement dated as of November 30, 2017 (as amended, supplemented or otherwise modified from time to time, the "Credit Agreement"), among OSI Restaurant Partners, LLC, a Delaware limited liability company ("OSI"), Bloomin' Brands, Inc., a Delaware corporation (the "Company" and together with OSI, the "Borrowers"), each Lender (as defined in the Credit Agreement) from time to time party thereto and Wells Fargo Bank, National Association, as Administrative Agent, Swing Line Lender and an L/C Issuer. Capitalized terms used but not defined herein have the meanings assigned in the Credit Agreement or the Security Agreement or Guaranty referred to therein, as applicable.

The undersigned, a Responsible Officer of the Company, hereby certifies to the Administrative Agent and each other Secured Party as follows:

1. Names, Jurisdictions and Organizational and Federal Taxpayer Identification Numbers.

(a) The exact legal name of each Guarantor, as such name appears in its respective certificate of incorporation or formation, jurisdiction of organization, Organizational Identification Number, if any, issued by the jurisdiction of organization, and Federal Taxpayer Identification Number of each Guarantor are as follows:

(b) Set forth below is each other legal name each Guarantor has had in the past five years, together with the date of the relevant change:

(c) Except as set forth in Schedule 1 hereto, to our knowledge, no Guarantor has changed its identity or corporate structure in any way within the past five years. Changes in identity or corporate structure would include mergers, consolidations and acquisitions, as well as any change in the form, nature or jurisdiction of organization. If any such change has occurred, include in Schedule 1 the information required by Sections 1 and 2 of this certificate as to each acquiree or constituent party to a merger or consolidation to the extent such information is available to the Company.

(d) To our knowledge, the following is a list of all other names (including trade names or similar appellations) used by each Guarantor or any of its divisions or other business units in connection with the conduct of its business or the ownership of its properties at any time during the past five years:

2. Current Locations. (a) The chief executive office of each Guarantor is located at the address set forth opposite its name below:

Guarantor	Mailing Address	County	State

(b) Set forth below opposite the name of each Guarantor are the names and addresses of all Persons other than such Guarantor that have possession of any material Collateral of such Guarantor:

Guarantor	Name of Person	Mailing Address	County	State

(c) Set forth below is a list of all real property held by each Guarantor, with detail as to (i) whether owned or leased, (ii) the name of the Guarantor that owns or leases such real property, and (iii) the fair market value of any such owned or leased real property, to the extent an appraisal exists, with respect to any such owned or leased real property, or, in the absence of any such appraisal, the book value of any such owned real property or the current annual rent with respect to any such leased real property; provided, however, that any real property that is Excluded Real Property shall be included in such list to provide only the information required by clause (i) and (ii) above:

Address	Owned/Leased	Guarantor	Book, Market or Rental Value

(d) Set forth below opposite the name of each Guarantor are all the locations where such Guarantor maintains any material Collateral and all the places of business where such Guarantor conducts any material business that are not identified above:

Guarantor	Mailing Address	County	State

3. Unusual Transactions. All Accounts have been originated by the Guarantors and all Inventory has been acquired by the Guarantors in the ordinary course of business (other than Accounts acquired in connection with a business acquisition).

4. Schedule of Filings. Attached hereto as Schedule 4 is a schedule setting forth the proper Uniform Commercial Code filing office in the jurisdiction in which each Guarantor is located (as determined pursuant to Section 9-307 of the UCC) and, to the extent any of the Collateral is comprised of fixtures, in the proper local jurisdiction.

5. Stock Ownership and other Equity Interests. Attached hereto as Schedule 5 is a true and correct list of all the issued and outstanding Equity Interests of the Company and each Subsidiary and the record and beneficial owners of such Equity Interests. Also set forth on Schedule 5 is each Investment of the Company or any Subsidiary that represents 50% or less of the Equity Interests of the Person in which such Investment was made.

6. Debt Instruments. Attached hereto as Schedule 6 is a true and correct list of all promissory notes and other evidence of Indebtedness held by the Company and each other loan party having a principal amount in excess of $5,000,000 that are required to be pledged under the Security Agreement, including all intercompany notes between Loan Parties.

7. Mortgage Filings. Attached hereto as Schedule 7 is a schedule setting forth, with respect to each Mortgaged Property, (a) the exact name of the Person that owns such property as such name appears in its certificate of incorporation or other organizational document, (b) if different from the name identified pursuant to clause (a), the exact name of the current mortgagor/grantor of such property reflected in the records of the filing office for such property identified pursuant to the following clause and (c) the filing

office in which a Mortgage with respect to such property must be filed or recorded in order for the Administrative Agent to obtain a perfected security interest therein.

8. Intellectual Property. (a) Attached hereto as Schedule 8(a) in proper form for filing with the United States Patent and Trademark Office is a schedule setting forth all of each Guarantor's: (i) Patents and Patent applications, including the name of the registered owner, type, registration or application number and the expiration date (if already registered) of each Patent and Patent application owned by any Guarantor; and (ii) Trademarks and Trademark applications, including the name of the registered owner, the registration or application number and the expiration date (if already registered) of each Trademark and Trademark application owned by any Guarantor.

(b) Attached hereto as Schedule 8(b) in proper form for filing with the United States Copyright Office is a schedule setting forth all of each Guarantor's Copyrights and Copyright applications, including the name of the registered owner, title, the registration number or application number and the expiration date (if already registered) of each Copyright or Copyright application owned by any Guarantor.

(c) Attached hereto as Schedule 8(c) is a list of any Domain Names registered to any Guarantor and the expiry date of each Domain Name.

IN WITNESS WHEREOF, the undersigned has duly executed this certificate on this [___] day of [___], 20[ ].

BLOOMIN' BRANDS, INC.

By: _____

Name:

Title

EXHIBIT H

[FORM OF] INTERCOMPANY NOTE

New York, New York
[_____], 20[_]

FOR VALUE RECEIVED, each of the undersigned, to the extent a borrower from time to time from any other entity listed on the signature page hereto (each, in such capacity, a "Payor"), hereby promises to pay on demand to the order of such other entity listed below (each, in such capacity, a "Payee"), in lawful money of the United States of America in immediately available funds, at such location in the United States of America as a Payee shall from time to time designate, the unpaid principal amount of all loans and advances made by such Payee to such Payor. Each Payor promises also to pay interest on the unpaid principal amount of all such loans and advances in like money at said location from the date of such loans and advances until paid at such rate per annum as shall be agreed upon from time to time by such Payor and such Payee.

This note ("Note") is the Intercompany Note referred to in the Amended and Restated Credit Agreement dated as of November 30, 2017 (as amended, supplemented, restated and/or otherwise modified from time to time, the "Credit Agreement"), among OSI Restaurant Partners, LLC ("OSI"), Bloomin' Brands, Inc. (the "Company" and, together with OSI, the "Borrowers"), the lenders from time to time party thereto (collectively, the "Lenders" and individually, a "Lender") and Wells Fargo Bank, National Association, as Administrative Agent (in such capacity, the " Administrative Agent"), Swing Line Lender and an L/C Issuer. Unless otherwise specified, capitalized terms used but not defined herein shall have the meanings assigned to such terms in the Credit Agreement. Each Payee hereby acknowledges and agrees that the Administrative Agent and the Collateral Agent may exercise all rights provided in the Credit Agreement and the Collateral Documents with respect to this Note.

Anything in this Note to the contrary notwithstanding, the indebtedness evidenced by this Note owed by any Payor that is (i) a Guarantor to any Payee (other than a Loan Party) or (ii) the Borrowers to any Payee, shall, in each case, be subordinate and junior in right of payment, to the extent and in the manner hereinafter set forth, to all Obligations, including, without limitation, where applicable, under such Payor's guarantee of the Guaranteed Obligations under (and as defined in) the Guaranty (such Obligations and other indebtedness and obligations in connection with any renewal, refunding, restructuring or refinancing thereof, including interest thereon accruing after the commencement of any proceedings referred to in clause (i) below at the rate provided for in the respective documentation for such Obligations, whether or not such interest is an allowed claim in such proceeding, being hereinafter collectively referred to as "Senior Indebtedness"):

(i) In the event of any insolvency or bankruptcy proceedings, and any receivership, liquidation, reorganization or other similar proceedings in connection therewith, relative to any Payor or to its creditors, as such, or to its property, and in the event of any proceedings for voluntary liquidation, dissolution or other winding up of such Payor, whether or not involving insolvency or bankruptcy, then (x) the holders of Senior Indebtedness shall be paid in full in cash in respect of all amounts constituting Senior Indebtedness before any Payee is entitled to receive (whether directly or indirectly), or make any demands for, any payment or distribution of any kind or character on account of this Note (whether in cash, property, securities or otherwise) and (y) until the holders of Senior Indebtedness are paid in full in cash in respect of all amounts constituting Senior Indebtedness, any payment or distribution of any kind or character to which such Payee would otherwise be entitled shall be made to the holders of Senior Indebtedness.

(ii) In the event that any Event of Default then exists or would result therefrom, no payment by any Payor, or demand by any Payee, shall be made on account of any amount owing in respect of

the Note (including, without limitation, any payment pursuant to Section 7.12(a) of the Credit Agreement).

(iii) If any payment or distribution of any kind or character (whether in cash, securities or other property) in respect of this Note shall (despite these subordination provisions) be received by any Payee in violation of clause (i) or (ii) above before all Senior Indebtedness shall have been paid in full in cash, such payment or distribution shall be held in trust for the benefit of, and shall be paid over or delivered to, the holders of Senior Indebtedness (or their representatives), ratably according to the respective aggregate amounts remaining unpaid thereon, to the extent necessary to pay all Senior Indebtedness of the relevant Payor in full in cash.

To the fullest extent permitted by law, no present or future holder of Senior Indebtedness shall be prejudiced in its right to enforce the subordination of this Note by any act or failure to act on the part of any Payor or by any act or failure to act on the part of such holder or any trustee or agent for such holder. Each Payee and each Payor hereby agrees that the subordination of this Note is for the benefit of the Collateral Agent and the other Secured Parties, the Collateral Agent and the other Secured Parties are obligees under this Note to the same extent as if their names were written herein as such and the Administrative Agent and/or the Collateral Agent may, on behalf of itself and the other Secured Parties, proceed to enforce the subordination provisions herein.

If a Payee does not file a proper claim or proof of debt in the form required in any proceeding or other action referred to in clause (i) of the second preceding paragraph prior to 30 days before the expiration of the time to file such claim or claims, then any of the holders of the Senior Indebtedness (or their representative) is hereby authorized to file an appropriate claim for and on behalf of such Payee.

Subject to the prior payment in full in cash of all Senior Indebtedness, each Payee shall be subrogated to the rights of the holders of Senior Indebtedness to receive payments or distributions of assets of the respective Payor applicable to the Senior Indebtedness until all amounts owing on the Note shall be paid in full, and for the purpose of such subrogation no payments or distributions to the holders of the Senior Indebtedness by or on behalf of a Payor or by or on behalf of the holder of the Note which otherwise would have been made to the holder of the Note shall, as between such Payor, its creditors other than the holders of Senior Indebtedness, and the holder of the Note, be deemed to be payment by such Payor to or on account of the Senior Indebtedness.

The holders of the Senior Indebtedness may, without in any way affecting the obligations of any Payee with respect thereto, at any time or from time to time and in their absolute discretion, change the manner, place or terms of payment of, change or extend the time of payment of, or renew or alter, any Senior Indebtedness, or amend, modify or supplement any agreement or instrument governing or evidencing such Senior Indebtedness or any other document referred to therein, or exercise or refrain from exercising any other of their rights under the Senior Indebtedness including, without limitation, the waiver of default thereunder and the release of any collateral securing such Senior Indebtedness, all without notice to or assent from any Payee.

If any Payee shall acquire by indemnification, subrogation or otherwise, any lien, estate, right or other interest in any of the assets or properties of any Payor, that lien, estate, right or other interest shall be subordinate in right of payment to the Senior Indebtedness and the lien of the Senior Indebtedness as provided herein, and each Payee hereby waives any and all rights it may acquire by subrogation or otherwise to any lien of the Senior Indebtedness or any portion thereof until such time as all Senior Indebtedness has been indefeasibly repaid in full in cash.

If, at any time, all or part of any payment with respect to Senior Indebtedness theretofore made (whether by any other Loan Party or any other Person or enforcement of any right of setoff or otherwise) is rescinded or must otherwise be returned by the holders of Senior Indebtedness for any reason whatsoever (including, without limitation, the insolvency, bankruptcy or reorganization of any other Loan Party or such other Persons), the subordination provisions set forth herein shall continue to be effective or be reinstated, as the case may be, all as though such payment had not been made.

The indebtedness evidenced by this Note owed by any Payor that is neither a Guarantor nor a Borrower shall not be subordinated to, and shall rank *pari passu* in right of payment with, any other obligation of such Payor.

Nothing contained in the subordination provisions set forth above is intended to or will impair, as between each Payor and each Payee, the obligations of such Payor, which are absolute and unconditional, to pay to such Payee the principal of and interest on this Note as and when due and payable in accordance with its terms, or is intended to or will affect the relative rights of such Payee and other creditors of such Payor other than the holders of Senior Indebtedness.

Each Payee is hereby authorized (but not required) to record all loans and advances made by it to any Payor (all of which shall be evidenced by this Note), and all repayments or prepayments thereof, in its books and records, such books and records constituting *prima facie* evidence of the accuracy of the information contained therein.

Each Payor hereby waives presentment, demand, protest or notice of any kind in connection with this Note. All payments under this Note shall be made without offset, counterclaim or deduction of any kind.

* * *

THIS NOTE SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK.

[Name of each Loan Party],
as Payee

By: _____
Name:
Title

[Name of each Loan Party],
as Payor

By: _____
Name:
Title

96064450_3

EXHIBIT I

[FORM OF]
FIRST LIEN INTERCREDITOR AGREEMENT

among

OSI RESTAURANT PARTNERS, LLC,
and
BLOOMIN' BRANDS, INC.,
as Borrowers,

THE OTHER GRANTORS PARTY HERETO,

WELLS FARGO BANK, NATIONAL ASSOCIATION,
as Credit Agreement Collateral Agent for the Credit Agreement Secured Parties,

WELLS FARGO BANK, NATIONAL ASSOCIATION,
as Authorized Representative for the Credit Agreement Secured Parties,

[_____],
as the Initial Additional Authorized Representative,

and

each additional Authorized Representative from time to time party hereto

dated as of [_____], 201[ ]

FIRST LIEN INTERCREDITOR AGREEMENT, dated as of [___], 201[ ] (as amended, restated, amended and restated, extended, supplemented or otherwise modified from time to time, this "Agreement"), among OSI RESTAURANT PARTNERS, LLC, a Delaware limited liability company ("OSI"), BLOOMIN'BRANDS, INC. (the "Company" and, together with OSI, the "Borrowers"), the other Grantors (as defined below) from time to time party hereto, WELLS FARGO BANK, NATIONAL ASSOCIATION, as administrative agent for the Credit Agreement Secured Parties (as defined below) (in such capacity and together with its successors in such capacity, the "Credit Agreement Collateral Agent"), WELLS FARGO BANK, NATIONAL ASSOCIATION, as Authorized Representative for the Credit Agreement Secured Parties (as each such term is defined below), the Additional Collateral Agent (as defined below), the Authorized Representative for the Initial Additional First-Lien Secured Parties (as defined below) (in such capacity and together with its successors in such capacity, the "Initial Additional Authorized Representative") and each additional Authorized Representative from time to time party hereto for the other Additional First-Lien Secured Parties of the Series (as defined below) with respect to which it is acting in such capacity.

In consideration of the mutual agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Administrative Agent, the Credit Agreement Collateral Agent (for itself and on behalf of the Credit Agreement Secured Parties), the Initial Additional Authorized Representative (for itself and on behalf of the Initial Additional First-Lien Secured Parties) and each additional Authorized Representative (for itself and on behalf of the Additional First-Lien Secured Parties of the applicable Series) agree as follows:

ARTICLE I

Definitions

SECTION 1.01 Certain Defined Terms. Capitalized terms used but not otherwise defined herein have the meanings set forth in the Credit Agreement or, if defined in the New York UCC, the meanings specified therein. As used in this Agreement, the following terms have the meanings specified below:

["Additional Administrative Agent" has the meaning assigned to such term in Section 5.17.]

"Additional Collateral Agent" means (a) prior to the Discharge of the Initial Additional First-Lien Obligations, [ ] and (b) after the Discharge of the Initial Additional First-Lien Obligations, the Authorized Representative for the Series of Additional First-Lien Obligations that constitutes the largest outstanding principal amount of any then outstanding Series of Additional First-Lien Obligations.

"Additional First-Lien Documents" means, with respect to the Initial Additional First-Lien Obligations or any other Additional First-Lien Obligations, the credit agreements, notes, indentures, security documents or other operative agreements evidencing or governing such Indebtedness and the Liens securing such Indebtedness, including the Initial Additional First-Lien Documents and the Additional First- Lien Security Documents and each other agreement entered into for the purpose of securing the Initial Additional First-Lien Obligations or any other Additional First-Lien Obligations.

"Additional First-Lien Obligations" means collectively (1) the Initial Additional First-Lien Obligations and (2) all amounts owing pursuant to the terms of any Series of Additional Senior Class Debt designated as Additional First-Lien Obligations pursuant to Section 5.13 hereof after the date hereof, including, without limitation, the obligation (including guarantee obligations) to pay principal, interest (including interest that accrues after the commencement of a Bankruptcy Case, regardless of whether such interest is an allowed claim under such Bankruptcy Case), letter of credit commissions, reimbursement

obligations, charges, expenses, fees, attorneys costs, indemnities and other amounts payable by a Grantor under any Additional First-Lien Document.

"Additional First-Lien Secured Party" means the holders of any Additional First-Lien Obligations and any Authorized Representative with respect thereto, and shall include the Initial Additional First-Lien Secured Parties.

"Additional First-Lien Security Document" means any collateral agreement, security agreement or any other document now existing or entered into after the date hereof that creates Liens on any assets or properties of any Grantor to secure the Additional First-Lien Obligations.

"Additional Senior Class Debt" has the meaning assigned to such term in Section 5.13. "Additional Senior Class Debt Parties" has the meaning assigned to such term in Section 5.13.

"Additional Senior Class Debt Representative" has the meaning assigned to such term in Section 5.13.

"Administrative Agent" has the meaning assigned to such term in the definition of "Credit Agreement" and shall include any successor administrative agent (including as a result of any Refinancing or other modification of the Credit Agreement permitted by Section 2.07).

"Agreement" has the meaning assigned to such term in the introductory paragraph of this Agreement.

"Applicable Authorized Representative" means, with respect to any Shared Collateral, (i) until the earlier of (x) the Discharge of Credit Agreement Obligations and (y) the Non-Controlling Authorized Representative Enforcement Date, the Administrative Agent, and (ii) from and after the earlier of (x) the Discharge of Credit Agreement Obligations and (y) the Non-Controlling Authorized Representative Enforcement Date, the Major Non-Controlling Authorized Representative.

"Authorized Representative" means, at any time, (i) in the case of any Credit Agreement Obligations or the Credit Agreement Secured Parties, the Administrative Agent, (ii) in the case of the Initial Additional First-Lien Obligations or the Initial Additional First-Lien Secured Parties, the Initial Additional Authorized Representative, and (iii) in the case of any other Series of Additional First-Lien Obligations or Additional First-Lien Secured Parties that become subject to this Agreement after the date hereof, the collateral agent named as authorized representative for such Series in the applicable Joinder Agreement.

