

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

Form 10-K

(Mark One)

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2023

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: 001-38424

Lazydays Holdings, Inc.

(Exact name of registrant as specified in its charter)

Delaware (State or other jurisdiction of incorporation or organization)	82-4183498 (I.R.S. Employer Identification No.)
4042 Park Oaks Blvd, Suite 350 Tampa, Florida (Address of principal executive offices)	33610 (Zip Code)

Registrant's telephone number, including area code: (813) 246-4999

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

Title of Each Class	Trading Symbol(s)	Name of Each Exchange on Which Registered
Common Stock, par value \$0.0001 per share	GORV	Nasdaq Capital 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 every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files).

Yes No

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

Large accelerated filer	<input type="checkbox"/>	Accelerated filer	<input checked="" type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input checked="" type="checkbox"/>
	<input type="checkbox"/>	Emerging growth company	<input type="checkbox"/>

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

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report.

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements.

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b).

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

The aggregate market value of the 2,868,538 voting and non-voting shares of common stock held by non-affiliates of the registrant as of June 30, 2023 (based on the last reported sales price of such stock on the Nasdaq Capital Market on such date, the last business day of the registrant's quarter ended June 30, 2023, of \$11.56 per share) was approximately \$33.2 million.

As of March 8, 2024, the registrant had 14,064,797 shares of common stock outstanding

DOCUMENTS INCORPORATED BY REFERENCE

Certain portions of the registrant's definitive proxy statement pursuant to Regulation 14A of the Securities Exchange Act of 1934 for its 2024 annual meeting of stockholders, which will be filed with the Securities and Exchange Commission within 120 days after the end of the year covered by this report, are incorporated by reference into Part III of this report.

TABLE OF CONTENTS

	Page
<u>PART I</u>	
Item 1. <u>Business</u>	3
Item 1A. <u>Risk Factors</u>	8
Item 1B. <u>Unresolved Staff Comments</u>	22
Item 1C. <u>Cybersecurity</u>	22
Item 2. <u>Properties</u>	22
Item 3. <u>Legal Proceedings</u>	22
Item 4. <u>Mine Safety Disclosures</u>	22
<u>PART II</u>	
Item 5. <u>Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities</u>	23
Item 6. <u>[Reserved]</u>	23
Item 7. <u>Management's Discussion and Analysis of Financial Condition and Results of Operations</u>	23
Item 7A. <u>Quantitative and Qualitative Disclosures About Market Risk</u>	34
Item 8. <u>Financial Statements and Supplementary Data</u>	35
Item 9. <u>Changes in and Disagreements with Accountants on Accounting and Financial Disclosure</u>	35
Item 9A. <u>Controls and Procedures</u>	35
Item 9B. <u>Other Information</u>	37
Item 9C. <u>Disclosure Regarding Foreign Jurisdictions that Prevent Inspections</u>	37
<u>PART III</u>	
Item 10. <u>Directors, Executive Officers and Corporate Governance</u>	38
Item 11. <u>Executive Compensation</u>	38
Item 12. <u>Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters</u>	38
Item 13. <u>Certain Relationships and Related Transactions, and Director Independence</u>	38
Item 14. <u>Principal Accounting Fees and Services</u>	38
<u>PART IV</u>	
Item 15. <u>Exhibits, Financial Statement Schedules</u>	39
Item 16. <u>Form 10-K Summary</u>	42
<u>Signatures</u>	43

Forward Looking Statements

Certain statements in this Annual Report on Form 10-K (including but not limited to this Item 7 – "Management's Discussion and Analysis of Financial Condition and Results of Operations") constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, reflecting our or our management team's expectations, hopes, beliefs, intentions, strategies, estimates, and assumptions concerning events and financial trends that may affect our future financial condition or results of operations. All statements other than statements of historical facts included in this Annual Report on Form 10-K, are "forward-looking" statements. Forward-looking statements generally can be identified by the use of forward-looking terminology such as "may," "will," "expect," "anticipate," "intend," "plan," "believe," "seek," "estimate" or "continue" or the negative of such words or variations of such words and similar expressions. These statements are not guarantees of future performance and involve certain risks, uncertainties and assumptions, which are difficult to predict. Therefore, actual outcomes and results may differ materially from what is expressed or forecasted in such forward-looking statements, and we can give no assurance that such forward-looking statements will prove to be correct. Important factors that could cause actual results to differ materially from those expressed or implied by the forward-looking statements, or "cautionary statements," include, but are not limited to:

- Future market conditions and industry trends, including anticipated national new recreational vehicle ("RV") wholesale shipments;
- Changes in U.S. or global economic and political conditions or outbreaks of war;
- Changes in expected operating results, such as store performance, selling, general and administrative expenses ("SG&A") as a percentage of gross profit and all projections;
- Our ability to procure and manage inventory levels to reflect consumer demand;
- Our ability to find accretive acquisitions;
- Changes in the planned integration, success and growth of acquired dealerships and greenfield locations;
- Changes in our expected liquidity from our cash, availability under our credit facility and unfinanced real estate;
- Compliance with financial and restrictive covenants under our credit facility and other debt agreements;
- Changes in our anticipated levels of capital expenditures in the future;
- The repurchase of shares under our share repurchase program;
- Additional funds may not be available to us when we need or want them;
- Dilution related to our outstanding warrants, options and rights; and,
- Our business strategies for customer retention, growth, market position, financial results and risk management.

Non-GAAP Financial Measures

This Annual Report on Form 10-K contains adjusted net cash provided by operating activities, a non-GAAP financial measure. Adjusted net cash provided by operating activities is defined as GAAP net cash provided by operating activities adjusted for net (repayments) borrowings on floor plan notes payable. Non-GAAP measures do not have definitions under GAAP and may be defined differently by and not comparable to similarly titled measures used by other companies. As a result, we review any non-GAAP financial measures in connection with a review of the most directly comparable measures calculated in accordance with GAAP. We caution you not to place undue reliance on such non-GAAP measures, but also to consider them with the most directly comparable GAAP measures. As required by Securities Exchange Commission ("SEC") rules, we have reconciled this measure to the most directly comparable GAAP measure reported in this annual report on Form 10-K. We believe the non-GAAP financial measure we present improves the transparency of our disclosures; provides a meaningful presentation of our results from core business operations because items are excluded that are not related to core business operations and other non-cash items; and improves the period-to-period comparability of our results from core business operations. This presentation should not be considered an alternative to a GAAP measure.

PART I

Item 1. Business**Business Organization**

Lazydays RV Center, Inc., the operating subsidiary of Lazydays Holdings, Inc., operates recreational vehicle ("RV") dealerships in 24 locations as of December 31, 2023, with a 25th location opened in Arizona in March 2024:

Location	Number of Dealerships
Arizona	3
Colorado	3
Florida	3
Tennessee	3
Minnesota	2
Indiana	1
Iowa	1
Nevada	1
Ohio	1
Oklahoma	1
Oregon	1
Texas	1
Utah	1
Washington	1
Wisconsin	1

Unless otherwise indicated or the context suggests otherwise, references to "the Company," "our Company," "Lazydays RV Center, Inc.," "Lazydays RV," "we," "us," or "our" refer to Lazydays Holdings, Inc. and its wholly-owned subsidiaries.

Overview

We have operated recreational vehicle ("RV") dealerships that offer new and pre-owned recreational vehicles and sell related parts and accessories since 1976. We became a publicly traded company March 15, 2018 following a business combination with Andina Acquisition Corp. II.

We arrange financing and extended service contracts for vehicle sales through third-party financing sources and extended warranty providers.

We believe, based on industry research and management's estimates, that we operate the world's largest RV dealership, measured in terms of on-site inventory, located on approximately 126 acres outside Tampa, Florida.

Lazydays offers one of the largest selections of leading RV brands in the nation, featuring more than 6,000 new and pre-owned RVs. We have more than 400 service bays, and each location has an RV parts and accessories store. We employ approximately 1,300 people at our 24 dealership locations. Our locations are staffed with knowledgeable local team members, providing customers access to extensive RV expertise. We believe our locations are strategically located in key RV markets which account for a significant portion of new RV units sold on an annual basis in the U.S. Our dealerships in these key markets attract customers from all states except Hawaii.

We attract new customers primarily through Lazydays dealership locations as well as digital and traditional marketing efforts. Once we acquire customers, those customers become part of our customer database where we leverage customer relationship management tools and analytics to actively engage, market and sell our products and services.

We strive to create diversification in our products, services, brands and geographic locations to reduce dependence on any one manufacturer, reduce susceptibility to changing consumer preferences, manage seasonality and market risk and maintain profitability. As of December 31, 2023, we operated 24 locations, representing more than 30 original equipment manufacturers ("OEM's") across 15 states.

Business Strategy

We have been a prominent player in the RV industry since 1976, earning a stellar reputation for delivering exceptional RV sales, service and ownership experiences. Our commitment to excellence has led to enduring relationships with RVers and their families who rely on Lazydays for all of their RV needs. Our wide selection of RV brands from top manufacturers, state-of-the-art service facilities and extensive range of parts and accessories ensure that we are the go-to destination for RV enthusiasts.

Our long-term strategy to create value for our customers, employees and shareholders includes the following:

Driving Operational Excellence Across Our Existing Stores

We are focused on improving performance through increasing market share and profitability at each of our locations. By promoting an entrepreneurial model, we are building strong businesses responsive to each of our local markets. Utilizing performance-based action plans, we strive to drive operational performance and develop high-performing teams. We believe our strong brands, market position, ongoing investment in our service platform, broad product portfolio and full array of RV offerings will continue to provide us with a competitive advantage in targeting and capturing a larger share of consumers, including the growing number of new RV enthusiasts that we believe are entering the market. We continuously work to attract new customers to our dealerships through targeted integrated digital and traditional marketing efforts, attractive offerings, and access to our wide array of resources for RV enthusiasts. We have focused specifically on marketing to the fast-growing RV demographics of Baby Boomers, Gen X and Millennials. We also market to these segments through RV lifestyle-focused partnership and sponsorship efforts.

Our performance-based culture is geared toward an incentive-based compensation structure for a majority of our personnel. We develop pay plans that are measured upon various factors such as customer satisfaction, profitability and individual performance metrics. These plans serve to reward team members for creating exceptional customer experiences, customer loyalty and achieving store potential. This approach allows us to mitigate fluctuations in RV sales and general economic conditions.

Growth Through Acquisitions and Greenfields

The RV industry is highly fragmented with primarily independent dealers. We target increasing our physical network of stores through acquisitions to strategically grow our presence and create density in our network to provide convenience for our customers across the country. Our value-based acquisition strategy targets underperforming stores with strong brands in desirable markets. As we integrate these stores into our network, we focus on increasing profitability through gaining market share, elevating the customer experience and leveraging our cost structure.

In addition to acquisitions, we will, from time to time, open greenfield sites in new or existing markets. During 2023, we opened three greenfield sites located in the following markets: Council Bluffs, Iowa; Fort Pierce, Florida; Wilmington, Ohio. Additionally, we opened a new greenfield site located in Surprise, Arizona in March 2024.

Leveraging Our Scale and Cost Structure to Create Operational Efficiencies

As we grow, we are positioned to leverage our scale to improve operating margins. We have centralized many administrative functions to drive efficiencies and streamline store-level operations. The reduction of administrative functions at our stores allows our local teams to focus on customer-facing opportunities to increase revenues and gross profit. Our stores also receive supply chain management support, ensuring optimal levels of new and used RV inventory; and finance and insurance product and training support to provide a full array of offerings to our customers.

Community Involvement

We are committed to making an impact in our communities through the Lazydays Employee Foundation (the "Foundation"), a 501(c)(3) non-profit organization focused on making a positive impact in the lives of at-risk children. The

Foundation is run exclusively by employees as volunteers and members of the Foundation's board of directors, and their mission is to measurably change the lives of children by instilling hope, inspiring dreams and empowering them with education. Since its inception, the Foundation has donated more than \$2.5 million to help disadvantaged children in Florida, Arizona, Colorado, Minnesota and Tennessee. The Foundation sponsors two facilities in Florida that carry its name; The Lazydays House at a Kids Place, which houses foster children in a facility where siblings can remain together and the Lazydays House at Bridging Freedom, which houses and rehabilitates children rescued from human trafficking. The Foundation also provides financial contributions to other smaller community programs that benefit at-risk youth by providing educational tutoring, expression through the arts, and education scholarships. Lazydays employees also volunteer their time to many worthwhile charities and engage in life enriching activities with at-risk youth. The Foundation has received multiple awards for its philanthropic work, including the national Arthur J. Decio Humanitarian Award for outstanding civic and community outreach in the RV industry, as well as the Olin Mott Golden Heart Award and several WEDU Be More awards.

Customers and Markets

The RV industry is characterized by RV enthusiasts' investment in, and steadfast commitment to, the RV lifestyle. Approximately 11.2 million U.S. households are estimated to own an RV.

Owners invest in insurance, extended service contracts, parts and accessories, roadside assistance and regular maintenance to protect and maintain their RVs. They typically invest in new accessories and the necessary installation costs as they upgrade their RVs. They also spend on services and resources as they plan, engage in, and return from their road trips. Furthermore, based on industry research and management's estimates, we believe that RV owners typically trade-in to buy another RV every four to five years.

Per the RV Industry Association's ("RVIA") December 2023 survey of manufacturers, total RV wholesale shipments ended 2023 at 313,174, down 36.5% compared to 493,268 units in 2022. Towable RVs were down 38.5% at 267,295 from 434,858 units and motorhome shipments were down 21.5% at 45,879 units from 58,410 units in 2022. Per the RVIA survey, RV shipments for the last two months of 2023 showed an increase over the previous year, and our projections indicate we should continue to see increased shipments and retail sales in 2024, particularly in the latter half of the year. Generally, pre-owned RVs are sold at a lower price point than comparable new RVs and the sale of pre-owned RVs has historically been more stable than the sale of new vehicles through business cycles.

We believe RV trips remain one of the least expensive types of vacation, allowing RV owners to travel more while spending less. RV trips offer savings on a variety of vacation costs, including, among others, airfare, lodging, pet boarding and dining. While fuel costs are a component of the overall vacation cost, we believe fluctuations in fuel prices are not a significant factor affecting a family's decision to take RV trips. Based on RVIA information, the average annual mileage use of an RV is between 5,000 and 9,000 miles. In addition, our customer research indicates that customers are attracted to RV ownership based on the comfortable and convenient travel it provides.