"Bankruptcy Case" has the meaning assigned to such term in Section 2.05(b).

"Bankruptcy Code" means Title 11 of the United States Code, as amended, or any similar federal or state law for the relief of debtors.

"Bankruptcy Law" means the Bankruptcy Code and any similar federal, state or foreign law for the relief of debtors.

"Borrowers" has the meaning assigned to such term in the introductory paragraph of this Agreement.

"Collateral" means all assets and properties subject to Liens created pursuant to any First-Lien Security Document to secure one or more Series of First-Lien Obligations.

"Collateral Agent" means (i) in the case of any Credit Agreement Obligations, the Credit Agreement Collateral Agent, (ii) in the case of the Initial Additional First-Lien Obligations, the Additional Collateral Agent and (iii) in the case of any other Series of Additional First-Lien Obligations, the collateral agent named as Authorized Representative for such Series in the applicable Joinder Agreement.

"Controlling Collateral Agent" means (i) until the earlier of (x) the Discharge of Credit Agreement Obligations and (y) the Non-Controlling Authorized Representative Enforcement Date, the Credit Agreement Collateral Agent and (ii) from and after the earlier of (x) the Discharge of Credit Agreement Obligations and (y) the Non-Controlling Authorized Representative Enforcement Date, the Additional Collateral Agent (acting on the instructions of the Applicable Authorized Representative).

"Controlling Secured Parties" means, with respect to any Shared Collateral, (i) at any time when the Credit Agreement Collateral Agent is the Controlling Collateral Agent, the Credit Agreement Secured Parties and (ii) at any other time, the Series of First-Lien Secured Parties whose Authorized Representative is the Applicable Authorized Representative for such Shared Collateral.

"Credit Agreement" means that certain Amended and Restated Credit Agreement, dated as of November 30, 2017, among the Borrowers, the lenders from time to time party thereto and Wells Fargo Bank, National Association, as administrative agent (the "Administrative Agent"), Swing Line Lender and an L/C Issuer, as amended, restated, amended and restated, extended, supplemented or otherwise modified from time to time.

"Credit Agreement Collateral Agent" has the meaning assigned to such term in the introductory paragraph of this Agreement.

"Credit Agreement Collateral Documents" means the Security Agreement, the other Collateral Documents (as defined in the Credit Agreement) and each other agreement entered into in favor of the Credit Agreement Collateral Agent for the purpose of securing any Credit Agreement Obligations.

"Credit Agreement Obligations" means all "Obligations" as defined in the Credit Agreement.

"Credit Agreement Secured Parties" means the "Secured Parties" as defined in the Credit Agreement.

"DIP Financing" has the meaning assigned to such term in Section 2.05(b).

"DIP Financing Liens" has the meaning assigned to such term in Section 2.05(b).

"DIP Lenders" has the meaning assigned to such term in Section 2.05(b).

"Discharge" means, with respect to any Shared Collateral and any Series of First-Lien Obligations, the date on which such Series of First-Lien Obligations is no longer secured by such Shared Collateral. The term "Discharged" shall have a corresponding meaning.

"Discharge of Credit Agreement Obligations" means, with respect to any Shared Collateral, the Discharge of the Credit Agreement Obligations with respect to such Shared Collateral; provided that the Discharge of Credit Agreement Obligations shall not be deemed to have occurred in connection with a Refinancing of such Credit Agreement Obligations with additional First-Lien Obligations secured by such Shared Collateral under an Additional First-Lien Document which has been designated in writing by the Administrative Agent (under the Credit Agreement so Refinanced) to the Additional Collateral Agent and each other Authorized Representative as the "Credit Agreement" for purposes of this Agreement.

"Event of Default" means an "Event of Default" (or similarly defined term) as defined in any Secured Credit Document.

"First Lien L/C Issuer" means (i) each L/C Issuer (as defined in the Credit Agreement with respect to each Letter of Credit issued thereunder) and (ii) each other issuing bank in respect of a First Lien Letter of Credit.

"First Lien Letter of Credit" means any letter of credit issued under the Credit Agreement or any Additional First Lien Document.

"First-Lien Obligations" means, collectively, (i) the Credit Agreement Obligations and (ii) each Series of Additional First-Lien Obligations.

"First-Lien Secured Parties" means (i) the Credit Agreement Secured Parties and (ii) the Additional First-Lien Secured Parties with respect to each Series of Additional First-Lien Obligations.

"First-Lien Security Documents" means, collectively, (i) the Credit Agreement Collateral Documents and (ii) the Additional First-Lien Security Documents.

"Grantors" means the Borrowers and each of the Guarantors (as defined in the Credit Agreement) which has granted a security interest pursuant to any First-Lien Security Document to secure any Series of First-Lien Obligations. The Grantors existing on the date hereof are set forth in Annex I hereto.

"Impairment" has the meaning assigned to such term in Section 1.03.

"Initial Additional Authorized Representative" has the meaning assigned to such term in the introductory paragraph of this Agreement.

"Initial Additional First-Lien Agreement" mean that certain [Credit Agreement] [Indenture] [Other Agreement], dated as of [___], among the Borrowers, [the Guarantors identified therein,] and [____], as [administrative agent] [trustee], as amended, restated, amended and restated, extended, supplemented or otherwise modified from time to time.

"Initial Additional First-Lien Documents" means the Initial Additional First-Lien Agreement, the [loans made] [debt securities issued] thereunder, the Initial Additional First-Lien Security Agreement and any security documents and other operative agreements evidencing or governing the Indebtedness thereunder, and the Liens securing such Indebtedness.

"Initial Additional First-Lien Obligations" means the [Obligations] as such term is defined in the Initial Additional First-Lien Security Agreement.

"Initial Additional First-Lien Secured Parties" means the Additional Collateral Agent, the Initial Additional Authorized Representative and the holders of the Initial Additional First-Lien Obligations issued pursuant to the Initial Additional First-Lien Agreement.

"Initial Additional First-Lien Security Agreement" means the security agreement, dated as of the date hereof, among the Borrowers, the Additional Collateral Agent and the other parties thereto, as amended, restated, amended and restated, extended, supplemented or otherwise modified from time to time.

"Insolvency or Liquidation Proceeding" means:

(1) any case commenced by or against any Borrower or any other Grantor under any Bankruptcy Law, any other proceeding for the reorganization, recapitalization or adjustment or marshalling of the assets or liabilities of any Borrower or any other Grantor, any receivership or assignment for the benefit of creditors relating to any Borrower or any other Grantor or any similar case or proceeding relative to any Borrower or any other Grantor or its creditors, as such, in each case whether or not voluntary;

(2) any liquidation, dissolution, marshalling of assets or liabilities or other winding up of or relating to any Borrower or any other Grantor, in each case whether or not voluntary and whether or not involving bankruptcy or insolvency; or

(3) any other proceeding of any type or nature in which substantially all claims of creditors of any Borrower or any other Grantor are determined and any payment or distribution is or may be made on account of such claims.

"Intervening Creditor" has the meaning assigned to such term in Section 2.01(a).

"Joinder Agreement" means a joinder to this Agreement substantially in the form of Annex II hereto.

"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 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 Capitalized Lease having substantially the same economic effect as any of the foregoing); provided that in no event shall an operating lease in and of itself be deemed a Lien.

"Major Non-Controlling Authorized Representative" means, with respect to any Shared Collateral, (i) at any time when the Credit Agreement Collateral Agent is the Controlling Collateral Agent, the Authorized Representative of the Series of Additional First-Lien Obligations, if any, that constitutes the largest outstanding principal amount of any then outstanding Series of First-Lien Obligations (including the Credit Agreement Obligations) and (ii) at any time when the Additional Collateral Agent is the Controlling Collateral Agent, the Authorized Representative of the Series of Additional First-Lien Obligations that constitutes the largest outstanding principal amount of any then outstanding Series of First- Lien Obligations (other than Credit Agreement Obligations) with respect to such Shared Collateral.

"New York UCC" means the Uniform Commercial Code as from time to time in effect in the State of New York.

"Non-Controlling Authorized Representative" means, at any time with respect to any Shared Collateral, any Authorized Representative that is not the Applicable Authorized Representative at such time with respect to such Shared Collateral.

"Non-Controlling Authorized Representative Enforcement Date" means, with respect to any Non- Controlling Authorized Representative, the date which is 180 days (throughout which 180 day period such Non-Controlling Authorized Representative was the Major Non-Controlling Authorized Representative) after the occurrence of both (i) an Event of Default (under and as defined in the Additional First-Lien Document under which such Non-Controlling Authorized Representative is the Authorized Representative) and (ii) each Collateral Agent's and each other Authorized Representative's receipt of written notice from such Non-Controlling Authorized Representative certifying that (x) such Non-Controlling Authorized Representative is the Major Non-Controlling Authorized Representative and that an Event of Default (under and as defined in the Additional First-Lien Document under which such Non-Controlling Authorized Representative is the

Authorized Representative) has occurred and is continuing and (y) the Additional First-Lien Obligations of the Series with respect to which such Non-Controlling Authorized Representative is the Authorized Representative are currently due and payable in full (whether as a result of acceleration thereof or otherwise) in accordance with the terms of the applicable Additional First-Lien Document; provided that the Non-Controlling Authorized Representative Enforcement Date shall be stayed and shall not occur and shall be deemed not to have occurred with respect to any Shared Collateral (1) at any time the Administrative Agent or the Credit Agreement Collateral Agent has commenced and is diligently pursuing any enforcement action with respect to such Shared Collateral or (2) at any time the Grantor which has granted a security interest in such Shared Collateral is then a debtor under or with respect to (or otherwise subject to) any Insolvency or Liquidation Proceeding.

"Non-Controlling Secured Parties" means, with respect to any Shared Collateral, the First-Lien Secured Parties which are not Controlling Secured Parties with respect to such Shared Collateral.

"Possessory Collateral" means any Shared Collateral in the possession of a Collateral Agent (or its agents or bailees), to the extent that possession thereof perfects a Lien thereon under the Uniform Commercial Code of any jurisdiction. Possessory Collateral includes, without limitation, any Certificated Securities, Promissory Notes, Instruments, and Chattel Paper, in each case, delivered to or in the possession of the Collateral Agent under the terms of the First-Lien Security Documents.

"Proceeds" has the meaning assigned to such term in Section 2.01(a).

"Refinance" means, in respect of any indebtedness, to refinance, extend, renew, defease, amend, increase, modify, supplement, restructure, refund, replace or repay, or to issue other indebtedness or enter into alternative financing arrangements, in exchange or replacement for such indebtedness (in whole or in part), including by adding or replacing lenders, creditors, agents, borrowers and/or guarantors, and including in each case, but not limited to, after the original instrument giving rise to such indebtedness has been terminated and including, in each case, through any credit agreement, indenture or other agreement. "Refinanced" and "Refinancing" have correlative meanings.

"Secured Credit Document" means (i) the Credit Agreement and each Loan Document (as defined in the Credit Agreement), (ii) each Initial Additional First-Lien Document, and (iii) each Additional First- Lien Document for Additional First-Lien Obligations incurred after the date hereof.

"Security Agreement" means the "Amended and Restated Security Agreement," dated as of November 30, 2017, among the Borrowers, the other Grantors party thereto and the Administrative Agent, as amended, restated, amended and restated, extended, supplemented or otherwise modified from time to time.

"Series" means (a) with respect to the First-Lien Secured Parties, each of (i) the Credit Agreement Secured Parties (in their capacities as such), (ii) the Initial Additional First-Lien Secured Parties (in their capacities as such), and (iii) the Additional First-Lien Secured Parties (in their capacities as such) that become subject to this Agreement after the date hereof that are represented by a common Authorized Representative (in its capacity as such for such Additional First-Lien Secured Parties) and (b) with respect to any First-Lien Obligations, each of (i) the Credit Agreement Obligations, (ii) the Initial Additional First- Lien Obligations, and (iii) the Additional First-Lien Obligations incurred after the date hereof pursuant to any Additional First-Lien Document, which pursuant to any Joinder Agreement, are to be represented hereunder by a common Authorized Representative (in its capacity as such for such Additional First-Lien Obligations).

"Shared Collateral" means, at any time, Collateral in which the holders of two or more Series of First-Lien Obligations hold a valid and perfected security interest at such time. If more than two Series of First-Lien Obligations are outstanding at any time and the holders of less than all Series of First-Lien Obligations hold a valid and perfected security interest in any Collateral at such time, then such Collateral shall constitute Shared Collateral for those Series of First-Lien Obligations that hold a valid and perfected security interest in such Collateral at such time and shall not constitute Shared Collateral for any Series which does not have a valid and perfected security interest in such Collateral at such time.

["Trustee" has the meaning assigned to such term in Section 5.17.]

SECTION 1.02 Terms Generally. The definitions of terms herein shall apply equally to the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words "include", "includes" and "including" shall be deemed to be followed by the phrase "without limitation". The word "will" shall be construed to have the same meaning and effect as the word "shall". Unless the context requires otherwise, (i) any definition of or reference to any agreement, instrument, other document, statute or regulation herein shall be construed as referring to such agreement, instrument, other document, statute or regulation as from time to time amended, supplemented or otherwise modified, (ii) any reference herein to any Person shall be construed to include such Person's successors and assigns, but shall not be deemed to include the subsidiaries of such Person unless express reference is made to such subsidiaries, (iii) the words "herein", "hereof" and "hereunder", and words of similar import, shall be construed to refer to this Agreement in its entirety and not to any particular provision hereof, (iv) all references herein to Articles, Sections and Annexes shall be construed to refer to Articles, Sections and Annexes of this Agreement, (v) unless otherwise expressly qualified herein, the words "asset" and "property" shall be construed to have the same meaning and effect and to refer to any and all tangible and intangible assets and properties, including cash, securities, accounts and contract rights and (vi) the term "or" is not exclusive.

SECTION 1.03 Impairments. It is the intention of the First-Lien Secured Parties of each Series that the holders of First-Lien Obligations of such Series (and not the First-Lien Secured Parties of any other Series) bear the risk of (i) any determination by a court of competent jurisdiction that (x) any of the First- Lien Obligations of such Series are unenforceable under applicable law or are subordinated to any other obligations (other than another Series of First-Lien Obligations), (y) any of the First-Lien Obligations of such Series do not have an enforceable security interest in any of the Collateral securing any other Series of First-Lien Obligations and/or (z) any intervening security interest exists securing any other obligations (other than another Series of First-Lien Obligations) on a basis ranking prior to the security interest of such Series of First-Lien Obligations but junior to the security interest of any other Series of First-Lien Obligations or (ii) the existence of any Collateral for any other Series of First-Lien Obligations that is not Shared Collateral (any such condition referred to in the foregoing clauses (i) or (ii) with respect to any Series of First-Lien Obligations, an "Impairment" of such Series); provided that the existence of a maximum claim with respect to any Material Real Property (as defined in the Credit Agreement) subject to a mortgage that applies to all First-Lien Obligations shall not be deemed to be an Impairment of any Series of First-Lien Obligations. In the event of any Impairment with respect to any Series of First-Lien Obligations, the results of such Impairment shall be borne solely by the holders of such Series of First-Lien Obligations, and the rights of the holders of such Series of First-Lien Obligations (including, without limitation, the right to receive distributions in respect of such Series of First-Lien Obligations pursuant to Section 2.01) set forth herein shall be modified to the extent necessary so that the effects of such Impairment are borne solely by the holders of the Series of such First-Lien Obligations subject to such Impairment. Additionally, in the event the First-Lien Obligations of any Series are modified pursuant to applicable law (including, without limitation, pursuant to Section 1129 of the Bankruptcy Code), any reference to such First-Lien Obligations or the First-Lien Security Documents governing such First-Lien Obligations shall refer to such obligations or such documents as so modified.

ARTICLE II

Priorities and Agreements with Respect to Shared Collateral

SECTION 2.01 Priority of Claims.

(a) Anything contained herein or in any of the Secured Credit Documents to the contrary notwithstanding (but subject to Section 1.03), if an Event of Default has occurred and is continuing, and the Controlling Collateral Agent or any First-Lien Secured Party is taking action to enforce rights in respect of any Shared Collateral, or any distribution is made in respect of any Shared Collateral in any Bankruptcy Case of any Borrower or any other Grantor or any First-Lien Secured Party receives any payment pursuant to any intercreditor agreement (other than this Agreement) with respect to any Shared Collateral, the proceeds of any sale, collection or other liquidation of any such Collateral by the Controlling Collateral Agent or any First-Lien Secured Party on account of such enforcement of rights or remedies or received by the Controlling Collateral Agent or any First-Lien Secured Party pursuant to any such intercreditor agreement with respect to such Shared Collateral and proceeds of any such distribution (subject, in the case of any such distribution, to the sentence immediately following) to which the First-Lien Obligations are entitled under any intercreditor agreement (other than this Agreement) (all proceeds of any sale, collection or other liquidation of any Collateral and all proceeds of any such distribution being collectively referred to as "Proceeds"), shall be applied (i) FIRST, to the payment of all amounts owing to each Collateral Agent (in its capacity as such) pursuant to the terms of any Secured Credit Document, (ii) SECOND, subject to Section 1.03, to the payment in full of the First-Lien Obligations of each Series on a ratable basis, with such Proceeds to be applied to the First-Lien Obligations of a given Series in accordance with the terms of the applicable Secured Credit Documents and (iii) THIRD, after (A) payment in full of all First-Lien Obligations, (B) cancellation of, or entry into arrangements reasonably satisfactory to the relevant First Lien L/C Issuer with respect to, all First Lien Letters of Credit and (C) termination or expiration of all commitments to lend and all obligations to issue letters of credit under the Credit Agreement and any Additional First Lien Documents, to the Borrowers and the other Grantors or their successors or assigns, as their interests may appear, or to whomsoever may be lawfully entitled to receive the same, or as a court of competent jurisdiction may direct. Notwithstanding the foregoing, with respect to any Shared Collateral for which a third party (other than a First-Lien Secured Party) has a lien or security interest that is junior in priority to the security interest of any Series of First-Lien Obligations but senior (as determined by appropriate legal proceedings in the case of any dispute) to the security interest of any other Series of First-Lien Obligations (such third party, an "Intervening Creditor"), the value of any Shared Collateral or Proceeds allocated to such Intervening Creditor shall be deducted on a ratable basis solely from the Shared Collateral or Proceeds to be distributed in respect of the Series of First-Lien Obligations with respect to which such Impairment exists.

(b) Notwithstanding the date, time, method, manner or order of grant, attachment or perfection of any Liens securing any Series of First-Lien Obligations granted on the Shared Collateral and notwithstanding any provision of the Uniform Commercial Code of any jurisdiction, or any other applicable law or the Secured Credit Documents or any defect or deficiencies in the Liens securing the First-Lien Obligations of any Series or any other circumstance whatsoever (but, in each case, subject to Section 1.03), each First-Lien Secured Party hereby agrees that the Liens securing each Series of First-Lien Obligations on any Shared Collateral shall be of equal priority.

(c) Notwithstanding anything in this Agreement or any other First-Lien Security Documents to the contrary, Collateral consisting of cash and cash equivalents pledged to secure Credit Agreement Obligations consisting of reimbursement obligations in respect of Letters of Credit or otherwise held by the Credit Agreement Collateral Agent pursuant to Section 2.03(g), 2.05(b)(iv), 2.17 or Article VIII of the Credit

Agreement (or any equivalent successor provision) shall be applied as specified in the Credit Agreement and will not constitute Shared Collateral.