Competition

We believe that the principal competitive factors in the RV industry are breadth and depth of product selection, pricing, convenient dealership locations, quality technical services, customer service, and overall experience. We compete directly and/or indirectly with other RV dealers, RV service providers, and RV parts and accessories retailers. One of our direct competitors, Camping World Holdings, Inc., is publicly listed on the New York Stock Exchange. Additional competitors may enter the businesses in which we currently operate.

Marketing and Advertising

We market our product offerings through integrated marketing campaigns across all digital and traditional marketing disciplines, with an emphasis on digital. Our marketing efforts include our website, paid and organic search efforts, email, social media, online blog and video content, television, radio, billboards, direct mail, and RV shows and rallies. We also have exclusive partnership and sponsorship relationships with various RV lifestyle properties. We currently have a segmented marketing database of over 1 million RV owners and prospects. Our principal marketing strategy is to leverage our unique brand positioning, extensive product selection, exclusive benefits, and high-quality customer experience among RV owners.

Our total website traffic for the year ended December 31, 2023 was approximately 16.7 million visits with approximately 10.8 million unique visitors. Our website features over 6,000 new and pre-owned RVs, as well as information regarding our RV financing and insurance products, service capabilities, parts and accessories offerings, and other RV lifestyle content.

We measure our marketing productivity and effectiveness with front end analytics integrated with 1st party data to optimize marketing efforts.

Trademarks and Other Intellectual Property

We own a variety of registered trademarks and service marks related to our brands and our services, protection plans, products and resources, including Lazydays, Lazydays The RV Authority[®], Lazydays RV Accessories & More, Crown Club, and Exit 10, among others. We also own numerous domain names, including Lazydays.com, LazydaysRVSale.com, LazydaysEvents.com, and LazydaysService.com among many others. We believe that our trademarks and other intellectual property have significant value and are important to our marketing efforts.

Government Regulation

Our operations are subject to varying degrees of federal, state and local regulation, including our RV sales, vehicle financing, outbound telemarketing, email, direct mail, roadside assistance programs, extended vehicle service contracts and insurance activities. These laws and regulations include consumer protection laws, so-called "lemon laws," privacy laws, escheatment laws, anti-money laundering laws, environmental laws and other extensive laws and regulations applicable to new and pre-owned vehicle dealers, as well as a variety of other laws and regulations. These laws also include federal and state wage and hour, anti-discrimination and other employment practices laws.

Motor Vehicle Laws and Regulations

Our operations are subject to the National Traffic and Motor Vehicle Safety Act, Federal Motor Vehicle Safety Standards promulgated by the United States Department of Transportation and the rules and regulations of various state motor vehicle regulatory agencies. We are also subject to federal and state consumer protection and unfair trade practice laws and regulations relating to the sale, transportation and marketing of motor vehicles. Federal, state and local laws and regulations also impose upon vehicle operators' various restrictions on the weight, length and width of motor vehicles that may be operated in certain jurisdictions or on certain roadways. Certain jurisdictions also prohibit the sale of vehicles exceeding length restrictions. Federal and state authorities also have various environmental control standards relating to air, water, noise pollution and hazardous waste generation and disposal.

Our financing activities with customers are subject to federal truth-in-lending, consumer leasing and equal credit opportunity laws and regulations as well as state and local motor vehicle finance laws, leasing laws, installment finance laws, usury laws and other installment sales and leasing laws and regulations, some of which regulate finance and other fees and charges that may be imposed or received in connection with motor vehicle retail installment sales.

The Dodd-Frank Wall Street Reform and Consumer Protection Act ("Dodd-Frank Act"), which was signed into law on July 21, 2010, established the Bureau of Consumer Financial Protection ("BCFP"), an independent federal agency funded by the United States Federal Reserve with broad regulatory powers and limited oversight from the United States Congress. Although automotive dealers are generally excluded, the Dodd-Frank Act could lead to additional, indirect regulation of automotive dealers, in particular, their sale and marketing of finance and insurance products, through its regulation of automotive finance companies and other financial institutions.

Insurance Laws and Regulations

As a marketer of insurance programs, we are subject to state rules and regulations governing the business of insurance including, without limitation, laws governing the administration, underwriting, marketing, solicitation and/or sale of insurance programs. The insurance carriers that underwrite the programs that we sell are required to file their rates for approval by state regulators. Additionally, certain state laws and regulations govern the form and content of certain disclosures that must be made in connection with the sale, advertising or offering of any insurance program to a consumer. We are required to maintain certain licenses to market insurance programs.

Marketing Laws and Regulations

The Federal Trade Commission (the "FTC") and each of the states have enacted consumer protection statutes designed to ensure that consumers are protected from unfair and deceptive marketing practices. We review all of our marketing materials for compliance with applicable FTC regulations and state marketing laws.

Environmental, Health and Safety Laws and Regulations

Our operations involve the use, handling, storage and contracting for recycling and/or disposal of materials such as motor oil and filters, transmission fluids, antifreeze, refrigerants, paints, thinners, batteries, cleaning products, lubricants, degreasing agents, tires and propane. Consequently, our business is subject to a variety of federal, state and local requirements that regulate the environment and public health and safety.

Most of our dealership locations utilize above ground storage tanks, and to a lesser extent underground storage tanks, primarily for petroleum-based products. Storage tanks are subject to periodic testing, containment, upgrading and removal requirements under the Resource Conservation and Recovery Act and its state law counterparts. Clean-up or other remedial action may be necessary in the event of leaks or other discharges from storage tanks or other sources. In addition, water quality protection programs under the federal Water Pollution Control Act (commonly known as the Clean Water Act), the Safe Drinking Water Act and comparable state and local programs govern certain discharges from some of our operations. Similarly, air emissions from our operations, such as RV painting, are subject to the federal Clean Air Act and related state and local laws. Certain health and safety standards promulgated by the Occupational Safety and Health Administration of the United States Department of Labor and related state agencies also apply to certain of our operations.

Although we incur costs to comply with applicable environmental, health and safety laws and regulations in the ordinary course of our business, we do not presently anticipate that these costs will have a material adverse effect on our business, financial condition or results of operations. We do not have any material known environmental commitments or contingencies.

Insurance

We utilize insurance to provide for the potential liabilities for workers' compensation, product liability, general liability, business interruption, property liability, director and officers' liability, cyber, environmental issues, and vehicle liability. Beginning in 2020, we became self-insured for employee health-care benefits. Liabilities associated with the risks that are retained by us are estimated, in part, by considering actuarial reports, historical claims experience, demographic factors, severity factors, stop loss coverage and other assumptions. To protect itself against loss exposure associated with this policy, the Company has individual stop-loss insurance coverage that insures individual claims that exceed \$500,000 for each member. Our results could be adversely affected by claims and other expenses related to such plans and policies if future occurrences and claims differ from these assumptions and historical trends.

Employees

As of December 31, 2023, we had over 1,300 employees, almost all of which are full-time employees. None of our employees are represented by a labor union or are party to a collective bargaining agreement, and we have not had any labor-related work stoppages. We believe that our employee relations are in good standing.

Seasonality and Effects of Weather

Our operations generally experience modestly higher volumes of vehicle sales in the first half of each year due in part to consumer buying trends and the hospitable warm climate during the winter months at our Florida and Arizona locations. In addition, the northern locations in Colorado, Tennessee, Minnesota, Indiana, Oregon, Washington and Wisconsin generally experience modestly higher vehicle sales during the spring months.

Our largest RV dealership is located near Tampa, Florida, which is in close proximity to the Gulf of Mexico. A severe weather event, such as a hurricane, could cause severe damage to property and inventory and decrease the traffic to our dealerships. Although we believe that we have adequate insurance coverage, if we were to experience a catastrophic loss, we may exceed our policy limits and/or may have difficulty obtaining similar insurance coverage in the future.

Principal Executive Offices

Our principal executive offices are located at 4042 Park Oaks Boulevard, Suite 350, Tampa, Florida 33610 and our telephone number is (813) 246-4999.

Available Information

Our Internet website is www.lazydays.com. Our reports filed or furnished pursuant to Sections 13(a) and 15(d) of the Securities Exchange Act of 1934, as amended, are available, free of charge, under the Investor Relations – Finance Information tab of our website as soon as reasonably practicable after we electronically file such material with, or furnish it to, the Securities and Exchange Commission ("SEC"). You may also read any materials we file with the SEC at the SEC's Internet website located at www.sec.gov.

Item 1A. Risk Factors

The following are material risks to which our business operations are subject. Any of these risks could materially adversely affect our business, financial condition, or results of operations. These risks could also cause our actual results to differ materially from those indicated in the forward-looking statements contained herein and elsewhere. The risks described below are not the only risks we face. Additional risks not currently known to us or those we currently deem to be immaterial may also materially and adversely affect our business operations.

Risks Related to Lazydays Business

Failure to identify deficiencies in our internal control over financial reporting in a timely matter or to remediate any deficiencies, or the identification of material weaknesses or significant deficiencies in the future could prevent us from accurately and timely reporting our financial results. This could lead to a loss of investor confidence in our financial statements and have an adverse effect on our stock price.

As of December 31, 2023, management identified material weaknesses in our internal control related to the ineffective design and implementation of information technology general controls ("ITGCs") in the areas of user access, program change management and security administration that are relevant to the preparation of our financial statements, and the turnover of certain accounting positions during the fourth quarter. Additionally, the Company was unable to attract, develop and retain sufficient resources to fulfill internal control responsibilities during the fourth quarter which impacted the operating effectiveness of controls during that period. Management has developed and implemented a remediation plan to address both material weaknesses. Effective internal controls are necessary for us to provide reliable and accurate financial statements and to effectively prevent fraud. We devote significant resources and time to comply with the internal control over financial reporting requirements of the Sarbanes-Oxley Act of 2002 as amended (the "Sarbanes-Oxley Act"). There is no assurance that material weaknesses or significant deficiencies will not occur or that we will be successful in adequately remediating any such material weaknesses and significant deficiencies. We may in the future discover areas of our internal controls that need improvement. We cannot be certain that we will be successful in maintaining adequate internal control over our financial reporting and financial processes. Furthermore, as we grow our business, including through acquisition, our internal controls will become more complex, and we will require significantly more resources to ensure our internal controls remain effective. Additionally, the existence of any material weakness or significant deficiency would require management to devote significant time and incur significant expense to remediate any such material weaknesses or significant deficiencies, and management may not be able to remediate any such material weaknesses or significant deficiencies in a timely manner. The existence of any material weakness in our internal control over financial reporting could also result in errors in our financial statements that could require us to restate our financial statements, cause us to fail to meet our reporting obligations, subject us to investigations from regulatory authorities or cause stockholders to lose confidence in our reported financial information, all of which could materially and adversely affect us.

Natural disasters, whether or not caused by climate change, unusual weather conditions, epidemic and pandemic outbreaks, terrorist acts and political events could disrupt business and result in lower sales and otherwise adversely affect our financial performance.

The occurrence of one or more natural disasters, such as tornadoes, hurricanes, fires, floods, hail storms and earthquakes, unusual weather conditions, epidemic and pandemic outbreaks, or other global health emergencies, terrorist attacks or disruptive political events in certain regions where our stores are located could adversely affect our business and result in lower sales. Severe weather, such as heavy snowfall or extreme temperatures, may discourage or restrict customers in a

particular region from traveling to our dealerships or utilizing our products, thereby reducing our sales and profitability. Natural disasters including tornadoes, hurricanes, floods, hail storms and earthquakes may damage our stores or other operations, which may materially adversely affect our financial results. Any of these events could have a material adverse effect on our business, financial condition and results of operations.

Our business is affected by the availability of financing to us and our customers.

Our business is affected by the availability of financing to us and our customers. Generally, RV dealers finance their purchases of inventory with financing provided by lending institutions. On February 21, 2023, we amended our Senior Secured Credit Facility with M&T Bank including increasing the committed floor plan financing to \$525 million from \$327 million and increasing the capacity under the Revolving Credit Facility to up to \$50 million from \$25 million. We were in breach of our covenant with M&T Bank as of December 31, 2023, but received a waiver through the second quarter of 2024, with modified covenant terms through the fourth quarter of 2024. Please see Item 9B for further information. As of December 31, 2023, substantially all of the invoice cost of new RV inventory was financed under the floor plan facility. A decrease in the availability of this type of wholesale financing or an increase in the cost of such wholesale financing could prevent us from carrying adequate levels of inventory, which may limit product offerings and could lead to reduced sales and revenues.

Furthermore, most of our customers finance their RV purchases. Consumer credit market conditions, including rising interest rates, sustained interest rates at current levels, continue to influence demand, especially for RVs, and may continue to do so. There continues to be fewer lenders, more stringent underwriting and loan approval criteria, and greater down payment requirements than in the past. If credit conditions or the credit worthiness of our customers worsen, and adversely affect the ability of consumers to finance potential purchases on acceptable terms and interest rates, it could result in a decrease in the sales of our products and have a material adverse effect on our business, financial condition and results of operations.

Additionally, on December 29, 2023, we entered into a loan agreement, as described below in "Our credit facility and loan agreement contain restrictive covenants that may impair our ability to access sufficient capital and operate our business."

Climate change legislation or regulations restricting emission of "greenhouse gases" could result in increased operating costs and reduced demand for the RVs we sell.

The United States Environmental Protection Agency has adopted rules under existing provisions of the federal Clean Air Act that require a reduction in emissions of greenhouse gases from motor vehicles. The Biden Administration has focused significant attention on greenhouse gases and climate change. In addition, the SEC has proposed climate-related disclosure, which may be adopted as soon as the first quarter of 2024. The adoption of any laws or regulations requiring significant increases in fuel economy requirements or new federal or state restrictions on vehicles and automotive fuels in the United States or internationally could adversely affect demand for those vehicles and could have a material adverse effect on our business, financial condition and results of operations.

Our success depends to a significant extent on the well-being, popularity, financial condition and reputation for quality, of our manufacturers, particularly Thor Industries, Inc., Winnebago Industries, Inc., and Forest River, Inc., as well as their respective supply chains.

Thor Industries, Inc., Winnebago Industries, Inc., and Forest River, Inc. supplied approximately 41%, 23%, and 32%, respectively, of our purchases of new RV inventory during the year ended December 31, 2023. We depend on our manufacturers to provide us with products that compare favorably with competing products in terms of quality, performance, safety and advanced features. Any adverse change in the production efficiency, product development efforts, technological advancement, marketplace acceptance, reputation, marketing capabilities or financial condition of our manufacturers or their respective supply chains could have a substantial adverse impact on our business. Any difficulties encountered by any of our manufacturers resulting from economic, financial, or other factors could adversely affect the quality and number of products that they are able to supply to us and the services and support they provide to us. The interruption or discontinuance of the operations of our manufacturers or their respective supply chains could cause us to experience shortfalls, disruptions, or delays with respect to needed inventory. Although we believe that adequate alternate sources would be available that could replace any manufacturer as a product source, those alternate sources may not be available at the time of any interruption, alternative products may not be available at comparable quality and prices and alternative products may not be equally appealing to our customers.