SECTION 2.02 Actions with Respect to Shared Collateral; Prohibition on Contesting Liens.

(a) Only the Controlling Collateral Agent shall act or refrain from acting with respect to any Shared Collateral (including with respect to any intercreditor agreement with respect to any Shared Collateral). At any time when the Credit Agreement Collateral Agent is the Controlling Collateral Agent, no Additional First-Lien Secured Party shall or shall instruct any Collateral Agent to, and neither the Additional Collateral Agent nor any other Collateral Agent that is not the Controlling Collateral Agent shall, commence any judicial or nonjudicial foreclosure proceedings with respect to, seek to have a trustee, receiver, liquidator or similar official appointed for or over, attempt any action to take possession of, exercise any right, remedy or power with respect to, or otherwise take any action to enforce its security interest in or realize upon, or take any other action available to it in respect of, any Shared Collateral (including with respect to any intercreditor agreement with respect to any Shared Collateral), whether under any Additional First-Lien Security Document, applicable law or otherwise, it being agreed that only the Credit Agreement Collateral Agent, acting in accordance with the Credit Agreement Collateral Documents, shall be entitled to take any such actions or exercise any such remedies with respect to Shared Collateral at such time.

(b) With respect to any Shared Collateral at any time when the Additional Collateral Agent is the Controlling Collateral Agent, (i) the Controlling Collateral Agent shall act only on the instructions of the Applicable Authorized Representative, (ii) the Controlling Collateral Agent shall not follow any instructions with respect to such Shared Collateral (including with respect to any intercreditor agreement with respect to any Shared Collateral) from any Non-Controlling Authorized Representative (or any other First-Lien Secured Party other than the Applicable Authorized Representative) and (iii) no Non-Controlling Authorized Representative or other First-Lien Secured Party (other than the Applicable Authorized Representative) shall or shall instruct the Controlling Collateral Agent to, commence any judicial or non- judicial foreclosure proceedings with respect to, seek to have a trustee, receiver, liquidator or similar official appointed for or over, attempt any action to take possession of, exercise any right, remedy or power with respect to, or otherwise take any action to enforce its security interest in or realize upon, or take any other action available to it in respect of, any Shared Collateral (including with respect to any intercreditor agreement with respect to any Shared Collateral), whether under any First-Lien Security Document, applicable law or otherwise, it being agreed that only the Controlling Collateral Agent, acting on the instructions of the Applicable Authorized Representative and in accordance with the applicable Additional First-Lien Security Documents, shall be entitled to take any such actions or exercise any such remedies with respect to Shared Collateral.

(c) Notwithstanding the equal priority of the Liens securing each Series of First-Lien Obligations, the Controlling Collateral Agent may deal with the Shared Collateral as if such Controlling Collateral Agent had a senior Lien on such Collateral. No Non-Controlling Authorized Representative or Non-Controlling Secured Party will contest, protest or object (or support the challenge of any other Person) to any foreclosure proceeding or action brought by the Controlling Collateral Agent, the Applicable Authorized Representative or the Controlling Secured Party or any other exercise by the Controlling Collateral Agent, the Applicable Authorized Representative or the Controlling Secured Party of any rights and remedies relating to the Shared Collateral, or to cause the Controlling Collateral Agent to do so. The foregoing shall not be construed to limit the rights and priorities of any First-Lien Secured Party, the Controlling Collateral Agent or any Authorized Representative with respect to any Collateral not constituting Shared Collateral.

(d) Each of the First-Lien Secured Parties (and each Authorized Representative) agrees that it will not (and hereby waives any right to) question or contest or support any other Person in contesting, in any proceeding (including any Insolvency or Liquidation Proceeding), the perfection, priority, validity,

attachment or enforceability of a Lien held by or on behalf of any of the First-Lien Secured Parties in all or any part of the Collateral, or the provisions of this Agreement; provided that nothing in this Agreement shall be construed to prevent or impair the rights of any Collateral Agent or any Authorized Representative to enforce this Agreement.

(e) Each of the Authorized Representatives agrees that it will not accept any Lien on any collateral for the benefit of any Series of First-Lien Obligations (other than funds deposited for the discharge or defeasance of any Additional First-Lien Document, to the extent permitted by the applicable Secured Credit Documents) other than pursuant to the First-Lien Security Documents to which it is a party and pursuant to Section 2.03(g), 2.05(b)(iv), 2.17 or Article VIII (or other similar provisions) of the Credit Agreement, and by executing this Agreement (or a Joinder Agreement), each Authorized Representative and the Series of First-Lien Secured Parties for which it is acting hereunder agree to be bound by the provisions of this Agreement and the other First-Lien Security Documents applicable to it.

SECTION 2.03 No Interference; Payment Over.

(a) Each First-Lien Secured Party agrees that (i) it will not challenge or question in any proceeding the validity or enforceability of any First-Lien Obligations of any Series or any First-Lien Security Document or the validity, attachment, perfection or priority of any Lien under any First-Lien Security Document or the validity or enforceability of the priorities, rights or duties established by or other provisions of this Agreement; (ii) it will not take or cause to be taken any action the purpose or intent of which is, or could be, to interfere, hinder or delay, in any manner, whether by judicial proceedings or otherwise, any sale, transfer or other disposition of the Shared Collateral by the Controlling Collateral Agent, (iii) except as provided in Section 2.02, it shall have no right to (A) direct the Controlling Collateral Agent or any other First-Lien Secured Party to exercise, and shall not exercise, any right, remedy or power with respect to any Shared Collateral (including pursuant to any intercreditor agreement) or (B) consent to the exercise by the Controlling Collateral Agent or any other First-Lien Secured Party of any right, remedy or power with respect to any Shared Collateral, (iv) it will not institute any suit or assert in any suit, bankruptcy, insolvency or other proceeding any claim against the Controlling Collateral Agent or any other First-Lien Secured Party seeking damages from or other relief by way of specific performance, instructions or otherwise with respect to any Shared Collateral, and none of the Controlling Collateral Agent, any Applicable Authorized Representative or any other First-Lien Secured Party shall be liable for any action taken or omitted to be taken by the Controlling Collateral Agent, such Applicable Authorized Representative or other First-Lien Secured Party with respect to any Shared Collateral in accordance with the provisions of this Agreement, (v) it will not seek, and hereby waives any right, to have any Shared Collateral or any part thereof marshaled upon any foreclosure or other disposition of such Collateral and (vi) it will not attempt, directly or indirectly, whether by judicial proceedings or otherwise, to challenge the enforceability of any provision of this Agreement; provided that nothing in this Agreement shall be construed to prevent or impair the rights of any of the Controlling Collateral Agent or any other First-Lien Secured Party to enforce this Agreement.

(b) Each First-Lien Secured Party hereby agrees that if it shall obtain possession of any Shared Collateral or shall realize any proceeds or payment in respect of any such Shared Collateral, pursuant to any First-Lien Security Document or by the exercise of any rights available to it under applicable law or in any Insolvency or Liquidation Proceeding or through any other exercise of remedies (including pursuant to any intercreditor agreement), at any time prior to the Discharge of each of the First-Lien Obligations, then it shall hold such Shared Collateral, proceeds or payment in trust for the other First-Lien Secured Parties and promptly transfer such Shared Collateral, proceeds or payment, as the case may be, to the Controlling Collateral Agent in the same form as received, with any necessary endorsements or as a court of competent jurisdiction may otherwise direct, to be distributed in accordance with the provisions of Section 2.01 hereof.

SECTION 2.04 Automatic Release of Liens.

(a) If, at any time the Controlling Collateral Agent forecloses upon or otherwise exercises remedies against any Shared Collateral resulting in a sale or disposition thereof, then (whether or not any Insolvency or Liquidation Proceeding is pending at the time) the Liens in favor of each other Collateral Agent for the benefit of each Series of First-Lien Secured Parties upon such Shared Collateral will automatically, unconditionally and simultaneously be released and discharged as and when, but only to the extent, such Liens of the Controlling Collateral Agent on such Shared Collateral are released and discharged; provided that any proceeds of any Shared Collateral realized therefrom shall be applied pursuant to Section 2.01.

(b) Each Collateral Agent and Authorized Representative agrees to execute and deliver all such authorizations and other instruments as shall reasonably be requested by the Controlling Collateral Agent to evidence and confirm any release of Shared Collateral provided for in this Section.

SECTION 2.05 Certain Agreements with Respect to Bankruptcy or Insolvency Proceedings.

(a) This Agreement shall continue in full force and effect notwithstanding the commencement of any Insolvency or Liquidation Proceeding. The parties hereto acknowledge that the provisions of this Agreement are intended to be enforceable as contemplated by Section 510(a) of the Bankruptcy Code.

(b) If any Borrower and/or any other Grantor shall become subject to a case (a "Bankruptcy Case") under the Bankruptcy Code and shall, as debtor(s)-in-possession, move for approval of financing ("DIP Financing") to be provided by one or more lenders (the "DIP Lenders") under Section 364 of the Bankruptcy Code or any equivalent provision of any other Bankruptcy Law or the use of cash collateral under Section 363 of the Bankruptcy Code or any equivalent provision of any other Bankruptcy Law, each First-Lien Secured Party (other than any Controlling Secured Party or the Authorized Representative of any Controlling Secured Party) agrees that it will raise no objection to any such financing or to the Liens on the Shared Collateral securing the same ("DIP Financing Liens") or to any use of cash collateral that constitutes Shared Collateral, unless the Controlling Collateral Agent (in the case of the Additional Collateral Agent, acting on the instructions of the Applicable Authorized Representative) shall then oppose or object to such DIP Financing or such DIP Financing Liens or use of cash collateral (and (i) to the extent that such DIP Financing Liens are senior to the Liens on any such Shared Collateral for the benefit of the Controlling Secured Parties, each Non-Controlling Secured Party will subordinate its Liens with respect to such Shared Collateral on the same terms as the Liens of the Controlling Secured Parties (other than any Liens of any First-Lien Secured Parties constituting DIP Financing Liens) are subordinated thereto, and (ii) to the extent that such DIP Financing Liens rank *pari passu* with the Liens on any such Shared Collateral granted to secure the First-Lien Obligations of the Controlling Secured Parties, each Non-Controlling Secured Party will confirm the priorities with respect to such Shared Collateral as set forth herein), in each case so long as (A) the First-Lien Secured Parties of each Series retain the benefit of their Liens on all such Shared Collateral pledged to the DIP Lenders, including proceeds thereof arising after the commencement of such proceeding, with the same priority vis-à-vis all the other First-Lien Secured Parties (other than any Liens of the First-Lien Secured Parties constituting DIP Financing Liens) as existed prior to the commencement of the Bankruptcy Case, (B) the First-Lien Secured Parties of each Series are granted Liens on any additional collateral pledged to any First-Lien Secured Parties as adequate protection or otherwise in connection with such DIP Financing or use of cash collateral, with the same priority vis-à-vis the First-Lien Secured Parties as set forth in this Agreement, (C) if any amount of such DIP Financing or cash collateral is applied to repay any of the First-Lien Obligations, such amount is applied pursuant to Section 2.01, and (D) if any First-Lien Secured Parties are granted adequate protection, including in the form of periodic payments, in connection with such DIP Financing or use of cash collateral, the proceeds of such adequate protection are applied pursuant to Section 2.01; provided that this Agreement shall not limit the right of the First-Lien Secured

Parties of each Series to object to the grant of a Lien to secure the DIP Financing over any Collateral subject to Liens in favor of the First-Lien Secured Parties of such Series or its Authorized Representative that shall not constitute Shared Collateral; and provided, further, that the First-Lien Secured Parties receiving adequate protection shall not object to any other First-Lien Secured Party receiving adequate protection comparable to any adequate protection granted to such First-Lien Secured Parties in connection with a DIP Financing or use of cash collateral.

SECTION 2.06 Reinstatement. In the event that any of the First-Lien Obligations shall be paid in full and such payment or any part thereof shall subsequently, for whatever reason (including an order or judgment for disgorgement of a preference under the Bankruptcy Code, or any similar law, or the settlement of any claim in respect thereof), be required to be returned or repaid, the terms and conditions of this Article II shall be fully applicable thereto until all such First-Lien Obligations shall again have been paid in full in cash. This Section 2.06 shall survive the termination of this Agreement.

SECTION 2.07 Insurance. As between the First-Lien Secured Parties, the Controlling Collateral Agent shall have the right to adjust or settle any insurance policy or claim covering or constituting Shared Collateral in the event of any loss thereunder and to approve any award granted in any condemnation or similar proceeding affecting the Shared Collateral.

SECTION 2.08 Refinancings, etc. The First-Lien Obligations of any Series may, subject to the limitations set forth in the then extant Secured Credit Documents, be increased, extended, renewed, replaced, restated, supplemented, restructured, repaid, refunded, Refinanced (in whole or in part) or otherwise amended or modified from time to time, in each case, without notice to, or the consent (except to the extent a consent is otherwise required to permit the Refinancing transaction under any Secured Credit Document) of any First-Lien Secured Party of any other Series, all without affecting the priorities provided for herein or the other provisions hereof; provided that the Authorized Representative of the holders of any such Refinancing indebtedness shall have executed a Joinder Agreement on behalf of the holders of such Refinancing indebtedness.

SECTION 2.09 Possessory Collateral Agent as Gratuitous Bailee for Perfection.

(a) The Possessory Collateral shall be delivered to the Credit Agreement Collateral Agent and the Credit Agreement Collateral Agent agrees to hold (and, pending delivery of the Possessory Collateral to the Credit Agreement Collateral Agent, each other Collateral Agent agrees to hold) any Shared Collateral constituting Possessory Collateral that is part of the Collateral in its possession or control (or in the possession or control of its agents or bailees) as gratuitous bailee for the benefit of each other First-Lien Secured Party and any assignee solely for the purpose of perfecting the security interest granted in such Possessory Collateral, if any, pursuant to the applicable First-Lien Security Documents, in each case, subject to the terms and conditions of this Section 2.09; provided that at any time the Credit Agreement Collateral Agent is not the Controlling Collateral Agent, the Credit Agreement Collateral Agent shall, at the request of the Additional Collateral Agent, promptly deliver all Possessory Collateral to the Additional Collateral Agent together with any necessary endorsements (or otherwise allow the Additional Collateral Agent to obtain control of such Possessory Collateral). The Borrowers shall take such further action as is required to effectuate the transfer contemplated hereby and shall indemnify each Collateral Agent for loss or damage suffered by such Collateral Agent as a result of such transfer except for loss or damage suffered by such Collateral Agent as a result of its own willful misconduct, gross negligence or bad faith (as determined by a court of competent jurisdiction in a final, non-appealable judgment).

(b) Pending delivery of the Possessory Collateral to the Additional Collateral Agent, the Controlling Collateral Agent agrees to hold any Shared Collateral constituting Possessory Collateral, from time to time in its possession, as gratuitous bailee for the benefit of each other First-Lien Secured Party and

any assignee, solely for the purpose of perfecting the security interest granted in such Possessory Collateral, if any, pursuant to the applicable First-Lien Security Documents, in each case, subject to the terms and conditions of this Section 2.09.

(c) The duties or responsibilities of each Collateral Agent under this Section 2.09 shall be limited solely to holding any Shared Collateral constituting Possessory Collateral as gratuitous bailee for the benefit of each other First-Lien Secured Party for purposes of perfecting the Lien held by such First- Lien Secured Parties thereon.

SECTION 2.10 Amendments to Security Documents.

(a) Without the prior written consent of the Credit Agreement Collateral Agent, each Additional First-Lien Secured Party agrees that no Additional First-Lien Security Document may be amended, supplemented or otherwise modified or entered into to the extent such amendment, supplement or modification, or the terms of any new Additional First-Lien Security Document would be prohibited by, or would require any Grantor to act or refrain from acting in a manner that would violate, any of the terms of this Agreement or any Secured Credit Document.

(b) Without the prior written consent of the Additional Collateral Agent, the Credit Agreement Collateral Agent agrees that no Credit Agreement Collateral Document may be amended, supplemented or otherwise modified or entered into to the extent such amendment, supplement or modification, or the terms of any new Credit Agreement Collateral Document would be prohibited by, or would require any Grantor to act or refrain from acting in a manner that would violate, any of the terms of this Agreement or any Secured Credit Document.

(c) In making determinations required by this Section 2.10, each Collateral Agent may conclusively rely on a certificate of an authorized officer of the Company stating that such amendment is permitted by Section 2.10(a) or (b), as the case may be.

ARTICLE III

Existence and Amounts of Liens and Obligations

SECTION 3.01 Determinations with Respect to Amounts of Liens and Obligations. Whenever a Collateral Agent or any Authorized Representative shall be required, in connection with the exercise of its rights or the performance of its obligations hereunder, to determine the existence or amount of any First- Lien Obligations of any Series, or the Shared Collateral subject to any Lien securing the First-Lien Obligations of any Series, it may request that such information be furnished to it in writing by each other Authorized Representative or Collateral Agent and shall be entitled to make such determination or not make any determination on the basis of the information so furnished; provided, however, that if an Authorized Representative or a Collateral Agent shall fail or refuse reasonably promptly to provide the requested information, the requesting Collateral Agent or Authorized Representative shall be entitled to make any such determination by such method as it may, in the exercise of its good faith judgment, determine, including by reliance upon a certificate of the Company. Each Collateral Agent and each Authorized Representative may rely conclusively, and shall be fully protected in so relying, on any determination made by it in accordance with the provisions of the preceding sentence (or as otherwise directed by a court of competent jurisdiction) and shall have no liability to any Grantor, any First-Lien Secured Party or any other person as a result of such determination.

ARTICLE IV

The Controlling Collateral Agent

SECTION 4.01 Authority.

(a) In furtherance of the foregoing, each Non-Controlling Secured Party acknowledges and agrees that the Controlling Collateral Agent shall be entitled, for the benefit of the First-Lien Secured Parties, to sell, transfer or otherwise dispose of or deal with any Shared Collateral as provided herein and in the First-Lien Security Documents, as applicable, pursuant to which the Controlling Collateral Agent is the collateral agent for such Shared Collateral, without regard to any rights to which the Non-Controlling Secured Parties would otherwise be entitled as a result of the First-Lien Obligations held by such Non- Controlling Secured Parties. Without limiting the foregoing, each Non-Controlling Secured Party agrees that none of the Controlling Collateral Agent, the Applicable Authorized Representative or any other First- Lien Secured Party shall have any duty or obligation first to marshal or realize upon any type of Shared Collateral (or any other Collateral securing any of the First-Lien Obligations), or to sell, dispose of or otherwise liquidate all or any portion of such Shared Collateral (or any other Collateral securing any First- Lien Obligations), in any manner that would maximize the return to the Non-Controlling Secured Parties, notwithstanding that the order and timing of any such realization, sale, disposition or liquidation may affect the amount of proceeds actually received by the Non-Controlling Secured Parties from such realization, sale, disposition or liquidation. Except with respect to any actions expressly prohibited or required to be taken by this Agreement, each of the First-Lien Secured Parties waives any claim it may now or hereafter have against any Collateral Agent or the Authorized Representative of any other Series of First-Lien Obligations or any other First-Lien Secured Party of any other Series arising out of (i) any actions which any Collateral Agent, Authorized Representative or the First-Lien Secured Parties take or omit to take (including, actions with respect to the creation, perfection or continuation of Liens on any Collateral, actions with respect to the foreclosure upon, sale, release or depreciation of, or failure to realize upon, any of the Collateral and actions with respect to the collection of any claim for all or any part of the First-Lien Obligations from any account debtor, guarantor or any other party) in accordance with the First-Lien Security Documents or any other agreement related thereto or to the collection of the First-Lien Obligations or the valuation, use, protection or release of any security for the First-Lien Obligations, (ii) any election by any Applicable Authorized Representative or any holders of First-Lien Obligations, in any proceeding instituted under the Bankruptcy Code, of the application of Section 1111(b) of the Bankruptcy Code or (iii) subject to Section 2.05, any borrowing by, or grant of a security interest or administrative expense priority under Section 364 of the Bankruptcy Code or any equivalent provision of any other Bankruptcy Law, by any Borrower or any of its Subsidiaries, as debtor-in-possession. Notwithstanding any other provision of this Agreement, the Controlling Collateral Agent shall not accept any Shared Collateral in full or partial satisfaction of any First-Lien Obligations pursuant to Section 9-620 of the Uniform Commercial Code of any jurisdiction, without the consent of each Authorized Representative representing holders of First-Lien Obligations for whom such Collateral constitutes Shared Collateral.

SECTION 4.02 Rights as a First-Lien Secured Party. (a) The Person serving as the Controlling Collateral Agent hereunder shall have the same rights and powers in its capacity as a First-Lien Secured Party under any Series of First-Lien Obligations that it holds as any other First-Lien Secured Party of such Series and may exercise the same as though it were not the Collateral Agent and the term “First-Lien Secured Party” or “First-Lien Secured Parties” or (as applicable) “Credit Agreement Secured Party”, “Credit Agreement Secured Parties”, “Additional First-Lien Secured Party”, “Additional First-Lien Secured Parties”, “Initial Additional First-Lien Secured Party” or “Initial Additional First-Lien Secured Parties” shall, unless otherwise expressly indicated or unless the context otherwise requires, include the Person serving as the Controlling Collateral Agent hereunder in its individual capacity. Such Person and its Affiliates may accept deposits from, lend money to, act as the financial advisor or in any other advisory capacity for and generally

engage in any kind of business with any Borrower or any Subsidiary or other Affiliate thereof as if such Person were not the Controlling Collateral Agent hereunder and without any duty to account therefor to any other First-Lien Secured Party.

SECTION 4.03 Exculpatory Provisions. (a) The Controlling Collateral Agent shall not have any duties or obligations except those expressly set forth herein and in the other First-Lien Security Documents. Without limiting the generality of the foregoing, the Controlling Collateral Agent:

(i) shall not be subject to any fiduciary or other implied duties of any kind or nature to any Person, regardless of whether an Event of Default has occurred and is continuing;

(ii) shall not have any duty to take any discretionary action or exercise any discretionary powers, except discretionary rights and powers expressly contemplated hereby or by the other First-Lien Security Documents that the Controlling Collateral Agent is required to exercise as directed in writing by the Applicable Authorized Representative; provided that the Controlling Collateral Agent shall not be required to take any action that, in its opinion or the opinion of its counsel, may expose the Collateral Agent to liability or that is contrary to any First- Lien Security Document or applicable law;

(iii) shall not, except as expressly set forth herein and in the other First-Lien Security Documents, have any duty to disclose, and shall not be liable for the failure to disclose, any information relating to the Company or any of its Affiliates that is communicated to or obtained by the Person serving as the Controlling Collateral Agent or any of its Affiliates in any capacity;

(iv) shall not be liable for any action taken or not taken by it (i) with the consent or at the request of the Applicable Authorized Representative or (ii) in the absence of its own gross negligence, willful misconduct or bad faith (as determined by a court of competent jurisdiction in a final, non-appealable judgment) or (iii) in reliance on a certificate of an authorized officer of the Company stating that such action is permitted by the terms of this Agreement (it being understood and agreed that the Controlling Collateral Agent shall be deemed not to have knowledge of any Event of Default under any Series of First-Lien Obligations unless and until notice describing such Event Default is given to the Controlling Collateral Agent by the Authorized Representative of such First-Lien Obligations or the Company);

(v) shall not be responsible for or have any duty to ascertain or inquire into (i) any statement, warranty or representation made in or in connection with this Agreement or any other First-Lien Security Document, (ii) the contents of any certificate, report or other document delivered hereunder or thereunder or in connection herewith or therewith, (iii) the performance or observance of any of the covenants, agreements or other terms or conditions set forth herein or therein or the occurrence of any default, (iv) the validity, enforceability, effectiveness or genuineness of this Agreement, any other First-Lien Security Document or any other agreement, instrument or document, or the creation, perfection or priority of any Lien purported to be created by the First-Lien Security Documents, (v) the value or the sufficiency of any Collateral for any Series of First-Lien Obligations, or (vi) the satisfaction of any condition set forth in any Secured Credit Document, other than to confirm receipt of items expressly required to be delivered to the Controlling Collateral Agent;

(vi) shall not have any fiduciary duties of any kind or nature under any Additional First- Lien Document (but shall be entitled to all protections provided to the Collateral Agent therein);

(vii) with respect to the Credit Agreement or any Additional First-Lien Document, may conclusively assume that the Grantors have complied with all of their obligations thereunder unless

advised in writing by the Authorized Representative thereunder to the contrary specifically setting forth the alleged violation; and

(viii) may conclusively rely on any certificate of an officer of the Company provided pursuant to Section 2.04(b).

(b) Each First-Lien Secured Party acknowledges that, in addition to acting as the initial Controlling Collateral Agent, Wells Fargo Bank, National Association also serves as Administrative Agent and Collateral Agent (under, and as defined in, the Credit Agreement), and each First-Lien Secured Party hereby waives any right to make any objection or claim against Wells Fargo Bank, National Association (or any successor Controlling Collateral Agent or any of their respective counsel) based on any alleged conflict of interest or breach of duties arising from the Controlling Collateral Agent also serving as the Administrative Agent and Collateral Agent.

SECTION 4.04 Reliance by Controlling Collateral Agent. The Controlling Collateral Agent shall be entitled to rely upon, and shall not incur any liability for relying upon, any notice, request, certificate, consent, statement, instrument, document or other writing (including any electronic message, Internet or intranet website posting or other distribution) believed by it to be genuine and to have been signed, sent or otherwise authenticated by the proper Person. The Controlling Collateral Agent also may rely upon any statement made to it orally or by telephone and believed by it to have been made by the proper Person, and shall not incur any liability for relying thereon. The Controlling Collateral Agent may consult with legal counsel (who may include, but shall not be limited to, counsel for the Borrowers or counsel for the Administrative Agent), independent accountants and other experts selected by it, and shall not be liable for any action taken or not taken by it in accordance with the advice of any such counsel, accountants or experts.

SECTION 4.05 Delegation of Duties. The Controlling Collateral Agent may perform any and all of its duties and exercise its rights and powers hereunder or under any other First-Lien Security Document by or through any one or more sub agents appointed by the Controlling Collateral Agent. The Controlling Collateral Agent and any such sub agent may perform any and all of its duties and exercise its rights and powers by or through their respective Affiliates. The exculpatory provisions of this Article shall apply to any such sub agent and to the Affiliates of the Controlling Collateral Agent and any such sub agent.

SECTION 4.06 Resignation of Controlling Collateral Agent. The Controlling Collateral Agent may at any time give notice of its resignation as Controlling Collateral Agent under this Agreement and the other First-Lien Security Documents to each Authorized Representative and the Company. Upon receipt of any such notice of resignation, the Applicable Authorized Representative shall have the right, in consultation with the Company, to appoint a successor, which shall be a bank or trust company with an office in the United States, or an Affiliate of any such bank or trust company with an office in the United States, in each case, with a combined capital and surplus of at least $1,000,000,000. If no such successor shall have been so appointed by the Applicable Authorized Representative and shall have accepted such appointment within 10 days after the retiring Controlling Collateral Agent gives notice of its resignation, then the retiring Controlling Collateral Agent may, on behalf of the First-Lien Secured Parties, appoint a successor Controlling Collateral Agent meeting the qualifications set forth above (but without the consent of any, but after consulting with the other First-Lien Secured Party or the Company); provided that if the Controlling Collateral Agent shall notify the Company and each Authorized Representative that no qualifying Person has accepted such appointment, then such resignation shall nonetheless become effective in accordance with such notice and (a) the retiring Controlling Collateral Agent shall be discharged from its duties and obligations hereunder and under the First-Lien Security Documents (except that in the case of any collateral security held by the Controlling Collateral Agent on behalf of the First-Lien Secured Parties under any of the First-Lien Security Documents, the retiring Controlling Collateral Agent shall continue to hold such collateral security solely for purposes of maintaining the perfection of the security interests of the First-Lien Secured Parties therein

until such time as a successor Controlling Collateral Agent is appointed but with no obligation to take any further action at the request of the Applicable Authorized Representative, any other First-Lien Secured Parties or any Grantor) and (b) all payments, communications and determinations provided to be made by, to or through the Controlling Collateral Agent shall instead be made by or to each Authorized Representative directly, until such time as the Applicable Authorized Representative appoints a successor Controlling Collateral Agent as provided for above in this Section 4.06. Upon the acceptance of a successor's appointment as Controlling Collateral Agent hereunder and under the First-Lien Security Documents, such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the retiring (or retired) Controlling Collateral Agent, and the retiring Controlling Collateral Agent shall be discharged from all of its duties and obligations hereunder or under the other First-Lien Security Documents (if not already discharged therefrom as provided above in this Section). After the retiring Controlling Collateral Agent's resignation hereunder and under the other Loan Documents, the provisions of this Article IV and Article IX of the Credit Agreement and the equivalent provisions of any Additional First-Lien Agreement shall continue in effect for the benefit of such retiring Controlling Collateral Agent, its sub agents and their respective Affiliates in respect of any actions taken or omitted to be taken by any of them while the retiring Collateral Agent was acting as Controlling Collateral Agent. Upon any notice of resignation of the Controlling Collateral Agent hereunder and under the First-Lien Security Documents, the Borrowers agree to use commercially reasonable efforts to transfer (and maintain the validity and priority of) the Liens in favor of the retiring Controlling Collateral Agent under the First-Lien Security Documents to the successor Controlling Collateral Agent.

SECTION 4.07 Non Reliance on Controlling Collateral Agent and Other First-Lien Secured Parties. Each First-Lien Secured Party (other than the Initial Additional Authorized Representative) acknowledges that it has, independently and without reliance upon the Controlling Collateral Agent, any Authorized Representative or any other First-Lien Secured Party or any of their Affiliates and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Agreement and the other Secured Credit Documents. Each First-Lien Secured Party also acknowledges that it will, independently and without reliance upon the Controlling Collateral Agent, any Authorized Representative or any other First-Lien Secured Party or any of their Affiliates and based on such documents and information as it shall from time to time deem appropriate, continue to make its own decisions in taking or not taking action under or based upon this Agreement, any other Secured Credit Document or any related agreement or any document furnished hereunder or thereunder.

SECTION 4.08 Collateral and Guaranty Matters. Each of the First-Lien Secured Parties irrevocably authorizes the Controlling Collateral Agent, at its option and in its discretion:

(i) to release any Lien on any property granted to or held by the Controlling Collateral Agent under any First-Lien Security Document in accordance with Section 2.04 or upon receipt of a certificate of an officer of the Company stating that the releases of such Lien is permitted by the terms of each then extant Secured Credit Document; and

(ii) to release any Grantor from its obligations under the First-Lien Security Documents upon receipt of a certificate of an officer of the Company stating that such release is permitted by the terms of each then extant Secured Credit Document.

ARTICLE V

Miscellaneous

SECTION 5.01 Notices. 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 telecopy, as follows:

(a) if to the Credit Agreement Collateral Agent, to it at [___], Attention of [___] (Fax No. [___]);

(b) if to the Initial Additional Authorized Representative, to it at [___], Attention of [_____] (Fax No. [___]);

(c) if to any other Additional Authorized Representative, to it at the address set forth in the applicable Joinder Agreement.

Unless otherwise specifically provided herein, any notice or other communication herein required or permitted to be given shall be in writing and, may be personally served, telecopied, electronically mailed or sent by courier service or U.S. mail and shall be deemed to have been given when delivered in person or by courier service, upon receipt of a telecopy or electronic mail or upon receipt via U.S. mail (registered or certified, with postage prepaid and properly addressed). For the purposes hereof, the addresses of the parties hereto shall be as set forth above or, as to each party, at such other address as may be designated by such party in a written notice to all of the other parties.

SECTION 5.02 Waivers; Amendment; Joinder Agreements.

(a) No failure or delay on the part of any party hereto in exercising any right or power hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or power, or any abandonment or discontinuance of steps to enforce such a right or power, preclude any other or further exercise thereof or the exercise of any other right or power. The rights and remedies of the parties hereto are cumulative and are not exclusive of any rights or remedies that they would otherwise have. No waiver of any provision of this Agreement or consent to any departure by any party therefrom shall in any event be effective unless the same shall be permitted by Section 5.02(b), and then such waiver or consent shall be effective only in the specific instance and for the purpose for which given. No notice or demand on any party hereto in any case shall entitle such party to any other or further notice or demand in similar or other circumstances.

(b) Neither this Agreement nor any provision hereof may be terminated, waived, amended or modified (other than pursuant to any Joinder Agreement) except pursuant to an agreement or agreements in writing entered into by each Authorized Representative and each Collateral Agent (and with respect to any such termination, waiver, amendment or modification which by the terms of this Agreement requires the Borrowers' consent or which directly and adversely affects the rights, interests, liabilities or privileges of, or impose additional duties and obligations on, any Borrower or any other Grantor, with the consent of the Borrowers).

(c) Notwithstanding the foregoing, without the consent of any First-Lien Secured Party (and with respect to any termination, waiver, amendment or modification which by the terms of this Agreement requires the Borrowers' consent or which directly and adversely affects the rights, interests, liabilities or privileges of, or impose additional duties and obligations on, any Borrower or any other Grantor, with the consent of the Borrowers), any Authorized Representative may become a party hereto by execution and

delivery of a Joinder Agreement in accordance with Section 5.13 and upon such execution and delivery, such Authorized Representative and the Additional First-Lien Secured Parties and Additional First-Lien Obligations of the Series for which such Authorized Representative is acting shall be subject to the terms hereof.

(d) Notwithstanding the foregoing, in connection with any Refinancing of First-Lien Obligations of any Series, or the incurrence of Additional First-Lien Obligations of any Series, the Collateral Agents and the Authorized Representatives then party hereto shall enter (and are hereby authorized to enter without the consent of any other First-Lien Secured Party or any Loan Party), at the request of any Collateral Agent, any Authorized Representative or the Borrowers, into such amendments or modifications of this Agreement as are reasonably necessary to reflect such Refinancing or such incurrence and are reasonably satisfactory to each such Collateral Agent and each such Authorized Representative, provided that any Collateral Agent or Authorized Representative may condition its execution and delivery of any such amendment or modification on a receipt of a certificate from an authorized officer of the Borrowers to the effect that such Refinancing or incurrence is permitted by the then existing Secured Credit Documents.

SECTION 5.03 Parties in Interest. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns, as well as the other First-Lien Secured Parties, all of whom are intended to be bound by, and to be third party beneficiaries of, this Agreement.

SECTION 5.04 Survival of Agreement. All covenants, agreements, representations and warranties made by any party in this Agreement shall be considered to have been relied upon by the other parties hereto and shall survive the execution and delivery of this Agreement.

SECTION 5.05 Counterparts. This Agreement may be executed by one or more of the parties to this Agreement on any number of separate counterparts, and all of said counterparts taken together shall be deemed to constitute one and the same instrument. Delivery of an executed signature page of this Agreement by facsimile or other electronic transmission shall be effective as delivery of a manually executed counterpart hereof.

SECTION 5.06 Severability. Any provision of this Agreement that is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction. The parties shall endeavor in good faith negotiations to replace the invalid, illegal or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the invalid, illegal or unenforceable provisions.

SECTION 5.07 GOVERNING LAW. THIS AGREEMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES UNDER THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK.

SECTION 5.08 Submission to Jurisdiction Waivers; Consent to Service of Process. Each Collateral Agent and each Authorized Representative, on behalf of itself and the First-Lien Secured Parties of the Series for whom it is acting, irrevocably and unconditionally:

(a) submits for itself and its property in any legal action or proceeding relating to this Agreement and the First-Lien Security Documents, or for recognition and enforcement of any judgment in respect thereof, to the exclusive jurisdiction of the courts the State of New York located in the Borough of Manhattan, the courts of the United States for the Southern District of New York, and appellate courts from any thereof; provided that a final judgment on 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;

(b) consents and agrees that any such action or proceeding shall be brought in such courts and waives any objection that it may now or hereafter have to the venue of any such action or proceeding in any such court or that such action or proceeding was brought in an inconvenient court and agrees not to plead or claim the same;

(c) agrees that service of process in any such action or proceeding may be effected by mailing a copy thereof by registered or certified mail (or any substantially similar form of mail), postage prepaid, to such Person (or its Authorized Representative) at the address set forth in Section 5.01;

(d) agrees that nothing herein shall affect the right of any other party hereto (or any First-Lien Secured Party) to effect service of process in any other manner permitted by law; and

(e) waives, to the maximum extent not prohibited by law, any right it may have to claim or recover in any legal action or proceeding referred to in this Section 5.08 any special, exemplary, punitive or consequential damages.

SECTION 5.09 WAIVER OF JURY TRIAL. EACH PARTY HERETO HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES TRIAL BY JURY IN ANY LEGAL ACTION OR PROCEEDING RELATING TO THIS AGREEMENT OR FOR ANY COUNTERCLAIM THEREIN.

SECTION 5.10 Headings. Article, Section and Annex headings used herein are for convenience of reference only, are not part of this Agreement and are not to affect the construction of, or to be taken into consideration in interpreting, this Agreement.

SECTION 5.11 Conflicts. In the event of any conflict or inconsistency between the provisions of this Agreement and the provisions of any of the First-Lien Security Documents or any of the other Secured Credit Documents, the provisions of this Agreement shall control.

SECTION 5.12 Provisions Solely to Define Relative Rights. The provisions of this Agreement are and are intended solely for the purpose of defining the relative rights of the First-Lien Secured Parties in relation to one another. None of the Borrowers, any other Grantor or any other creditor thereof shall have any rights or obligations hereunder, except as expressly provided in this Agreement (provided that nothing in this Agreement (other than Section 2.04, 2.05, 2.08, 2.09 or Article V) is intended to or will amend, waive or otherwise modify the provisions of the Credit Agreement or any Additional First-Lien Documents), and none of the Borrowers or any other Grantor may rely on the terms hereof (other than Sections 2.04, 2.05, 2.08, 2.09 and Article V). Nothing in this Agreement is intended to or shall impair the obligations of any Grantor, which are absolute and unconditional, to pay the First-Lien Obligations as and when the same shall become due and payable in accordance with their terms.