Any change, non-renewal, unfavorable renegotiation or termination of our supply arrangements for any reason could have a material adverse effect on product availability and cost and our financial performance.

Our supply arrangements with manufacturers are typically governed by dealer agreements, which are customary in the RV industry. Our dealer agreements with manufacturers are generally made on a location-by-location basis, and each retail location typically enters into multiple dealer agreements with multiple manufacturers. The terms of our dealer agreements are typically subject to us meeting program requirements and retail sales objectives, performing services and repairs for customers still under warranty (regardless from whom the RV was purchased), carrying the relevant manufacturer's parts and accessories needed to service and repair its RVs, actively advertising and promoting the manufacturer's RVs, and in some instances indemnifying the manufacturer.

Our dealer agreements designate a specific geographic territory, exclusive to us, provided that we are able to meet the material obligations of the applicable dealer agreement.

In addition, many of our dealer agreements contain contractual provisions concerning minimum advertised product pricing for current model year units. Wholesale pricing is generally established on a model year basis and is subject to change in the manufacturer's sole discretion. Any change, non-renewal, unfavorable renegotiation or termination of these dealer agreements for any reason could have a material adverse effect on product availability and cost and our financial performance.

Our growth in existing markets or expansion into new, unfamiliar markets, whether through acquisitions or otherwise, presents risks that could materially affect profitability.

Our success will depend, in part, on our ability to make successful acquisitions and to integrate the operations of acquired retail locations, including centralizing certain functions to achieve cost savings and pursuing programs and processes that promote cooperation and the sharing of opportunities and resources among our retail locations and consumer services and plans. We may not be able to achieve the anticipated operating and cost synergies or long-term strategic benefits of our acquisitions within the anticipated timing or at all. For as long as the first year after a substantial acquisition and possibly longer, the benefits from the acquisition may be offset by the costs incurred in integrating the business and operations.

We intend to continue to expand in part by acquiring or building new retail or service locations in new markets. As a result of this and any future expansion, we may have less familiarity with local consumer preferences and could encounter difficulties in attracting customers due to a reduced level of consumer familiarity with us and our brands.

Other factors, many of which are beyond our control, may impact our ability to acquire or open retail locations successfully, whether in existing or new markets, and operate them profitably. These factors include (a) the ability to (i) identify suitable acquisition opportunities at purchase prices likely to provide returns required by our acquisition criteria, (ii) control expenses associated with sourcing, evaluating and negotiating acquisitions (including those that are not completed), (iii) accurately assess the profitability of potential acquisitions or new locations, (iv) secure required third party or governmental permits and approvals, (v) negotiate favorable lease agreements, (vi) hire, train and retain skilled operating personnel, especially management personnel, (vii) provide a satisfactory product mix responsive to local market preferences where new retail locations are built or acquired, (viii) secure product lines, (ix) supply new retail locations with inventory in a timely manner; (b) the availability of construction materials and labor for new retail locations and the occurrence of significant construction delays or cost overruns; (c) competitors in the same geographic area and regional economic variants; (d) the absence of disagreements with potential acquisition targets that could lead to litigation; (e) successfully integrating the operations of acquired dealers with our own operations; (f) managing acquired dealers and stores profitably without substantial costs, delays, or other operational or financial problems; and (g) the ability of our information management systems to process increased information accurately and in a timely fashion. A negative outcome associated with any of these factors could have a material adverse effect on our business, financial condition and results of operations.

Once we decide on a new market and identify a suitable acquisition or location opportunity, any delays in acquiring or opening or developing new retail locations could impact our financial results. For example, delays in the acquisition process or construction delays caused by permitting or licensing issues, material shortages, labor issues, weather delays or other acts of God, discovery of contaminants, accidents, deaths or injuries, third parties attempting to impose unsatisfactory restrictions on us in connection with their approval of acquisitions, and other factors could delay planned openings or force us to abandon planned openings altogether.

As we grow, we will face the risk that our existing resources and systems, including management resources, accounting and finance personnel and operating systems, may be inadequate to support our growth.

Finally, the size, timing, and integration of any future new retail location openings or acquisitions may cause substantial fluctuations in our results of operations from quarter to quarter. Consequently, our results of operations for any quarter may not be indicative of the results that may be achieved for any subsequent quarter or for a full fiscal year. These fluctuations could have a material adverse effect on our business, financial condition and results of operations.

Failure to maintain the strength and value of our brands could have a material adverse effect on our business, financial condition and results of operations.

Our success depends on the value and strength of the Lazydays brands. The Lazydays name and Lazydays brands are integral to our business as well as to the implementation of our strategies for expanding our business. Maintaining, enhancing, promoting and positioning our brands, particularly in new markets where we have limited brand recognition, will depend largely on the success of our marketing efforts and our ability to provide high quality products, services, protection plans, and resources and a consistent, high quality customer experience. Our brands could be adversely affected if: (a) we fail to achieve these objectives or to comply with local laws and regulations; (b) we are subject to publicized litigation; or (c) our public image or reputation were to be tarnished by negative publicity. Some of these risks are not within our control, such as the effects of negative publicity regarding our manufacturers, suppliers or third party providers of services or negative publicity related to members of management. Any of these events could result in decreases in revenues. Further, maintaining, enhancing, promoting and positioning our brand image may require us to make substantial investments (as we incurred in 2023 as a result of our rebranding efforts) in areas such as marketing, dealership operations, community relations, store graphics and employee training, which could adversely affect our cash flow and profitability. Furthermore, efforts to maintain, enhance or promote our brand image may ultimately be unsuccessful. These factors could have a material adverse effect on our business, financial condition and results of operations.

Our failure to successfully procure and manage our inventory to reflect consumer demand in a volatile market and anticipate changing consumer preferences and buying trends could have a material adverse effect on our business, financial condition and results of operations.

Our success depends upon our ability to successfully manage our inventory and to anticipate and respond to product trends and consumer demands in a timely manner. The preferences of our target consumers cannot be predicted with certainty and are subject to change. We may order products in advance of the following selling season. Extended lead times for our purchases may make it difficult for us to respond rapidly to new or changing product trends, increases or decreases in consumer demand or changes in prices. Additionally, adoption of new technological advances and changing governmental regulatory mandates could result in changes in consumer preferences for recreational vehicles or the types of recreational vehicles consumers prefer. These changes could include shifts to smaller recreational vehicles, electric recreational vehicles, autonomous recreational vehicles or other currently unanticipated changes. If we misjudge either the market for our products or our consumers' purchasing habits in the future, our revenues may decline significantly, we may not have sufficient inventory to satisfy consumer demand or sales orders, or we may be required to discount excess inventory; all of which could have a material adverse effect on our business, financial condition and results of operations.

Our business is impacted by general economic conditions, ongoing economic and financial uncertainties, and changing consumer tastes, each of which may cause a decline in consumer spending that may adversely affect our business, financial condition and results of operations.