SECTION 5.13 Additional Senior Debt. To the extent, but only to the extent permitted by the provisions of the then extant Secured Credit Documents, the Borrowers may incur additional indebtedness after the date hereof that is secured on an equal and ratable basis by the Liens securing the First-Lien Obligations (such indebtedness referred to as "Additional Senior Class Debt"). Any such Additional Senior Class Debt may be secured by a Lien and may be Guaranteed by the Grantors on a senior basis, in each case under and pursuant to the Additional First-Lien Documents, if and subject to the condition that the Authorized Representative of any such Additional Senior Class Debt (each, an "Additional Senior Class Debt Representative"), acting on behalf of the holders of such Additional Senior Class Debt (such Authorized

Representative and holders in respect of any Additional Senior Class Debt being referred to as the "Additional Senior Class Debt Parties"), becomes a party to this Agreement as an Authorized Representative by satisfying the conditions set forth in clauses (i) through (iv) of the immediately succeeding paragraph.

In order for an Additional Senior Class Debt Representative to become a party to this Agreement as an Authorized Representative,

(i) such Additional Senior Class Debt Representative, each Collateral Agent, each Authorized Representative and each Grantor shall have executed and delivered a Joinder Agreement (with such changes as may be reasonably approved by such Collateral Agent and Additional Senior Class Debt Representative) pursuant to which such Additional Senior Class Debt Representative becomes an Authorized Representative hereunder, and the Additional Senior Class Debt in respect of which such Additional Senior Class Debt Representative is the Authorized Representative constitutes Additional First-Lien Obligations and the related Additional Senior Class Debt Parties become subject hereto and bound hereby as Additional First-Lien Secured Parties;

(ii) the Borrowers shall have (x) delivered to each Collateral Agent true and complete copies of each of the Additional First-Lien Documents relating to such Additional Senior Class Debt, certified as being true and correct by an authorized officer of the Borrowers and (y) identified in a certificate of an authorized officer the obligations to be designated as Additional First-Lien Obligations and the initial aggregate principal amount or face amount thereof and certified that such obligations are permitted to be incurred and secured on a *pari passu* basis with the then extant First-Lien Obligations and by the terms of the then extant Secured Credit Documents;

(iii) all filings, recordations and/or amendments or supplements to the First-Lien Security Documents necessary or desirable in the reasonable judgment of the Additional Collateral Agent to confirm and perfect the Liens securing the relevant obligations relating to such Additional Senior Class Debt shall have been made, executed and/or delivered (or, with respect to any such filings or recordations, acceptable provisions to perform such filings or recordations shall have been taken in the reasonable judgment of the Additional Collateral Agent), and all fees and taxes in connection therewith shall have been paid (or acceptable provisions to make such payments have been taken in the reasonable judgment of the Additional Collateral Agent); and

(iv) the Additional First-Lien Documents, as applicable, relating to such Additional Senior Class Debt shall provide, in a manner reasonably satisfactory to each Collateral Agent, that each Additional Senior Class Debt Party with respect to such Additional Senior Class Debt will be subject to and bound by the provisions of this Agreement in its capacity as a holder of such Additional Senior Class Debt.

Each Authorized Representative acknowledges and agrees that upon execution and delivery of a Joinder Agreement substantially in the form of Annex II by an Additional Senior Class Debt Representative and each Grantor in accordance with this Section 5.13, the Additional Collateral Agent will continue to act in its capacity as Additional Collateral Agent in respect of the then existing Authorized Representatives (other than the Administrative Agent) and such additional Authorized Representative.

SECTION 5.14 Agent Capacities. Except as expressly provided herein or in the Credit Agreement Collateral Documents, Wells Fargo Bank, National Association is acting in the capacities of Administrative Agent and Credit Agreement Collateral Agent solely for the Credit Agreement Secured Parties. Except as expressly provided herein or in the Additional First-Lien Security Documents, [ ] is acting in the capacity of Additional Collateral Agent solely for the Additional First-Lien Secured Parties. Except as expressly set forth herein, none of the Administrative Agent, the Credit Agreement Collateral Agent or the

Additional Collateral Agent shall have any duties or obligations in respect of any of the Collateral, all of such duties and obligations, if any, being subject to and governed by the applicable Secured Credit Documents.

SECTION 5.15 Integration. This Agreement together with the other Secured Credit Documents and the First-Lien Security Documents represents the agreement of each of the Grantors and the First-Lien Secured Parties with respect to the subject matter hereof and there are no promises, undertakings, representations or warranties by any Grantor, the Credit Agreement Collateral Agent, or any other First- Lien Secured Party relative to the subject matter hereof not expressly set forth or referred to herein or in the other Secured Credit Documents.

SECTION 5.16 Additional Grantors. The Borrowers agree that, if any Subsidiary shall become a Grantor after the date hereof, it will promptly cause such Subsidiary to become party hereto by executing and delivering an instrument in the form of Annex III. Upon such execution and delivery, such Subsidiary will become a Grantor hereunder with the same force and effect as if originally named as a Grantor herein. The execution and delivery of such instrument shall not require the consent of any other party hereunder, and will be acknowledged by the Administrative Agent, the Initial Additional Authorized Representative and each additional Authorized Representative. The rights and obligations of each Grantor hereunder shall remain in full force and effect notwithstanding the addition of any new Grantor as a party to this Agreement.

SECTION 5.17 Administrative Agent and Representative. It is understood and agreed that (a) the Administrative Agent is entering into this Agreement in its capacity as administrative agent and collateral agent under the Credit Agreement and the provisions of Article IX of the Credit Agreement applicable to the Agents (as defined therein) thereunder shall also apply to the Administrative Agent hereunder and (b) [ ] is entering into this Agreement in its capacity as [Administrative Agent] [Trustee] under [credit agreement] [indenture] (the ["Additional Administrative Agent"] ["Trustee"]) and the provisions of Article [ ] of such indenture applicable to the Trustee thereunder shall also apply to the [Additional Administrative Agent] [Trustee] hereunder.

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

WELLS FARGO BANK, NATIONAL ASSOCIATION,
as Credit Agreement Collateral Agent

By: _____
Name:
Title

WELLS FARGO BANK, NATIONAL ASSOCIATION,
as Authorized Representative for the Credit Agreement Secured Parties

By: _____
Name:
Title

[ ], as Additional Collateral Agent and as Initial Additional Authorized Representative

By: _____
Name:
Title

OSI RESTAURANT PARTNERS, LLC

By: _____
Name:
Title

BLOOMIN' BRANDS, INC.

By: _____
Name:
Title

[GRANTORS]

By: _____
Name:
Title

Grantors

Schedule 1

[•]
[•]
[•]
[•]

[FORM OF] JOINDER NO. [_] dated as of [_____], 201[ ] (this "Joinder"), to the FIRST LIEN INTERCREDITOR AGREEMENT dated as of [_____], 201[ ] (the "First Lien Intercreditor Agreement"), among OSI RESTAURANT PARTNERS, LLC, a Delaware corporation ("OSI"), BLOOMIN' BRANDS, INC., a Delaware corporation (the "Company" and, together with OSI, the "Borrowers"), and certain subsidiaries and affiliates of the Company (each, a "Grantor"), WELLS FARGO BANK, NATIONAL ASSOCIATION, as Credit Agreement Collateral Agent for the Credit Agreement Secured Parties under the First-Lien Security Documents (in such capacity, the "Credit Agreement Collateral Agent"), WELLS FARGO BANK, NATIONAL ASSOCIATION, as Authorized Representative for the Credit Agreement Secured Parties, [ ] as Initial Additional Authorized Representative, and the additional Authorized Representatives from time to time a party thereto.[1]

A. Capitalized terms used herein but not otherwise defined herein shall have the meanings assigned to such terms in the First Lien Intercreditor Agreement.

B. As a condition to the ability of the Borrowers to incur Additional First-Lien Obligations and to secure such Additional Senior Class Debt with the liens and security interests created by the Additional First-Lien Security Documents relating thereto, the Additional Senior Class Debt Representative in respect of such Additional Senior Class Debt is required to become an Authorized Representative, and such Additional Senior Class Debt and the Additional Senior Class Debt Parties in respect thereof are required to become subject to and bound by, the First Lien Intercreditor Agreement. Section 5.13 of the First Lien Intercreditor Agreement provides that such Additional Senior Class Debt Representative may become an Authorized Representative, and such Additional Senior Class Debt and such Additional Senior Class Debt Parties may become subject to and bound by the First Lien Intercreditor Agreement as Additional First-Lien Obligations and Additional First-Lien Secured Parties, respectively, upon the execution and delivery by the Senior Debt Class Representative of an instrument in the form of this Joinder and the satisfaction of the other conditions set forth in Section 5.13 of the First Lien Intercreditor Agreement. The undersigned Additional Senior Class Debt Representative (the "New Representative") is executing this Joinder in accordance with the requirements of the First Lien Intercreditor Agreement and the First-Lien Security Documents.

Accordingly, each Collateral Agent, each Authorized Representative and the New Representative agree as follows:

SECTION 1. In accordance with Section 5.13 of the First Lien Intercreditor Agreement, the New Representative by its signature below becomes an Authorized Representative under, and the related Additional Senior Class Debt and Additional Senior Class Debt Parties become subject to and bound by, the First Lien Intercreditor Agreement as Additional First-Lien Obligations and Additional First-Lien Secured Parties, with the same force and effect as if the New Representative had originally been named therein as an Authorized Representative and the New Representative, on its behalf and on behalf of such Additional Senior Class Debt Parties, hereby agrees to all the terms and provisions of the First Lien Intercreditor Agreement applicable to it as Authorized Representative and to the Additional Senior Class Debt Parties that it represents as Additional First-Lien Secured Parties. Each reference to an "Authorized Representative" in the First Lien Intercreditor Agreement shall be deemed to include the New Representative. The First Lien Intercreditor Agreement is hereby incorporated herein by reference.

[1] In the event of the Refinancing of the Credit Agreement Obligations, revise to reflect joinder by a new Credit Agreement Collateral Agent.

SECTION 2. The New Representative represents and warrants to each Collateral Agent, each Authorized Representative and the other First-Lien Secured Parties, individually, that (i) it has full power and authority to enter into this Joinder, in its capacity as [trustee/administrative agent and] collateral agent,

(ii) this Joinder has been duly authorized, executed and delivered by it and constitutes its legal, valid and binding obligation, enforceable against it in accordance with its terms, except as enforceability may be limited by applicable bankruptcy, insolvency or similar laws affecting the enforcement of creditors' rights generally or by equitable principles relating to enforceability and (iii) the Additional First-Lien Documents relating to such Additional Senior Class Debt provide that, upon the New Representative's entry into this Agreement, the Additional Senior Class Debt Parties in respect of such Additional Senior Class Debt will be subject to and bound by the provisions of the First Lien Intercreditor Agreement as Additional First- Lien Secured Parties.

SECTION 3. This Joinder may be executed in counterparts, each of which shall constitute an original, but all of which when taken together shall constitute a single contract. This Joinder shall become effective when each Collateral Agent shall have received a counterpart of this Joinder that bears the signatures of the New Representative. Delivery of an executed signature page to this Joinder by facsimile transmission shall be effective as delivery of a manually signed counterpart of this Joinder.

SECTION 4. Except as expressly supplemented hereby, the First Lien Intercreditor Agreement shall remain in full force and effect.

SECTION 5. THIS JOINDER AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK.

SECTION 6. In case any one or more of the provisions contained in this Joinder should be held invalid, illegal or unenforceable in any respect, no party hereto shall be required to comply with such provision for so long as such provision is held to be invalid, illegal or unenforceable, but the validity, legality and enforceability of the remaining provisions contained herein and in the First Lien Intercreditor Agreement shall not in any way be affected or impaired. The parties hereto shall endeavor in good-faith negotiations to replace the invalid, illegal or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the invalid, illegal or unenforceable provisions.

SECTION 7. All communications and notices hereunder shall be in writing and given as provided in Section 5.01 of the First Lien Intercreditor Agreement. All communications and notices hereunder to the New Representative shall be given to it at its address set forth below its signature hereto.

SECTION 8. The Borrowers agree to reimburse each Collateral Agent and each Authorized Representative for its reasonable out-of-pocket expenses in connection with this Joinder, including the reasonable fees, other charges and disbursements of counsel, in each case as required by the applicable Secured Credit Documents.

IN WITNESS WHEREOF, the New Representative has duly executed this Joinder to the First Lien Intercreditor Agreement as of the day and year first above written.

[NAME OF NEW REPRESENTATIVE], as [_____]
and as collateral agent for the holders of [_____],

By: _____
Name:
Title:

Address for notices: attention of:

_____

_____

attention of: _____

Telecopy: _____

Acknowledged by:
WELLS FARGO BANK, NATIONAL ASSOCIATION,
as the Credit Agreement Collateral Agent and Authorized Representative,

By: _____
Name:
Title:

[_____],
as the Initial Additional Authorized Representative [and the Additional Collateral Agent],

By: _____
Name:
Title:

[OTHER AUTHORIZED REPRESENTATIVES]

OSI RESTAURANT PARTNERS, LLC,
as a Borrower

By: _____
Name:
Title:

BLOOMIN' BRANDS, INC.,
as a Borrower

By: _____
Name:
Title:

THE OTHER GRANTORS
LISTED ON SCHEDULE I HERETO,

By: _____
Name:
Title:

Grantors

[•]
[•]
[•]
[•]

ANNEX III

SUPPLEMENT NO. [ ] dated as of [___], 201[ ] (this "Supplement"), to the FIRST LIEN INTERCREDITOR AGREEMENT dated as of [_____], 201[ ] (the "First Lien Intercreditor Agreement"), among OSI RESTAURANT PARTNERS, LLC, a Delaware limited liability company ("OSI"), BLOOMIN' BRANDS, INC., a Delaware corporation (the "Company" and, together with OSI, the "Borrowers"), and certain subsidiaries and affiliates of the Company (each, a "Grantor"), WELLS FARGO BANK, NATIONAL ASSOCIATION as Credit Agreement Collateral Agent for the Credit Agreement Secured Parties under the First-Lien Security Documents (in such capacity, the "Credit Agreement Collateral Agent"), [WELLS FARGO BANK, NATIONAL ASSOCIATION], as Authorized Representative for the Credit Agreement Secured Parties, [_____] as Initial Additional Authorized Representative, and the additional Authorized Representatives from time to time a party thereto.

A. Capitalized terms used herein and not otherwise defined herein shall have the meanings assigned to such terms in the First Lien Intercreditor Agreement.

B. The Grantors have entered into the First Lien Intercreditor Agreement. Pursuant to the Credit Agreement and certain Additional First-Lien Documents, certain newly acquired or organized Subsidiaries of the Company are required to enter into the First Lien Intercreditor Agreement. Section 5.16 of the First Lien Intercreditor Agreement provides that such Subsidiaries may become party to the First Lien Intercreditor Agreement by execution and delivery of an instrument in the form of this Supplement. The undersigned Subsidiary (the "New Grantor") is executing this Supplement in accordance with the requirements of the Credit Agreement and the Additional First-Lien Documents.

Accordingly, each Authorized Representative and the New Subsidiary Grantor agree as follows: SECTION 1. In accordance

with Section 5.16 of the First Lien Intercreditor Agreement, the New

Grantor by its signature below becomes a Grantor under the First Lien Intercreditor Agreement with the same force and effect as if originally named therein as a Grantor, and the New Grantor hereby agrees to all the terms and provisions of the First Lien Intercreditor Agreement applicable to it as a Grantor thereunder. Each reference to a "Grantor" in the First Lien Intercreditor Agreement shall be deemed to include the New Grantor. The First Lien Intercreditor Agreement is hereby incorporated herein by reference.

SECTION 2. The New Grantor represents and warrants to each Authorized Representative and the other Secured Parties that (i) it has the full power and authority to enter into this Supplement and (ii) this Supplement has been duly authorized, executed and delivered by it and constitutes its legal, valid and binding obligation, enforceable against it in accordance with its terms, except as such enforceability may be limited by Bankruptcy Law and by general principles of equity.

SECTION 3. This Supplement may be executed in counterparts, each of which shall constitute an original, but all of which when taken together shall constitute a single contract. This Supplement shall become effective when each Authorized Representative shall have received a counterpart of this Supplement that bears the signature of the New Grantor. Delivery of an executed signature page to this Supplement by facsimile transmission or other electronic method shall be as effective as delivery of a manually signed counterpart of this Supplement.

SECTION 4. Except as expressly supplemented hereby, the First Lien Intercreditor Agreement shall remain in full force and effect.

SECTION 5. THIS SUPPLEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK.

SECTION 6. In case any one or more of the provisions contained in this Supplement should be held invalid, illegal or unenforceable in any respect, no party hereto shall be required to comply with such provision for so long as such provision is held to be invalid, illegal or unenforceable, but the validity, legality and enforceability of the remaining provisions contained herein and in the First Lien Intercreditor Agreement shall not in any way be affected or impaired. The parties hereto shall endeavor in good-faith negotiations to replace the invalid, illegal or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the invalid, illegal or unenforceable provisions.

SECTION 7. All communications and notices hereunder shall be in writing and given as provided in Section 5.01 of the First Lien Intercreditor Agreement. All communications and notices hereunder to the New Grantor shall be given to it in care of the Borrowers as specified in the First Lien Intercreditor Agreement.

SECTION 8. The Borrowers agree to reimburse each Authorized Representative for its reasonable out-of-pocket expenses in connection with this Supplement, including the reasonable fees, other charges and disbursements of counsel for each Authorized Representative as required by the applicable Loan Documents.

IN WITNESS WHEREOF, the New Grantor, and each Authorized Representative have duly executed this Supplement to the First Lien Intercreditor Agreement as of the day and year first above written.

[NAME OF NEW SUBSIDIARY GRANTOR]

By: _____
Name:
Title:

Acknowledged by:

WELLS FARGO BANK, NATIONAL ASSOCIATION,
as the Credit Agreement Collateral Agent and Authorized Representative,

By: _____
Name:
Title:

[_____],
as the Initial Additional Authorized Representative [and the Additional Collateral Agent],

By: _____
Name:
Title:

[OTHER AUTHORIZED REPRESENTATIVES]

FORM OF U.S. TAX COMPLIANCE CERTIFICATE
(For Foreign Lenders That Are Not Partnerships For U.S. Federal Income Tax Purposes)

Reference is made to the Amended and Restated Credit Agreement dated as of November 30, 2017 (as the same may be amended, restated, amended and restated, supplemented or otherwise modified from time to time, the "Agreement") among OSI RESTAURANT PARTNERS, LLC, a Delaware limited liability company ("OSI"), BLOOMIN' BRANDS, INC., a Delaware corporation (the "Company" and, together with OSI, the "Borrowers"), WELLS FARGO BANK, NATIONAL ASSOCIATION, as Administrative Agent, Swing Line Lender and an L/C Issuer, and each lender from time to time party thereto (collectively, the "Lenders" and individually, a "Lender").

Pursuant to the provisions of Section 3.01 and Section 10.07 of the Agreement, the undersigned hereby certifies that (i) it is the sole record and beneficial owner of the Loan(s) (as well as any Note(s) evidencing such Loan(s)) in respect of which it is providing this certificate, (ii) it is not a "bank" within the meaning of Section 881(c)(3)(A) of the Code, (iii) it is not a "10 percent shareholder" of any Borrower within the meaning of Section 881(c)(3)(B) of the Code and (iv) it is not a controlled foreign corporation related to any Borrower as described in Section 881(c)(3)(C) of the Code.