We depend on consumer discretionary spending and, accordingly, we may be adversely affected if our customers reduce, delay or forego their purchases of our products, services, and protection plans as a result of, including but not limited to, recessionary conditions, job loss, bankruptcy, higher consumer debt, rising interest rates, sustained interest rates at current levels, inflation, reduced access to credit, higher energy and fuel costs, relative or perceived cost, availability and comfort of RV use versus other modes of travel, such as air travel and rail (including as a result of consumer tastes in response to climate change), falling home prices, lower consumer confidence, uncertain or changes in tax policies, uncertainty due to national or international security or health concerns, volatility in the stock market, or epidemics.

Decreases in the number of customers, average spend per customer, or retention and renewal rates for our consumer services and plans would negatively affect our financial performance. A prolonged period of depressed consumer spending could have a material adverse effect on our business. In addition, adverse economic conditions may result in an increase in our operating expenses due to, among other things, higher costs of labor, energy, equipment and facilities. Our business

and financial performance may continue to be adversely affected by current and future economic conditions, including, without limitation, the level of consumer debt, high levels of unemployment, higher interest rates or sustained interest rates at current levels, and the ability of our customers to obtain credit, which has caused, and may cause a continued or further decline in consumer spending. Additionally, we are subject to economic fluctuations in local markets, most significantly Florida, that may not reflect the general economic conditions of the broader U.S. economy. Any of the foregoing factors could have a material adverse effect on our business, financial condition and results of operations.

Additionally, economic uncertainty and business downturns in the U.S. markets have adversely affected, and may in the future adversely affect, our financial condition and results of operations.

Competition in the market for products, services, and protection plans targeting the RV lifestyle or RV enthusiast could reduce our revenues and profitability.

Competition in the RV market is fragmented, driven by price, product and service features, technology, performance, reliability, quality, availability, variety, delivery and customer service. In addition to competing with other dealers of new and pre-owned RVs we compete directly or indirectly with major national insurance and warranty companies, providers of roadside assistance and providers of extended service contracts.

Additional competitors may enter the businesses in which we currently operate. Some of our competitors may build new stores in or near our existing locations and certain RV and accessory manufacturers may choose to expand their direct to consumer offerings. In addition, an increase in the number of aggregator and price comparison sites for insurance products may negatively impact our sales of these products. If any of our competitors successfully provides a broader, more efficient or attractive combination of products, services and protection plans to our target customers, our business results could be materially adversely affected. Our inability to compete effectively with existing or potential competitors, some of which may have greater resources or be better positioned to absorb economic downturns in local markets, could have a material adverse effect on our business, financial condition and results of operations.

The cyclical nature of our business has caused our sales and results of operations to fluctuate. These fluctuations may continue in the future, which could result in operating losses during downturns.

The RV industry is cyclical and is influenced by many national and regional economic and demographic factors, including: (a) the terms and availability of financing for retailers and consumers; (b) overall consumer confidence and the level of discretionary consumer spending; (c) population and employment trends; and (d) income levels and general economic conditions, such as inflation, including as a result of tariffs, deflation, increasing interest rates and recessions. As a result of these factors, our sales and results of operations have fluctuated, and we expect that they will continue to fluctuate in the future.

Our business is seasonal, and this leads to fluctuations in sales and revenues.

We have experienced, and expect to continue to experience, some variability in revenue, net income and cash flows as a result of seasonality in our business. Because our largest dealership is located in Florida, demand for services, protection plans, products and resources generally increases during the winter season when people move south for the winter or vacation in warmer climates, while sales and profits are generally lower during the summer months. In addition, unusually severe weather conditions in some geographic areas may impact demand. This includes the threat of hurricanes in Florida, which could substantially damage property and inventory in our Florida dealerships, and lead to a material disruption of operations at our Tampa, Florida headquarters and dealership.

For the years ended December 31, 2023 and 2022, we generated 56% and 58% (excluding the impact of acquisitions) of our annual revenue in the first and second quarters, respectively, which include the peak winter months. We incur additional expenses in the first and second quarters due to higher purchase volumes, increased staffing in our retail locations and program costs. If, for any reason, we miscalculate the demand for our products or our product mix during the first and second fiscal quarters, our sales in these quarters could decline, resulting in higher labor costs as a percentage of sales, lower margins and excess inventory, which could have a material adverse effect on our business, financial condition and results of operations.

Due to our seasonality, the possible adverse impact from other risks associated with our business, including extreme weather, consumer spending levels and general business conditions, is potentially greater if any such risks occur during our peak sales seasons, which are the first and second fiscal quarters.

We primarily lease our retail locations and if we are unable to maintain those leases or locate alternative sites for retail locations in our target markets and on terms that are acceptable to it, our revenues and profitability could be materially adversely affected.

We lease 16 of the 24 real properties where we have operations. At inception of the leases, they generally provide for fixed monthly rentals with escalation clauses and range from three to twenty years. There can be no assurance that we will be able to maintain our existing retail locations as leases expire, extend the leases or be able to locate alternative sites in our target markets and on favorable terms. Any failure to maintain our existing retail locations, extend the leases or locate alternative sites on favorable or acceptable terms could have a material adverse effect on our business, financial condition and results of operations.

We may be unable to enforce our intellectual property rights and/or we may be accused of infringing the intellectual property rights of third parties which could have a material adverse effect on our business, financial condition and results of operations.

We own a variety of registered trademarks and service marks. We believe that our trademarks have significant value and are important to our marketing efforts. If we are unable to continue to protect the trademarks and service marks for our proprietary brands, if such marks become generic or if third parties adopt marks similar to our marks, our ability to differentiate our products and services may be diminished. In the event that our trademarks or service marks are successfully challenged by third parties, we could lose brand recognition and be forced to devote additional resources to advertising and marketing new brands for our products.

From time to time, we may be compelled to protect our intellectual property, which may involve litigation. Such litigation may be time-consuming, expensive and distract our management from running the day-to-day operations of our business, and could result in the impairment or loss of the involved intellectual property. There is no guarantee that the steps we take to protect our intellectual property, including litigation when necessary, will be successful. The loss or reduction of any of our significant intellectual property rights could diminish our ability to distinguish our products and services from competitors' products and services and retain our market share for our products and services. Our inability to effectively protect our proprietary intellectual property rights could have a material adverse effect on our business, results of operations and financial condition.

Other parties also may claim that we infringe on their proprietary rights. Such claims, whether or not meritorious, may result in the expenditure of significant financial and managerial resources, injunctions against us or the payment of damages. These claims could have a material adverse effect on our business, financial condition and results of operations.

Regulations applicable to the sale of extended service contracts could materially impact our business and results of operations.

We offer extended service contracts that may be purchased as a supplement to the original purchaser's warranty as well as other optional products to protect the consumer's investment. These products are subject to complex federal and state laws and regulations. There can be no assurance that regulatory authorities in the jurisdictions in which these products are offered will not seek to further regulate or restrict these products. Failure to comply with applicable laws and regulations could result in fines or other penalties including orders by state regulators to discontinue sales of the warranty products in one or more jurisdictions. Such a result could materially and adversely affect our business, results of operations and financial condition.