The undersigned has furnished the Administrative Agent and the Borrowers with a certificate of its non-U.S. Person status on IRS Form W-8BEN or W-8BEN-E. By executing this certificate, the undersigned agrees that (1) if the information provided on this certificate changes, the undersigned shall promptly so inform the Borrowers and the Administrative Agent, and (2) the undersigned shall have at all times furnished the Borrowers and the Administrative Agent with a properly completed and currently effective certificate in either the calendar year in which each payment is to be made to the undersigned, or in either of the two calendar years preceding such payments.

Unless otherwise defined herein, terms defined in the Agreement and used herein shall have the meanings given to them in the Agreement.

[NAME OF LENDER]

By: _____
Name:
Title

Date:___, 20[ ]

FORM OF U.S. TAX COMPLIANCE CERTIFICATE
(For Foreign Participants That Are Not Partnerships For U.S. Federal Income Tax Purposes)

Reference is made to the Amended and Restated Credit Agreement dated as of November 30, 2017 (as the same may be amended, restated, amended and restated, supplemented or otherwise modified from time to time, the "Agreement") among OSI RESTAURANT PARTNERS, LLC, a Delaware limited liability company ("OSI"), BLOOMIN' BRANDS, INC., a Delaware corporation (the "Company" and, together with OSI, the "Borrowers"), WELLS FARGO BANK, NATIONAL ASSOCIATION, as Administrative Agent, Swing Line Lender and an L/C Issuer, and each lender from time to time party thereto (collectively, the "Lenders" and individually, a "Lender").

Pursuant to the provisions of Section 3.01 and Section 10.07 of the Agreement, the undersigned hereby certifies that (i) it is the sole record and beneficial owner of the participation in respect of which it is providing this certificate, (ii) it is not a "bank" within the meaning of Section 881(c)(3)(A) of the Code,
(ii) it is not a "10 percent shareholder" of any Borrower within the meaning of Section 881(c)(3)(B) of the Code, and (iv) it is not a controlled foreign corporation related to any Borrower as described in Section 881(c)(3)(C) of the Code.

The undersigned has furnished its participating Lender with a certificate of its non-U.S. Person status on IRS Form W-8BEN or W-8BEN-E. By executing this certificate, the undersigned agrees that (1) if the information provided on this certificate changes, the undersigned shall promptly so inform such Lender in writing, and (2) the undersigned shall have at all times furnished such Lender with a properly completed and currently effective certificate in either the calendar year in which each payment is to be made to the undersigned, or in either of the two calendar years preceding such payments.

Unless otherwise defined herein, terms defined in the Agreement and used herein shall have the meanings given to them in the Agreement.

[NAME OF PARTICIPANT]

By: _____
Name:
Title

Date:___, 20[ ]

FORM OF U.S. TAX COMPLIANCE CERTIFICATE
(For Foreign Participants That Are Partnerships For U.S. Federal Income Tax Purposes)

Reference is made to the Amended and Restated Credit Agreement dated as of November 30, 2017 (as the same may be amended, restated, amended and restated, supplemented or otherwise modified from time to time, the "Agreement") among OSI RESTAURANT PARTNERS, LLC, a Delaware limited liability company ("OSI"), BLOOMIN' BRANDS, INC., a Delaware corporation (the "Company" and, together with OSI, the "Borrowers"), WELLS FARGO BANK, NATIONAL ASSOCIATION, as Administrative Agent, Swing Line Lender and an L/C Issuer, and each lender from time to time party thereto (collectively, the "Lenders" and individually, a "Lender").

Pursuant to the provisions of Section 3.01 and Section 10.07 of the Agreement, the undersigned hereby certifies that (i) it is the sole record owner of the participation in respect of which it is providing this certificate, (ii) its direct or indirect partners/members are the sole beneficial owners of such participation,
(iii) with respect such participation, neither the undersigned nor any of its direct or indirect partners/members is a "bank" within the meaning of Section 881(c)(3)(A) of the Code, (iv) none of its direct or indirect partners/members is a "10 percent shareholder" of any Borrower within the meaning of Section 881(c)(3)(B) of the Code and (v) none of its direct or indirect partners/members is a controlled foreign corporation related to any Borrower as described in Section 881(c)(3)(C) of the Code.

The undersigned has furnished its participating Lender with IRS Form W-8IMY accompanied by one of the following forms from each of its partners/members that is claiming the portfolio interest exemption: (i) an IRS Form W-8BEN or W-8BEN-E or (ii) an IRS Form W-8IMY accompanied by an IRS Form W-8BEN or W-8BEN-E from each of such partner's/member's beneficial owners that is claiming the portfolio interest exemption. By executing this certificate, the undersigned agrees that (1) if the information provided on this certificate changes, the undersigned shall promptly so inform such Lender and (2) the undersigned shall have at all times furnished such Lender with a properly completed and currently effective certificate in either the calendar year in which each payment is to be made to the undersigned, or in either of the two calendar years preceding such payments.

Unless otherwise defined herein, terms defined in the Agreement and used herein shall have the meanings given to them in the Agreement.

[NAME OF PARTICIPANT]

By: _____
Name:
Title

Date:___, 20[ ]

FORM OF U.S. TAX COMPLIANCE CERTIFICATE
(For Foreign Lenders That Are Partnerships For U.S. Federal Income Tax Purposes)

Reference is made to the Amended and Restated Credit Agreement dated as of November 30, 2017 (as the same may be amended, restated, amended and restated, supplemented or otherwise modified from time to time, the "Agreement") among OSI RESTAURANT PARTNERS, LLC, a Delaware limited liability company ("OSI"), BLOOMIN' BRANDS, INC., a Delaware corporation (the "Company" and, together with OSI, the "Borrowers"), WELLS FARGO BANK, NATIONAL ASSOCIATION, as Administrative Agent, Swing Line Lender and an L/C Issuer, and each lender from time to time party thereto (collectively, the "Lenders" and individually, a "Lender").

Pursuant to the provisions of Section 3.01 and Section 10.07 of the Agreement, the undersigned hereby certifies that (i) it is the sole record owner of the Loan(s) (as well as any Note(s) evidencing such Loan(s)) in respect of which it is providing this certificate, (ii) its direct or indirect partners/members are the sole beneficial owners of such Loan(s) (as well as any Note(s) evidencing such Loan(s)), (iii) with respect to the extension of credit pursuant to this Agreement or any other Loan Document, neither the undersigned nor any of its direct or indirect partners/members is a "bank" within the meaning of Section 881(c)(3)(A) of the Code, (iv) none of its direct or indirect partners/members is a "10 percent shareholder" of any Borrower within the meaning of Section 881(c)(3)(B) of the Code and (v) none of its direct or indirect partners/members is a controlled foreign corporation related to any Borrower as described in Section 881(c)(3)(C) of the Code.

The undersigned has furnished the Administrative Agent and the Borrowers with IRS Form W- 8IMY accompanied by one of the following forms from each of its partners/members that is claiming the portfolio interest exemption: (i) an IRS Form W-8BEN or W-8BEN-E or (ii) an IRS Form W-8IMY accompanied by an IRS Form W-8BEN or W-8BEN-E from each of such partner's/member's beneficial owners that is claiming the portfolio interest exemption. By executing this certificate, the undersigned agrees that (1) if the information provided on this certificate changes, the undersigned shall promptly so inform the Borrowers and the Administrative Agent, and (2) the undersigned shall have at all times furnished the Borrowers and the Administrative Agent with a properly completed and currently effective certificate in either the calendar year in which each payment is to be made to the undersigned, or in either of the two calendar years preceding such payments.

Unless otherwise defined herein, terms defined in the Agreement and used herein shall have the meanings given to them in the Agreement.

[NAME OF PARTICIPANT]

By: _____
Name:
Title

Date:___, 20[ ]

Exhibit 10.39

SEVERANCE AGREEMENT AND GENERAL RELEASE

THIS SEVERANCE AGREEMENT AND GENERAL RELEASE (hereinafter "Release") is made and entered into by and between CHRISTOPHER WARREN BRANDT ("Employee") and OSI RESTAURANT PARTNERS, LLC ("Employer"). The parties desire to settle any and all disputes between them on terms that are mutually agreeable. Accordingly, in consideration of the mutual promises set forth below, Employer and Employee agree as follows:

1. Employer will provide Employee with good and valuable consideration as specified below in return for Employee's execution of this Release, which is intended to fully and finally resolve any and all matters between Employer and Employee, whether actual or potential, on terms that are mutually agreeable.

2. By entering into this Release, Employer does not admit any underlying liability to Employee. Neither Employer nor Employee is entering this Release because of any wrongful acts of any kind.

3. Employee promises and obligates himself to perform the following covenants under this Release:

   a.) Employee agrees his employment with Employer is severed effective December 31, 2017 ("Separation Date").

   b.) Acting for himself, his heirs, personal representatives, administrators and anyone claiming by or through him or them, Employee unconditionally and irrevocably releases, acquits and discharges Employer and its Releasees from any and all Claims (as defined below) that Employee (or any person or entity claiming through Employee) may have against Employer or its Releasees as of the date of this Release.

      i) The phrases "Employer" or "Employer and its Releasees" shall mean OSI Restaurant Partners, LLC and all of its parents (including, but not limited to, Bloomin' Brands, Inc.), affiliates (including, but not limited to, OS Management, Inc., Outback Steakhouse of Florida, LLC, OS Restaurant Services, LLC, Bonefish Grill, LLC, Carrabba's Italian Grill, LLC, OS Prime, LLC, and OS Pacific, LLC), and all of the past and present directors, officers, partners, shareholders, supervisors, employees, representatives, successors, assigns, subsidiaries, parents, and insurers of OSI Restaurant Partners, LLC and its parents and affiliates.

      ii) The term "Claims" shall include lawsuits, causes of action, liabilities, losses, damages, debts, demands, controversies, agreements, duties, obligations, promises and rights of every kind. The term "Claims" shall include Claims arising from any source, including but not limited to contracts, statutes, regulations, ordinances, codes, or the common law, including claims arising under the Civil Rights Act of 1964 (42 U.S.C. § 2000e et seq., as amended), the Americans with Disabilities Act of 1990 (42

U.S.C. § 12101 et seq., as amended), the Family Medical Leave Act of 1993 (29 U.S.C. § 2601, et seq., as amended), the Fair Labor Standards Act of 1938 (29 U.S.C. 201 et seq., as amended), the Lilly Ledbetter Fair Pay Act of 2009 (Pub.L. 111-2, S. 181), the Employee Retirement Income Security Act of 1974 (ERISA) (29 U.S.C. § 1001 et seq., as amended), 42 U.S.C. § 1981, the Age Discrimination in Employment Act of 1967 (as amended), the continuation coverage provisions of the Omnibus Budget Reconciliation Act of 1986 (29 U.S.C. § 623 et seq., as amended), the Florida Civil Rights Act of 1992 (§ 760.01 et seq., Florida Statutes, as amended), and all other federal, state, and local laws dealing with discrimination, retaliation, wages, leave, benefits, or workplace policies, as well as claims for unpaid wages, unpaid commissions, breach of contract, wrongful termination, retaliation, intentional infliction of emotional distress, negligent hiring, invasion of privacy, defamation, slander, assault, battery, or any other tort arising out of or connected in any way to the employment relationship. The term "Claims" shall include injuries or damage of any nature, regardless of whether such injuries or damage arise from accident, illness, occupational disease, negligence, intentional act, or some other origin. The term "Claims" specifically includes third-party claims for indemnity or contribution against Employer or its Releasees. The term "Claims" shall be construed to include any and all Claims meeting the definitions in this subparagraph without regard to whether those Claims are asserted or unasserted, known or unknown, ripe or unripe, direct or indirect, conditional or unconditional.

c.) Employee was awarded 12,852 Bloomin' Brands, Inc. (formerly Kangaroo Holdings, Inc.) performance share units (the "2017 Performance Share Units") pursuant to that certain Agreement with a grant date of February 24, 2017 (the "2017 Agreement"). Employee agrees none of the 2017 Performance Share Units are vested and all are hereby forfeited, cancelled, terminated and deemed null and void ab initio. The 2017 Agreement is hereby forfeited, cancelled, terminated and deemed null and void ab initio.

d.) Employee was granted the option to purchase 200,000 shares of the common stock of Bloomin' Brands, Inc. (formerly Kangaroo Holdings, Inc.) (the "2016 Options") pursuant to that certain Option Agreement with a grant date of June 1, 2016 (the "2016 Option Agreement"). Employee agrees he previously exercised 25,000 shares of the 2016 Options. Employee agrees the remaining 25,000 shares of the 2016 Options in which Employee is vested and which are unexercised shall remain vested and exercisable for 365 calendar days following the Separation Date. Employee agrees the remaining 150,000 shares of the 2016 Options are unvested and hereby forfeited, cancelled, terminated and deemed null and void ab initio. Employee agrees that as of 12:01 a.m. (Tampa time) on the 365th calendar day immediately following the Separation Date, the 2016 Option Agreement is hereby cancelled, terminated and deemed null and void ab initio.

e.) Employee was granted the option to purchase 41,585 shares of the common stock of Bloomin' Brands, Inc. (formerly Kangaroo Holdings, Inc.) (the "2017 Options") pursuant to that certain Option Agreement with a grant date of February 24, 2017 (the "2017 Option Agreement"). Employee agrees none of the 2017 Options are vested and all are hereby forfeited, cancelled, terminated and deemed null and void ab initio. The 2017 Option Agreement is hereby cancelled, terminated and deemed null and void ab initio.

f.) Employee was awarded 75,000 Bloomin' Brands, Inc. (formerly Kangaroo Holdings, Inc.) restricted stock units (the "2016 Restricted Stock") pursuant to that certain Restricted Stock Agreement with a grant date of June 1, 2016 (the "2016 Restricted Stock Agreement"). Employee agrees 18,750 of the 2016 Restricted Stock units were previously vested and distributed. Employee agrees 56,250 of the 2016 Restricted Stock units are unvested and hereby forfeited, canceled, terminated and deemed null and void ab initio. The 2016 Restricted Stock Agreement is hereby forfeited, cancelled, terminated and deemed null and void ab initio.

g.) Employee was awarded 17,457 Bloomin' Brands, Inc. (formerly Kangaroo Holdings, Inc.) restricted stock units (the "2017 Restricted Stock") pursuant to that certain Restricted Stock Agreement with a grant date of February 24, 2017 (the "2017 Restricted Stock Agreement"). Employee agrees none of the 2017 Restricted Stock units are vested and all are hereby forfeited, canceled, terminated and deemed null and void ab initio. The February 2017 Restricted Stock Agreement is hereby forfeited, cancelled, terminated and deemed null and void ab initio.

h.) Employee waives and relinquishes any rights that Employee may have to claim reimbursement from Employer and its Releasees for attorney's fees, litigation costs or expenses that Employee may have incurred in the course of obtaining legal advice on any matter related to Employer, except as otherwise expressly provided for herein.

i.) Employee waives and disclaims any right to any damages, compensation, or other personal relief that may be recovered at any time after the execution of this Release as a result of any proceeding arising out of or related to the employment relationship that is brought under the jurisdiction or authority of the Equal Employment Opportunity Commission ("EEOC"), the Florida Commission on Human Relations, the U.S. Department of Labor, or any other local, state, or federal court or agency. If any such agency or court assumes jurisdiction of or files any complaint, charge, or proceeding against Employer or its Releasees, Employee shall request such agency or court to dismiss or withdraw from the matter. Notwithstanding any other term or provision of this Release, nothing in this Release is intended or shall be construed to prohibit Employee, with or without notice to the Employer or Employer's Releasees, from filing a charge with, directly communicating with or participating in any investigation or proceeding conducted by any local, state or federal agency regarding any possible law violation. Employee acknowledges and agrees, however, that, except with respect to any award pursuant to Section 21F of the Securities Exchange Act of 1934, as amended, or any award administered by

the U.S. Occupational Safety and Health Administration, Employee waives any right to monetary damages, attorneys' fees, costs and equitable remedies related to or arising from any such charge, or ensuing complaint or lawsuit, filed by Employee or on Employee's behalf.

j.) Employee agrees that he will preserve the confidentiality of this Release and not discuss or disclose its existence, substance, or contents to anyone other than his spouse, attorney, accountant, or tax advisors, except as compelled or authorized by law. Employee further agrees that he will not at any time, disclose, use, or communicate to any person or entity, whether directly or indirectly, any Confidential Information obtained by the Employee during the term of Employee's employment with Employer, unless (i) such disclosure or communication is compelled by law, or (ii) Employee has received specific written authorization in advance from Employer prior to the disclosure, use, or communication. Confidential Information shall mean any information regarding, affecting, or relating to the clients, operations, or business of Employer that is treated as confidential by Employer and that is not generally known by or otherwise available to third parties.

k.) Employee agrees that he will not disparage Employer or its Releasees in any way to any person or entity. Notwithstanding this provision, in the unlikely event that Employee is subpoenaed as part of a government entity's investigation of Employer, Employee may provide truthful information about his employment to the government entity without violating this Release.

l.) If Employee is asked to discuss the subjects prohibited by subparagraphs 3(j) and (k) above, Employee is authorized to respond as follows:

> I had a good relationship with Bloomin' Brands but my position was eliminated. I have no disputes with Bloomin' Brands.

m.) For a two-year period commencing on the date Employee executes this Agreement, Employee shall not, individually or jointly with others, offer employment to, or hire, any employee of Employer, their franchisees or affiliates, or otherwise solicit or induce, directly or indirectly, any employee of Employer, their franchisees or affiliates to terminate their employment. This prohibition on solicitation shall include but not be limited to any employee of Employer or its Affiliates assigned to Employer's Home Office in Tampa, Florida, except for non-management personnel recruited through general solicitations in print or other media.

n.) Employee agrees to submit all requests for reimbursement no later than two weeks after the Separation Date. Employer reserves the right to deny requests for reimbursement made more than two weeks after the Separation Date. Reimbursement eligibility will be determined consistent with Employer's usual policies and procedures.

o.) Employee agrees this Release shall serve as Employee's resignation from any and all director, officer or other positions Employee has held at any time for or on behalf of the Employer and/or Employer's affiliates.

p.) Employee shall comply with all other terms of this Release as provided for herein.

4. As consideration for the promises made by Employee in this Release, Employer promises and obligates itself to perform the following covenants under this Release:

a.) Employer shall pay Employee a lump sum severance payment in the gross amount of $800,000, less legal deductions and withholdings.

b.) Employer shall pay Employee a lump sum of $15,435 to reimburse Employee for 12 months continuing coverage of his benefits pursuant to the Consolidated Omnibus Budget Reconciliation Act ("COBRA").

c.) Employer will not contest any claim for unemployment benefits related to Employee's employment with Employer ended on the Separation Date.

d.) As additional consideration for this Release, Employer will provide Employee with outplacement services with Challenger, Gray & Christmas for a period of up to 12 months, to be used consecutively, beginning after the expiration of the Revocation Period referenced in paragraph 6 below.

e.) Employer agrees not to seek reimbursement of the $150,000 retention bonus paid to Employee in March 2017.

f.) Employee's comp card for meal benefits in Employer's restaurants will remain active through June 30, 2018.

g.) Employer shall send the payments described in paragraphs 4(a) and 4(b) above to Employee's home address within 10 days after the expiration of the Revocation Period referenced in paragraph 6 below.

h.) Employer shall comply with all other terms of this Release as provided for herein.

5. Employee shall have a period of 21 calendar days ("the Consideration Period") from the date he is presented with this Release to consider the Release's terms and consequences before executing the Release. Employee is not required to let the full Consideration Period elapse before executing the Release; rather, the Release may be executed on any date within the Consideration Period.