Third parties bear the majority of the administration and liability obligations associated with these extended service contracts upon purchase by the customer. State laws and regulations, however, may limit or condition our ability to transfer these administration and liability obligations to third parties, which could in turn impact the way revenue is recognized from these products. Failure to comply with these laws could result in fines or other penalties, including orders by state regulators to discontinue sales of these product offerings as currently structured. Such a result could materially and adversely affect our business, financial condition and results of operations.

If state dealer laws are repealed or weakened, our dealerships will be more susceptible to termination, non-renewal or renegotiation of dealer agreements.

State dealer laws generally provide that a manufacturer may not terminate or refuse to renew a dealer agreement unless it has first provided the dealer with written notice setting forth good cause and stating the grounds for termination or non-

renewal. Some state dealer laws allow dealers to file protests or petitions or attempt to comply with the manufacturer's criteria within a specified notice period to avoid the termination or non-renewal. Manufacturers have been lobbying and continue to lobby for the repeal or revision of state dealer laws. If dealer laws are repealed in the states in which we operate, or manufacturers convince legislators to pass legislation in those states allowing termination or non-renewal of dealerships without cause, manufacturers may be able to terminate our dealer agreements without providing advance notice, an opportunity to cure or a showing of good cause. Without the protection of state dealer laws, it may also be more difficult for us to renew our dealer agreements upon expiration.

The ability of a manufacturer to grant additional dealer agreements is based on a number of factors which we cannot control. If manufacturers grant new dealer agreements in areas near our existing markets, such new dealer agreements could have a material adverse effect on our business, financial condition and results of operations.

Risks Associated with Our Debt Obligations

We may not be able to satisfy our debt obligations upon the occurrence of a change in control under our credit facility or loan agreement.

A change in control is an event of default under the credit facility. Upon the occurrence of a change in control, M&T Bank will have the right to declare all outstanding obligations under the credit facility immediately due and payable and to terminate the availability of future advances to us. There can be no assurance that our lenders will agree to an amendment of the credit facility or a waiver of any such event of default. There can be no assurance that we will have sufficient resources available to satisfy all of our obligations under the credit facility if no waiver or amendment is obtained. The effect of this provision may be to make a change in control less likely, potentially decreasing the value of our shares of common stock. In the event we are unable to satisfy these obligations, it could have a material adverse impact on our business, financial condition and results of operations.

On December 29, 2023, we entered into a loan agreement, as described below in "Our credit facility and loan agreement contain restrictive covenants that may impair our ability to access sufficient capital and operate our business." A change in control is an event of default under the loan agreement. Upon the occurrence of a change in control, the lender is permitted to take certain remedies, including declaring the debt to be immediately due and payable, partially foreclosing the mortgage and taking possession of the related property, any of which could have a material adverse impact on our business, financial condition and results of operations.

Our ability to operate and expand our business and to respond to changing business and economic conditions will depend on the availability of adequate capital.

The operation of our business, the rate of our expansion and our ability to respond to changing business and economic conditions depend on the availability of adequate capital, which in turn depends on cash flow generated by our business and, if necessary, the availability of equity or debt capital. We also require sufficient cash flow to meet our obligations under our existing debt agreements.

We are dependent to a significant extent on our ability to finance our new and certain of our pre-owned RV inventory under the credit facility. Floor plan financing arrangements allow us to borrow money to purchase new RVs from the manufacturer or pre-owned RVs on trade-in or at auction and pay off the loan when we sell the financed RV. We may need to increase the capacity of our existing credit facility in connection with our acquisition of dealerships and overall growth. In the event that we are unable to obtain such incremental financing, our ability to complete acquisitions could be limited.

We cannot ensure that our cash flow from operations or cash available under our credit facility will be sufficient to meet our needs. If we are unable to generate sufficient cash flows from operations in the future, and if availability under our credit facility is not sufficient, we may have to obtain additional financing. Towards that end, on December 29, 2023, we entered into a loan agreement, as described below in "Our credit facility and loan agreement contain restrictive covenants that may impair our ability to access sufficient capital and operate our business." If we obtain additional capital through the issuance of equity, the interests of existing stockholders may be diluted. If we incur additional indebtedness, such indebtedness may contain significant financial covenants and other negative covenants that may significantly restrict our ability to operate. We cannot ensure that we could obtain additional financing on favorable terms or at all.

Our credit facility and loan agreement contain restrictive covenants that may impair our ability to access sufficient capital and operate our business.

Our credit facility contains various provisions that limit our ability to, among other things: (a) incur additional indebtedness or liens; (b) consolidate or merge; (c) alter the business conducted by the Company and our subsidiaries; (d) make investments, loans, advances, guarantees and acquisitions; (e) sell assets, including capital stock of our subsidiaries; (f) enter into certain sale and leaseback transactions; (g) pay dividends on capital stock or redeem, repurchase or retire capital stock or certain other indebtedness; (h) engage in transactions with affiliates; and (i) and enter into agreements restricting our subsidiaries' ability to pay dividends.

In addition, the restrictive covenants contained in the documentation governing the credit facility require us to maintain specified financial ratios. See "*Management's Discussion and Analysis of Financial Condition and Results of Operations — Liquidity and Capital Resources*" below. Our ability to comply with those financial ratios may be affected by events beyond our control, and our failure to comply with these ratios could result in an event of default. The restrictive covenants may affect our ability to operate and finance our business as we deem appropriate. Our inability to meet obligations as they become due or to comply with various financial covenants contained in the instruments governing our current or future indebtedness could constitute an event of default under the instruments governing our indebtedness.

If there were an event of default under the instruments governing our indebtedness, the holders of the affected indebtedness could declare all of the affected indebtedness immediately due and payable, which, in turn, could cause the acceleration of the maturity of all of our other indebtedness. We may not have sufficient funds available, or we may not have access to sufficient capital from other sources, to repay any accelerated debt. Even if we could obtain additional financing, the terms of such financing may not be favorable to us. In addition, substantially all of our assets are subject to liens securing the obligations under the credit facility. If amounts outstanding under the credit facility were accelerated, our lenders could foreclose on these liens and we could lose substantially all of our assets. Any event of default under the instruments governing our indebtedness could have a material adverse effect on our business, financial condition and results of operations.

On February 21, 2023, we amended our Senior Secured Credit Facility with M&T Bank including increasing the committed floor plan financing to \$525 million from \$327.0 million and increasing the capacity under the Revolving Credit Facility to up to \$50.0 million from \$25.0 million. We were in breach of our covenant with M&T Bank as of December 31, 2023, but received a waiver through the second quarter of 2024, with modified covenant terms through the fourth quarter of 2024. Please see Item 9B for further information.

Additionally, on December 29, 2023, we entered into a \$35.0 million mortgage loan agreement (the "Loan Agreement"), with Coliseum Holdings I, LLC as lender (the "Lender"). The Lender is an affiliate of Coliseum Capital Management, LLC ("Coliseum") and, Christopher Shackleton, the chairman of our Board. Certain funds and accounts managed by Coliseum currently hold 57% of LazyDays common stock (calculated as if the preferred stock has been converted into common stock). Covenants under the Loan Agreement restrict our ability to, among other things, but subject to certain exceptions: (i) sell, mortgage, assign or transfer any interest in the mortgaged property, (ii) create, incur, assume or permit to exist any lien on any portion of the mortgaged property, (iii) create, incur or assume any indebtedness, (iv) enter into, amend, modify, supplement or terminate material agreements and (v) enter into, terminate or amend any lease.