6. Employee and Employer agree that Employee may revoke the Release for any reason at any time during the seven calendar days immediately following Employee's execution of the Release ("the Revocation Period"). To revoke this Release, Employee must cause written notice of his intent to revoke this Release to be delivered to Pablo Brizi at Employer's Home Office, 2202 N. Westshore Boulevard, 5th Floor, Tampa, FL 33607

within the Revocation Period. This Release shall not become effective or enforceable until the Revocation Period has expired without such notice having been delivered to Employer in the specified manner.

7. Employee agrees that each of the following statements is truthful and accurate:

   a.) Employee is of sound mind and body.

   b.) Employee has sufficient education and experience to make choices for himself that may affect his legal rights.

   c.) Employee has full legal capacity to make decisions for himself.

   d.) Employee is aware that this Release has significant legal consequences.

   e.) Employee has been advised to consider consulting with an attorney of his choice prior to signing this Release.

   f.) Employee has decided to sign this Release of his own free will, and his decision to sign this Release has not been unduly influenced or controlled by any mental or emotional impairment or condition.

   g.) Employee is not executing this Release because of any duress or coercion imposed on him by anyone.

   h.) Employee acknowledges that he has not compromised any claim for unpaid wages under the Fair Labor Standards Act as he has received full compensation for all hours worked, at the appropriate rate of pay, and no other wages, overtime, compensation, benefits, or other amounts are due and owing.

8. Employee represents that he has not sold, transferred, or assigned to a third party any claims that he may have against Employer and its Releasees. Employee represents that any claims that he may have against Employer and its Releasees are unencumbered and otherwise within his power to dispose of. Employee represents that he does not have any pending lawsuits, claims, or actions against Employer and its Releasees, or that if he does, he has fully disclosed such lawsuits, claims, or actions to Employer prior to executing this Release. Employee further represents that he has not suffered any injuries, illnesses, or accidents in the course of his employment other than those he has previously disclosed to Employer, and that any previously disclosed injuries, illnesses, or accidents are included within the scope of the claims settled by this Release.

9. Employee has returned all property of Employer and its affiliates in Employee's possession, including but not limited to, training materials, laptop computers, customer correspondence, sales information, ~~company discount card~~ and gift cards. All such materials are the exclusive property of the Employer.

10. Employee shall not, individually or jointly with others, for the benefit of the Employee or any third party, publish, disclose, use or authorize anyone else to publish, disclose or use any secret or confidential material or information relating to any aspect of the business or operations of the Employer, the Company or any of their Affiliates, including, without limitation, any secret or confidential information relating to the business, customers, trade or industrial practices, trade secrets, technology, recipes, product specifications, restaurant operating techniques and procedures, marketing techniques and procedures, financial data, processes, vendors and other information or know-how of the Employer, the Company or any of their Affiliates, except (i) to the extent required by law, regulation or valid subpoena, or (ii) to the extent that such information or material becomes publicly known or available through no fault of the Employee.

11. Any and all prior understandings or agreements between Employee and Employer with respect to the subject matter of this Release are merged into this Release, which fully and completely expresses the entire agreement and understanding of the parties with respect to the subject matter hereof. Notwithstanding this provision, this Release shall not in any way diminish any obligation, duty or undertaking owed by the Employee to Employer because of any other contract or agreement or law. The rights and releases given to Employer in this Release will be in addition to, and not in place of, any and all other rights held by Employer by virtue of any other contract, agreement or undertaking, and to that extent, the obligations of the Employee survive the execution of this Release.

12. In addition to any rights and remedies Employer provided by law, Employer has the right to set-off any amounts for any damages to Employer and/or its affiliates caused by Employee's noncompliance with this Release, including as related to the non-solicitation provision.

13. This Release cannot be orally amended, modified, or changed. No change, amendment, or modification to the terms of this Release shall be valid unless such change, amendment, or modification is memorialized in a written agreement between the parties that expressly references this Release and identifies the provisions herein that are to be changed, amended, or modified. Such change, amendment, or modification must be signed by Employee and by duly authorized officers or representatives of Employer.

14. This Release is made and entered into in the state of Florida, and shall in all respects be interpreted, enforced and governed under the laws of Florida. In the event of a breach of this Release by either party, the other party shall be entitled to seek enforcement of this Release exclusively before a state or federal court of competent jurisdiction located in Hillsborough County, Florida, and the state and federal courts located in Hillsborough County, Florida shall be deemed to have exclusive jurisdiction and venue over any litigation related to or arising from this Release. This Release shall not be construed to waive any right of removal that may apply to any action filed in state court by either party to this Release.

15. At the conclusion of any litigation or dispute arising out of or related to this Release, the prevailing party may recover, in addition to damages, the costs and fees (including

attorney's fees, paralegal fees, and expert fees) reasonably incurred in connection with the litigation or dispute.

16. The language of all parts of this Release shall in all cases be construed as a whole, according to its fair meaning, and not strictly for or against any of the parties. As used in this Release, the singular or plural shall be deemed to include the other whenever the context so indicates or requires.

17. Should any provision of this Release be declared or be determined by any court to be illegal or invalid, the remaining parts, terms or provisions shall remain valid unless declared otherwise by the court. Any part, term or provision which is determined to be illegal or invalid shall be deemed not to be a part of this Release.

18. The parties agree that a true copy of this Release may be used in any legal proceeding in place of the original and that any such true copy shall have the same effect as the original.

PLEASE READ CAREFULLY. THIS GENERAL RELEASE INCLUDES A RELEASE OF ALL KNOWN AND UNKNOWN CLAIMS.

Executed at St. Petersburg this 3rd day of January, 2018.

/s/ Heather Brandt
Witness

/s/ Christopher Warren Brandt
Christopher Warren Brandt, Employee

Executed at Tampa, Florida this 5th day of January, 2018.

EMPLOYER

/s/ Claire Whitehurst
Witness

By: /s/ Pablo Brizi

Title: SVP - CHRO

Employee Initials: /s/CWB

Exhibit 10.40

SEVERANCE AGREEMENT AND GENERAL RELEASE

THIS SEVERANCE AGREEMENT AND GENERAL RELEASE (hereinafter "Release") is made and entered into by and between PATRICK C. MURTHA ("Employee") and OSI RESTAURANT PARTNERS, LLC ("Employer"). The parties desire to settle any and all disputes between them on terms that are mutually agreeable. Accordingly, in consideration of the mutual promises set forth below, Employer and Employee agree as follows:

1. Employer will provide Employee with good and valuable consideration as specified below in return for Employee's execution of this Release, which is intended to fully and finally resolve any and all matters between Employer and Employee, whether actual or potential, on terms that are mutually agreeable.

2. By entering into this Release, Employer does not admit any underlying liability to Employee. Neither Employer nor Employee is entering this Release because of any wrongful acts of any kind.

3. Employee promises and obligates himself to perform the following covenants under this Release:

   a.) Employee agrees his employment with Employer is severed effective December 31, 2017 ("Separation Date").

   b.) Acting for himself, his heirs, personal representatives, administrators and anyone claiming by or through him or them, Employee unconditionally and irrevocably releases, acquits and discharges Employer and its Releasees from any and all Claims (as defined below) that Employee (or any person or entity claiming through Employee) may have against Employer or its Releasees as of the date of this Release.

      i) The phrases "Employer" or "Employer and its Releasees" shall mean OSI Restaurant Partners, LLC and all of its parents (including, but not limited to, Bloomin' Brands, Inc.), affiliates (including, but not limited to, OS Management, Inc., Outback Steakhouse of Florida, LLC, OS Restaurant Services, LLC, Bonefish Grill, LLC, Carrabba's Italian Grill, LLC, OS Prime, LLC, and OS Pacific, LLC), and all of the past and present directors, officers, partners, shareholders, supervisors, employees, representatives, successors, assigns, subsidiaries, parents, and insurers of OSI Restaurant Partners, LLC and its parents and affiliates.

      ii) The term "Claims" shall include lawsuits, causes of action, liabilities, losses, damages, debts, demands, controversies, agreements, duties, obligations, promises and rights of every kind. The term "Claims" shall include Claims arising from any source, including but not limited to contracts, statutes, regulations, ordinances, codes, or the common law, including claims arising under the Civil Rights Act of 1964 (42 U.S.C. § 2000e et seq., as amended), the Americans with Disabilities Act of 1990 (42

Employee Initials:/s/PCM

U.S.C. § 12101 et seq., as amended), the Family Medical Leave Act of 1993 (29 U.S.C. § 2601, et seq., as amended), the Fair Labor Standards Act of 1938 (29 U.S.C. 201 et seq., as amended), the Lilly Ledbetter Fair Pay Act of 2009 (Pub.L. 111-2, S. 181), the Employee Retirement Income Security Act of 1974 (ERISA) (29 U.S.C. § 1001 et seq., as amended), 42 U.S.C. § 1981, the Age Discrimination in Employment Act of 1967 (as amended), the continuation coverage provisions of the Omnibus Budget Reconciliation Act of 1986 (29 U.S.C. § 623 et seq., as amended), the Florida Civil Rights Act of 1992 (§ 760.01 et seq., Florida Statutes, as amended), and all other federal, state, and local laws dealing with discrimination, retaliation, wages, leave, benefits, or workplace policies, as well as claims for unpaid wages, unpaid commissions, breach of contract, wrongful termination, retaliation, intentional infliction of emotional distress, negligent hiring, invasion of privacy, defamation, slander, assault, battery, or any other tort arising out of or connected in any way to the employment relationship. The term "Claims" shall include injuries or damage of any nature, regardless of whether such injuries or damage arise from accident, illness, occupational disease, negligence, intentional act, or some other origin. The term "Claims" specifically includes third-party claims for indemnity or contribution against Employer or its Releasees. The term "Claims" shall be construed to include any and all Claims meeting the definitions in this subparagraph without regard to whether those Claims are asserted or unasserted, known or unknown, ripe or unripe, direct or indirect, conditional or unconditional.

c.) Employee was awarded 4,607 Bloomin' Brands, Inc. (formerly Kangaroo Holdings, Inc.) performance share units (the "2015 Performance Share Units") pursuant to that certain Agreement with a grant date of February 26, 2015 (the "2015 Agreement"). Employee agrees none of the 2015 Performance Share Units are vested and all are hereby forfeited, cancelled, terminated and deemed null and void ab initio. The 2015 Agreement is hereby forfeited, cancelled, terminated and deemed null and void ab initio.

d.) Employee was awarded 11,023 Bloomin' Brands, Inc. (formerly Kangaroo Holdings, Inc.) performance share units (the "2016 Performance Share Units") pursuant to that certain Agreement with a grant date of February 25, 2016 (the "2016 Agreement"). Employee agrees none of the 2016 Performance Share Units are vested and all are hereby forfeited, cancelled, terminated and deemed null and void ab initio. The 2016 Agreement is hereby forfeited, cancelled, terminated and deemed null and void ab initio.

e.) Employee was awarded 9,180 Bloomin' Brands, Inc. (formerly Kangaroo Holdings, Inc.) performance share units (the "February 2017 Performance Share Units") pursuant to that certain Agreement with a grant date of February 24, 2017 (the "February 2017 Agreement"). Employee agrees none of the February 2017 Performance Share Units are vested and all are hereby forfeited, cancelled,

terminated and deemed null and void ab initio. The February 2017 Agreement is hereby forfeited, cancelled, terminated and deemed null and void ab initio.

f.) Employee was awarded 46,927 Bloomin' Brands, Inc. (formerly Kangaroo Holdings, Inc.) performance share units (the "May 2017 Performance Share Units") pursuant to that certain Agreement with a grant date of May 1, 2017 (the "May 2017 Agreement"). Employee agrees none of the May 2017 Performance Share Units are vested and all are hereby forfeited, cancelled, terminated and deemed null and void ab initio. The May 2017 Agreement is hereby forfeited, cancelled, terminated and deemed null and void ab initio.

g.) Employee was granted the option to purchase 175,000 shares of the common stock of Bloomin' Brands, Inc. (formerly Kangaroo Holdings, Inc.) (the "2013 Options") pursuant to that certain Option Agreement with a grant date of June 1, 2013 (the "2013 Option Agreement"). Employee agrees all 175,000 shares of the 2013 Options are vested and unexercised, and shall remain vested and exercisable for 365 calendar days following the Separation Date. Employee agrees that as of 12:01 a.m. (Tampa time) on the 365th calendar day immediately following the Separation Date, the 2013 Option Agreement is hereby cancelled, terminated and deemed null and void ab initio.

h.) Employee was granted the option to purchase 22,059 shares of the common stock of Bloomin' Brands, Inc. (formerly Kangaroo Holdings, Inc.) (the "2015 Options") pursuant to that certain Option Agreement with a grant date of February 26, 2015 (the "2015 Option Agreement"). Employee agrees the 11,029 shares of the 2015 Options in which Employee is vested and which are unexercised shall remain vested and exercisable for 365 calendar days following the Separation Date. Employee agrees the remaining 11,030 shares of the 2015 Options are unvested and hereby forfeited, cancelled, terminated and deemed null and void ab initio. Employee agrees that as of 12:01 a.m. (Tampa time) on the 365th calendar day immediately following the Separation Date, the 2015 Option Agreement is hereby cancelled, terminated and deemed null and void ab initio.

i.) Employee was granted the option to purchase 34,817 shares of the common stock of Bloomin' Brands, Inc. (formerly Kangaroo Holdings, Inc.) (the "February 2016 Options") pursuant to that certain Option Agreement with a grant date of June 1, 2016 (the "February 2016 Option Agreement"). Employee agrees the 8,704 shares of the February 2016 Options in which Employee is vested and which are unexercised shall remain vested and exercisable for 365 calendar days following the Separation Date. Employee agrees the remaining 26,113 shares of the February 2016 Options are unvested and hereby forfeited, cancelled, terminated and deemed null and void ab initio. Employee agrees that as of 12:01 a.m. (Tampa time) on the 365th calendar day immediately following the Separation Date, the February 2016 Option Agreement is hereby cancelled, terminated and deemed null and void ab initio.

j.) Employee was granted the option to purchase 46,279 shares of the common stock of Bloomin' Brands, Inc. (formerly Kangaroo Holdings, Inc.) (the "March 2016 Options") pursuant to that certain Option Agreement with a grant date of March 1, 2016 (the "March 2016 Option Agreement"). Employee agrees none of the March 2016 Options are vested and all are hereby forfeited, cancelled, terminated and deemed null and void ab initio. The March 2016 Option Agreement is hereby cancelled, terminated and deemed null and void ab initio.

k.) Employee was granted the option to purchase 29,703 shares of the common stock of Bloomin' Brands, Inc. (formerly Kangaroo Holdings, Inc.) (the "2017 Options") pursuant to that certain Option Agreement with a grant date of February 24, 2017 (the "2017 Option Agreement"). Employee agrees none of the 2017 Options are vested and all are hereby forfeited, cancelled, terminated and deemed null and void ab initio. The 2017 Option Agreement is hereby cancelled, terminated and deemed null and void ab initio.

l.) Employee was awarded 30,000 Bloomin' Brands, Inc. (formerly Kangaroo Holdings, Inc.) restricted stock awards (the "2014 Restricted Stock") pursuant to that certain Restricted Stock Agreement with a grant date of October 1, 2014 (the "2014 Restricted Stock Agreement"). Employee agrees 22,500 of the 2014 Restricted Stock awards were previously vested and distributed. Employee agrees 7,500 of the 2014 Restricted Stock awards are unvested and hereby forfeited, canceled, terminated and deemed null and void ab initio. The 2014 Restricted Stock Agreement is hereby forfeited, cancelled, terminated and deemed null and void ab initio.

m.) Employee was awarded 14,935 Bloomin' Brands, Inc. (formerly Kangaroo Holdings, Inc.) restricted stock awards (the "2016 Restricted Stock") pursuant to that certain Restricted Stock Agreement with a grant date of February 25, 2016 (the "2016 Restricted Stock Agreement"). Employee agrees 3,733 of the 2016 Restricted Stock awards were previously vested and distributed. Employee agrees 11,202 of the 2016 Restricted Stock awards are unvested and hereby forfeited, canceled, terminated and deemed null and void ab initio. The 2016 Restricted Stock Agreement is hereby forfeited, cancelled, terminated and deemed null and void ab initio.

n.) Employee was awarded 12,469 Bloomin' Brands, Inc. (formerly Kangaroo Holdings, Inc.) restricted stock awards (the "2017 Restricted Stock") pursuant to that certain Restricted Stock Agreement with a grant date of February 24, 2017 (the "2017 Restricted Stock Agreement"). Employee agrees none of the 2017 Restricted Stock awards are vested and all are hereby forfeited, canceled, terminated and deemed null and void ab initio. The February 2017 Restricted Stock Agreement is hereby forfeited, cancelled, terminated and deemed null and void ab initio.

o.) Employee waives and relinquishes any rights that Employee may have to claim reimbursement from Employer and its Releasees for attorney's fees, litigation costs or expenses that Employee may have incurred in the course of obtaining legal

advice on any matter related to Employer, except as otherwise expressly provided for herein.

p.) Employee waives and disclaims any right to any damages, compensation, or other personal relief that may be recovered at any time after the execution of this Release as a result of any proceeding arising out of or related to the employment relationship that is brought under the jurisdiction or authority of the Equal Employment Opportunity Commission ("EEOC"), the Florida Commission on Human Relations, the U.S. Department of Labor, or any other local, state, or federal court or agency. If any such agency or court assumes jurisdiction of or files any complaint, charge, or proceeding against Employer or its Releasees, Employee shall request such agency or court to dismiss or withdraw from the matter. Notwithstanding any other term or provision of this Release, nothing in this Release is intended or shall be construed to prohibit Employee, with or without notice to the Employer or Employer's Releasees, from filing a charge with, directly communicating with or participating in any investigation or proceeding conducted by any local, state or federal agency regarding any possible law violation. Employee acknowledges and agrees, however, that, except with respect to any award pursuant to Section 21F of the Securities Exchange Act of 1934, as amended, or any award administered by the U.S. Occupational Safety and Health Administration, Employee waives any right to monetary damages, attorneys' fees, costs and equitable remedies related to or arising from any such charge, or ensuing complaint or lawsuit, filed by Employee or on Employee's behalf.

q.) Employee agrees that he will preserve the confidentiality of this Release and not discuss or disclose its existence, substance, or contents to anyone other than his spouse, attorney, accountant, or tax advisors, except as compelled or authorized by law. Employee further agrees that he will not at any time, disclose, use, or communicate to any person or entity, whether directly or indirectly, any Confidential Information obtained by the Employee during the term of Employee's employment with Employer, unless (i) such disclosure or communication is compelled by law, or (ii) Employee has received specific written authorization in advance from Employer prior to the disclosure, use, or communication. Confidential Information shall mean any information regarding, affecting, or relating to the clients, operations, or business of Employer that is treated as confidential by Employer and that is not generally known by or otherwise available to third parties.

r.) Employee agrees that he will not disparage Employer or its Releasees in any way to any person or entity. Notwithstanding this provision, in the unlikely event that Employee is subpoenaed as part of a government entity's investigation of Employer, Employee may provide truthful information about his employment to the government entity without violating this Release.

s.) If Employee is asked to discuss the subjects prohibited by subparagraphs 3(q) and (r) above, Employee is authorized to respond as follows:

I had a good relationship with Bloomin' Brands but my position was eliminated. I have no disputes with Bloomin' Brands.

t.) For a two-year period commencing on the date Employee executes this Agreement, Employee shall not, individually or jointly with others, offer employment to, or hire, any employee of Employer, their franchisees or affiliates, or otherwise solicit or induce, directly or indirectly, any employee of Employer, their franchisees or affiliates to terminate their employment. This prohibition on solicitation shall include but not be limited to any employee of Employer or its Affiliates assigned to Employer's Home Office in Tampa, Florida, except for non-management personnel recruited through general solicitations in print or other media.

u.) Employee agrees to submit all requests for reimbursement no later than two weeks after the Separation Date. Employer reserves the right to deny requests for reimbursement made more than two weeks after the Separation Date. Reimbursement eligibility will be determined consistent with Employer's usual policies and procedures.

v.) Employee agrees this Release shall serve as Employee's resignation from any and all director, officer or other positions Employee has held at any time for or on behalf of the Employer and/or Employer's affiliates.

w.) Employee shall comply with all other terms of this Release as provided for herein.

4. As consideration for the promises made by Employee in this Release, Employer promises and obligates itself to perform the following covenants under this Release:

a.) Employer shall pay Employee a lump sum severance payment in the gross amount of $1,200,000, less legal deductions and withholdings.

b.) Employer shall pay Employee a lump sum of $900 to reimburse Employee for 12 months continuing coverage of his benefits pursuant to the Consolidated Omnibus Budget Reconciliation Act ("COBRA").

c.) Employer will not contest any claim for unemployment benefits related to Employee's employment with Employer ended on the Separation Date.

d.) As additional consideration for this Release, Employer will provide Employee with outplacement services with Challenger, Gray & Christmas for a period of up to 12 months, to be used consecutively, beginning after the expiration of the Revocation Period referenced in paragraph 6 below.

e.) Employer agrees not to seek reimbursement of the $272,000 retention bonus paid to Employee in March 2017.

f.) Employer shall send the payments described in paragraphs 4(a) and 4(b) above to Employee's home address within 10 days after the expiration of the Revocation Period referenced in paragraph 6 below.

g.) Employer shall comply with all other terms of this Release as provided for herein.

5. Employee shall have a period of 21 calendar days ("the Consideration Period") from the date he is presented with this Release to consider the Release's terms and consequences before executing the Release. Employee is not required to let the full Consideration Period elapse before executing the Release; rather, the Release may be executed on any date within the Consideration Period.

6. Employee and Employer agree that Employee may revoke the Release for any reason at any time during the seven calendar days immediately following Employee's execution of the Release ("the Revocation Period"). To revoke this Release, Employee must cause written notice of his intent to revoke this Release to be delivered to Pablo Brizi at Employer's Home Office, 2202 N. Westshore Boulevard, 5th Floor, Tampa, FL 33607 within the Revocation Period. This Release shall not become effective or enforceable until the Revocation Period has expired without such notice having been delivered to Employer in the specified manner.

7. Employee agrees that each of the following statements is truthful and accurate:

a.) Employee is of sound mind and body.

b.) Employee has sufficient education and experience to make choices for himself that may affect his legal rights.

c.) Employee has full legal capacity to make decisions for himself.

d.) Employee is aware that this Release has significant legal consequences.

e.) Employee has been advised to consider consulting with an attorney of his choice prior to signing this Release.

f.) Employee has decided to sign this Release of his own free will, and his decision to sign this Release has not been unduly influenced or controlled by any mental or emotional impairment or condition.

g.) Employee is not executing this Release because of any duress or coercion imposed on him by anyone.

h.) Employee acknowledges that he has not compromised any claim for unpaid wages under the Fair Labor Standards Act as he has received full compensation for all hours worked, at the appropriate rate of pay, and no other wages, overtime, compensation, benefits, or other amounts are due and owing.

8. Employee represents that he has not sold, transferred, or assigned to a third party any claims that he may have against Employer and its Releasees. Employee represents that any claims that he may have against Employer and its Releasees are unencumbered and otherwise within his power to dispose of. Employee represents that he does not have any pending lawsuits, claims, or actions against Employer and its Releasees, or that if he does, he has fully disclosed such lawsuits, claims, or actions to Employer prior to executing this Release. Employee further represents that he has not suffered any injuries, illnesses, or accidents in the course of his employment other than those he has previously disclosed to Employer, and that any previously disclosed injuries, illnesses, or accidents are included within the scope of the claims settled by this Release.

9. Commencing on the Separation Date, Employee shall not, individually or jointly with others, directly or indirectly, whether for Employee's own account or for that of any other person or entity, engage in or own or hold any ownership interest in any person or entity engaged in a full table service restaurant business and that is located or intended to be located anywhere within a radius of thirty (30) miles of any full table service restaurant owned or operated by the Company, the Employer, their subsidiaries, franchisees or affiliates, or any affiliates of any of the foregoing, or any proposed full table service restaurant to be owned or operated by any of the foregoing, and Employee shall not act as an officer, director, employee, partner, independent contractor, consultant, principal, agent, proprietor or in any other capacity for, nor lend any assistance (financial or otherwise) or cooperation to, any such person for one calendar year. For purposes of this non-competition clause, restaurants owned or operated by the Company or the Employer shall include all restaurants owned or operated by the Company, the Employer, their subsidiaries, franchisees or affiliates and any successor entity to the Company, the Employer, their subsidiaries, franchisees or affiliates, and any entity in which the Company or the Employer, its subsidiaries or any of their affiliates has an interest, including but not limited to, an interest as a franchisor. The term "proposed restaurant" shall include all locations for which the Company, the Employer, or their franchisees or affiliates is conducting active, bona fide negotiations to secure a fee or leasehold interest with the intention of establishing a restaurant thereon.

10. Employee has returned all property of Employer and its affiliates in Employee's possession, including but not limited to, training materials, laptop computers, customer correspondence, sales information, company discount card and gift cards. All such materials are the exclusive property of the Employer.

11. Employee shall not, individually or jointly with others, for the benefit of the Employee or any third party, publish, disclose, use or authorize anyone else to publish, disclose or use any secret or confidential material or information relating to any aspect of the business or operations of the Employer, the Company or any of their Affiliates, including, without limitation, any secret or confidential information relating to the business, customers, trade or industrial practices, trade secrets, technology, recipes, product specifications, restaurant operating techniques and procedures, marketing techniques and procedures, financial data, processes, vendors and other information or know-how of the Employer, the Company or any of their Affiliates, except (i) to the extent required by

law, regulation or valid subpoena, or (ii) to the extent that such information or material becomes publicly known or available through no fault of the Employee.

12. Any and all prior understandings or agreements between Employee and Employer with respect to the subject matter of this Release are merged into this Release, which fully and completely expresses the entire agreement and understanding of the parties with respect to the subject matter hereof. Notwithstanding this provision, this Release shall not in any way diminish any obligation, duty or undertaking owed by the Employee to Employer because of any other contract or agreement or law. The rights and releases given to Employer in this Release will be in addition to, and not in place of, any and all other rights held by Employer by virtue of any other contract, agreement or undertaking, and to that extent, the obligations of the Employee survive the execution of this Release.

13. In addition to any rights and remedies Employer provided by law, Employer has the right to set-off any amounts for any damages to Employer and/or its affiliates caused by Employee's noncompliance with this Release, including as related to the non-solicitation provision.

14. This Release cannot be orally amended, modified, or changed. No change, amendment, or modification to the terms of this Release shall be valid unless such change, amendment, or modification is memorialized in a written agreement between the parties that expressly references this Release and identifies the provisions herein that are to be changed, amended, or modified. Such change, amendment, or modification must be signed by Employee and by duly authorized officers or representatives of Employer.

15. This Release is made and entered into in the state of Florida, and shall in all respects be interpreted, enforced and governed under the laws of Florida. In the event of a breach of this Release by either party, the other party shall be entitled to seek enforcement of this Release exclusively before a state or federal court of competent jurisdiction located in Hillsborough County, Florida, and the state and federal courts located in Hillsborough County, Florida shall be deemed to have exclusive jurisdiction and venue over any litigation related to or arising from this Release. This Release shall not be construed to waive any right of removal that may apply to any action filed in state court by either party to this Release.

16. At the conclusion of any litigation or dispute arising out of or related to this Release, the prevailing party may recover, in addition to damages, the costs and fees (including attorney's fees, paralegal fees, and expert fees) reasonably incurred in connection with the litigation or dispute.

17. The language of all parts of this Release shall in all cases be construed as a whole, according to its fair meaning, and not strictly for or against any of the parties. As used in this Release, the singular or plural shall be deemed to include the other whenever the context so indicates or requires.

18. Should any provision of this Release be declared or be determined by any court to be illegal or invalid, the remaining parts, terms or provisions shall remain valid unless declared

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otherwise by the court. Any part, term or provision which is determined to be illegal or invalid shall be deemed not to be a part of this Release.

19. The parties agree that a true copy of this Release may be used in any legal proceeding in place of the original and that any such true copy shall have the same effect as the original.

PLEASE READ CAREFULLY. THIS GENERAL RELEASE INCLUDES A RELEASE OF ALL KNOWN AND UNKNOWN CLAIMS.

Executed at Tampa this 2 day of January, 2018.

/s/ Claire Whitehurst
Witness

/s/ Patrick C. Murtha
Patrick C. Murtha, Employee

Executed at Tampa, Florida this 2 day of January, 2018.

EMPLOYER

/s/ Claire Whitehurst
Witness

By: /s/ Pablo Brizi

Title: SVP - CHRO

Employee Initials: /s/PCM

Exhibit 21.1

SUBSIDIARY NAME	STATE OR OTHER JURISDICTION OF INCORPORATION OR ORGANIZATION
Annapolis Outback, Inc.	MD
BBI International Holdings, Inc.	FL
BBI Ristorante Italiano, LLC	FL
Bel Air Outback, Inc.	MD
BFG Nebraska, Inc.	FL
BFG New Jersey Services, Limited Partnership	FL
BFG Oklahoma, Inc.	FL
BFG Pennsylvania Services, Ltd	FL
BFG/FPS of Marlton Partnership	FL
Bloom Brands Holdings I C.V.	NL
Bloom Brands Holdings II C.V.	NL
Bloom Group Holdings B.V.	NL
Bloom Group Holdings II, B.V.	NL
Bloom Group Holdings III B.V.	NL
Bloom Group Holdings III C.V.	NL
Bloom Group Korea, LLC	KR
Bloom Group Restaurants, B.V.	NL
Bloom Group Restaurants, LLC	FL
Bloom No.1 Limited	HK
Bloom No.2 Limited	HK
Bloom Participações, Ltda.	BR
Bloom Restaurantes Brasil S.A.	BR
Bloomin' Brands Gift Card Services, LLC	FL
Bloomin' Brands International, LLC	FL
Bloomin Hong Kong Limited	HK
Bloomin Korea Holding	CI
Bloomin Puerto Rico L.P.	CI
Bonefish Baltimore County, LLC	MD
Bonefish Beverages, LLC	TX
Bonefish Brandywine, LLC	MD
Bonefish Designated Partner, LLC	DE
Bonefish Grill International, LLC	FL
Bonefish Grill, LLC	FL
Bonefish Holdings, LLC	TX
Bonefish Kansas LLC	KS
Bonefish of Bel Air, LLC	MD
Bonefish of Gaithersburg, Inc.	MD
Bonefish/Anne Arundel, LLC	MD
Bonefish/Asheville, Limited Partnership	FL
Bonefish/Carolinas, Limited Partnership	FL
Bonefish/Centreville, Limited Partnership	FL
Bonefish/Columbus-I, Limited Partnership	FL
Bonefish/Crescent Springs, Limited Partnership	FL
Bonefish/Fredericksburg, Limited Partnership	FL
Bonefish/Glen Burnie, LLC	MD
Bonefish/Greensboro, Limited Partnership	FL
Bonefish/Hyde Park, Limited Partnership	FL
Bonefish/Newport News, Limited Partnership	FL
Bonefish/Richmond, Limited Partnership	FL
Bonefish/Southern Virginia, Limited Partnership	FL
Bonefish/Virginia, Limited Partnership	FL
Carrabba's Designated Partner, LLC	DE

SUBSIDIARY NAME	STATE OR OTHER JURISDICTION OF INCORPORATION OR ORGANIZATION
Carrabba's Italian Grill of Howard County, Inc.	MD
Carrabba's Italian Grill of Overlea, Inc.	MD
Carrabba's Italian Grill, LLC	FL
Carrabba's Kansas LLC	KS
Carrabba's of Bowie, LLC	MD
Carrabba's of Germantown, Inc.	MD
Carrabba's of Ocean City, Inc.	MD
Carrabba's of Pasadena, Inc.	MD
Carrabba's of Waldorf, Inc.	MD
Carrabba's/Birmingham 280, Limited Partnership	FL
Carrabba's/DC-I, Limited Partnership	FL
CIGI Beverages of Texas, LLC	TX
CIGI Florida Services, Ltd	FL
CIGI Holdings, LLC	TX
CIGI Nebraska, Inc.	FL
CIGI Oklahoma, Inc.	FL
CIGI/BFG of East Brunswick Partnership	FL
DoorSide, LLC	FL
Dutch Holdings I, LLC	FL
Dutch Holdings II, LLC	FL
Fleming's Beverages, LLC	TX
Fleming's International, LLC	FL
Fleming's of Baltimore, LLC	MD
Flemings Restaurantes do Brasil Ltda.	BR
Fleming's/Outback Holdings, LLC	TX
FPS NEBRASKA, INC.	FL
FPS Oklahoma, Inc.	FL
Frederick Outback, Inc.	MD
Hagerstown Outback, Inc.	MD
New Private Restaurant Properties, LLC	DE
OBTex Holdings, LLC	TX
Ocean City Outback, Inc.	MD
OS Management, Inc.	FL
OS Mortgage Holdings, Inc.	DE
OS Niagara Falls, LLC	FL
OS Prime, LLC	FL
OS Realty, LLC	FL
OS Restaurant Services, LLC	FL
OS Southern, LLC	FL
OS Tropical, LLC	FL
OSF Arkansas Services, Ltd	FL
OSF Florida Services, Ltd	FL
OSF Maryland Services, Ltd	FL
OSF Nebraska, Inc.	FL
OSF New Jersey Services, Limited Partnership	FL
OSF New York Services, Limited Partnership	FL
OSF North Carolina Services, Ltd	FL
OSF Oklahoma, Inc.	FL
OSF Pennsylvania Services, Ltd	FL
OSF South Carolina Services, Ltd	FL
OSF Virginia Services, Limited Partnership	FL
OSF/BFG of Deptford Partnership	FL

SUBSIDIARY NAME	STATE OR OTHER JURISDICTION OF INCORPORATION OR ORGANIZATION
OSF/BFG of Lawrenceville Partnership	FL
OSF/CIGI of Evesham Partnership	FL
OSI China Venture	CI
OSI HoldCo, Inc.	DE
OSI HoldCo I, Inc.	DE
OSI HoldCo II, Inc.	DE
OSI International, LLC	FL
OSI Restaurant Partners, LLC	DE
OSI/Fleming's, LLC	DE
Outback & Carrabba's of New Mexico, Inc.	NM
Outback Alabama, Inc.	AL
Outback Beverages of Texas, LLC	TX
Outback Designated Partner, LLC	DE
Outback Kansas LLC	KS
Outback of Aspen Hill, Inc.	MD
Outback of Calvert County, Inc.	MD
Outback of Conway, Inc.	AR
Outback of Germantown, Inc.	MD
Outback of La Plata, Inc.	MD
Outback of Laurel, LLC	MD
Outback of Waldorf, Inc.	MD
Outback Philippines Development Holdings Corporation	PI
Outback Puerto Rico Designated Partner, LLC	DE
Outback Steakhouse International Investments, Co.	CI
Outback Steakhouse International Services, LLC	FL
Outback Steakhouse International, L.P.	GA
Outback Steakhouse International, LLC	FL
Outback Steakhouse of Bowie, Inc.	MD
Outback Steakhouse of Canton, Inc.	MD
Outback Steakhouse of Florida, LLC	FL
Outback Steakhouse of Howard County, Inc.	MD
Outback Steakhouse of Jonesboro, Inc.	AR
Outback Steakhouse of Salisbury, Inc.	MD
Outback Steakhouse of St. Mary's County, Inc.	MD
Outback Steakhouse Restaurantes Brasil, S.A. (f/k/a Bloom Holdco)	BR
Outback Steakhouse West Virginia, Inc.	WV
Outback/Carrabba's Partnership	FL
Outback/Fleming's Designated Partner, LLC	DE
Outback/Hampton, Limited Partnership	FL
Outback/Stone-II, Limited Partnership	FL
Outback-Carrabba's of Hunt Valley, Inc.	MD
Owings Mills Incorporated	MD
Perry Hall Outback, Inc.	MD
Prince George's County Outback, Inc.	MD
Private Restaurant Master Lessee, LLC	DE
Snyderman Restaurant Group Inc	NJ
Williamsburg Square Joint Venture	PA
Xuanmei Food and Beverage (Shanghai) Co., Ltd.	CN

Exhibit 23.1

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We hereby consent to the incorporation by reference in the Registration Statements on Form S-3 (No. 333-194295) and S-8 (Nos. 333-183270, 333-187035, 333-194261, 333-202259, 333-209691 and 333-210868) of Bloomin' Brands, Inc. of our report dated February 28, 2018 relating to the financial statements and the effectiveness of internal control over financial reporting, which appears in this Form 10-K.

/s/ PricewaterhouseCoopers LLP

Certified Public Accountants
Tampa, Florida
February 28, 2018

Exhibit 31.1

CERTIFICATION

I, Elizabeth A. Smith, certify that:

1. I have reviewed this Annual Report on Form 10-K of Bloomin' Brands, 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: February 28, 2018

/s/ Elizabeth A. Smith

Elizabeth A. Smith

Chief Executive Officer
(Principal Executive Officer)

Exhibit 31.2

CERTIFICATION

I, David J. Deno, certify that:

1. I have reviewed this Annual Report on Form 10-K of Bloomin' Brands, 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: February 28, 2018

/s/ David J. Deno

David J. Deno

Executive Vice President and Chief Financial and Administrative Officer
(Principal Financial Officer)

Exhibit 32.1

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 Bloomin' Brands, Inc. (the "Company") on Form 10-K for the year ended December 31, 2017 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Elizabeth A. Smith, Chief Executive Officer of the Company, hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, to the best of my knowledge, 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 for the dates and periods covered by the Report.

Date: February 28, 2018

/s/ Elizabeth A. Smith

Elizabeth A. Smith
Chief Executive Officer
(Principal Executive Officer)

A signed original of this written statement required by Section 906 has been provided to, and will be retained by, Bloomin' Brands, Inc. and furnished to the Securities and Exchange Commission or its staff upon request.

Exhibit 32.2

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 Bloomin' Brands, Inc. (the "Company") on Form 10-K for the year ended December 31, 2017 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, David J. Deno, Executive Vice President and Chief Financial and Administrative Officer of the Company, hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, to the best of my knowledge, 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 for the dates and periods covered by the Report.

Date: February 28, 2018

/s/ David J. Deno

David J. Deno

Executive Vice President and Chief Financial and Administrative Officer
(Principal Financial Officer)

A signed original of this written statement required by Section 906 has been provided to, and will be retained by, Bloomin' Brands, Inc. and furnished to the Securities and Exchange Commission or its staff upon request.