If we breach certain of the covenants in the Loan Agreement or otherwise default on the loan, the Lender would have the right to accelerate the loan and foreclose on the collateral. If we do not have sufficient cash to repay the Loan at that time, we would be forced to refinance the loan. We cannot assure you that such refinancing would be available to us on favorable terms or at all.

We depend on our relationships with third party providers of services, protection plans, products and resources and a disruption of these relationships or of these providers' operations could have an adverse effect on our business and results of operations.

Our business depends in part on developing and maintaining productive relationships with third party providers of products, services, protection plans, and resources that we market to our customers. Additionally, we rely on certain third party providers to support our products, services, protection plans, and resources, including insurance carriers for our property and casualty insurance and extended service contracts, banks and captive financing companies for vehicle financing and refinancing. We cannot accurately predict whether, or the extent to which, we will experience any disruption in the supply of products from our vendors or services from our third party providers. Any such disruption could negatively

impact our ability to market and sell our products, services, protection plans, and resources, which could have a material adverse effect on our business, financial condition and results of operations.

With respect to the insurance programs that we offer, we are dependent on the insurance carriers that underwrite the insurance to obtain appropriate regulatory approvals and maintain compliance with insurance regulations. If such carriers do not obtain appropriate state regulatory approvals or comply with such changing regulations, we may be required to use an alternative carrier or change our insurance products or cease marketing certain insurance related products in certain states, which could have a material adverse effect on our business, financial condition and results of operations. If we are required to use an alternative insurance carrier or change our insurance related products, we may materially increase the time required to bring an insurance related product to market. Any disruption in our service offerings could harm our reputation and result in customer dissatisfaction.

Additionally, we provide financing to qualified customers through a number of third party financing providers. If one or more of these third party providers ceases to provide financing to our customers, provides financing to fewer customers or no longer provides financing on competitive terms, or if we are unable to replace the current third party providers upon the occurrence of one or more of the foregoing events, it could have a material adverse effect on our business, financial condition and results of operations.

A portion of our revenue is from financing, insurance and extended service contracts, which depend on third party lenders and insurance companies. We cannot ensure these third parties will continue to provide RV financing and other products.

A portion of our revenue comes from the fees we receive from lending institutions and insurance companies for arranging financing and insurance coverage for our customers. The lending institution pays us a fee for each loan that it arranges. If these lenders were to lend to our customers directly rather than through us, we would not receive a fee. In addition, if customers prepay financing we arranged within a specified period (generally within six months of making the loan), we are required to rebate (or "chargeback") all or a portion of the commissions paid to us by the lending institution. The same process applies to vehicle services contract fees, which are also subject to chargebacks if a customer chooses to terminate the contract early. We receive a chargeback for a portion of the initial fees received. Our revenues from financing fees and vehicle service contract fees are recorded net of a reserve for estimated future chargebacks based on historical operating results. Lending institutions may change the criteria or terms they use to make loan decisions, which could reduce the number of customers for whom we can arrange financing, or may elect to not continue to provide these products with respect to RVs. Our customers may also use the internet or other electronic methods to find financing alternatives. If any of these events occur on a large scale, we could lose a significant portion of our income and profit.

Furthermore, new and pre-owned vehicles may be sold and financed through retail installment sales contracts entered into between us and third-party purchasers. Prior to entering into a retail installment sales contract with a third-party purchaser, we typically have a commitment from a third-party lender for the assignment of such retail installment sales contract, subject to final review, approval and verification of the retail installment sales contract, related documentation and the information contained therein. Retail installment sales contracts are typically assigned by us to third-party lenders simultaneously with the execution of the retail installment sales contracts. Contracts in transit represent amounts due from third-party lenders from whom prearranged assignment agreements have been determined, and to whom the retail installment sales contract have been assigned. We recognize revenue when the applicable new or pre-owned vehicle is delivered and we have assigned the retail installment sales contract to a third-party lender and collectability is reasonably assured. Funding from the third-party lender is provided upon receipt, final review, approval and verification of the retail installment sales contract, related documentation and the information contained therein. Retail installment sales contracts are typically funded within ten days of the initial approval of the retail installment sales contract by the third-party lender. Contracts in transit are included in current assets and totaled \$14.8 million and \$15.4 million as of December 31, 2023 and December 31, 2022, respectively. Any significant number of defaults on these retail installment sales contracts could have a material adverse effect on our business, financial condition and results of operations.

Our business is subject to numerous federal, state and local regulations.

Our operations are subject to varying degrees of federal, state and local regulation, including regulations with respect to our RV sales, RV financing, marketing, direct mail, roadside assistance programs and insurance activities. New regulatory efforts may be proposed from time to time that may affect the way we operate our businesses. For example, in the past a principal source of leads for our direct response marketing efforts was new vehicle registrations provided by motor vehicle departments in various states. Currently, all states restrict access to motor vehicle registration information.

We are also subject to federal and state consumer protection and unfair trade practice laws and regulations relating to the sale, transportation and marketing of motor vehicles. Federal, state and local laws and regulations also impose upon vehicle operators various restrictions on the weight, length and width of motor vehicles that may be operated in certain jurisdictions or on certain roadways. Certain jurisdictions also prohibit the sale of vehicles exceeding length restrictions.

Further, certain federal and state laws and regulations affect our activities. Areas of our business affected by such laws and regulations include, but are not limited to, labor, advertising, consumer protection, digital marketing, real estate, promotions, quality of services, intellectual property, tax, import and export, anti-corruption, anti-competition, environmental, health and safety. Compliance with these laws and others may be onerous and costly, at times, and may be inconsistent from jurisdiction to jurisdiction which further complicates compliance efforts.

The Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Dodd-Frank Act"), which was signed into law on July 21, 2010, established the Bureau of Consumer Financial Protection ("BCFP"), an independent federal agency with broad regulatory powers and limited oversight from the United States Congress. Although automotive dealers are generally excluded, the Dodd-Frank Act could lead to additional, indirect regulation of automotive dealers, in particular, their sale and marketing of finance and insurance products, through its regulation of automotive finance companies and other financial institutions.

In addition, the Patient Protection and Affordable Care Act (the "Affordable Care Act"), which was signed into law on March 23, 2010, may increase our annual employee health care costs that we fund and has increased our cost of compliance and compliance risk related to offering health care benefits. Efforts to modify, repeal or otherwise invalidate all, or certain provisions of, the Affordable Care Act and/or adopt a replacement healthcare reform law may impact our employee healthcare costs. If healthcare costs rise, we may experience increased operating costs, which may adversely affect our business, financial condition and results of operations.

Furthermore, our property and casualty insurance programs that we offer through third party insurance carriers are subject to state laws and regulations governing the business of insurance, including, without limitation, laws and regulations governing the administration, underwriting, marketing, solicitation or sale of insurance products. Our third party insurance carriers are required to apply for, renew, and maintain licenses issued by state, federal or foreign regulatory authorities. Such regulatory authorities have relatively broad discretion to grant, renew and revoke such licenses. Accordingly, any failure by such parties to comply with the then current licensing requirements, which may include any determination of financial instability by such regulatory authorities, could result in such regulatory authorities denying third party insurance carriers' initial or renewal applications for such licenses, modifying the terms of licenses or revoking licenses that they currently possess, which could severely inhibit our ability to market these insurance products. Additionally, certain state laws and regulations govern the form and content of certain disclosures that must be made in connection with the sale, advertising or offer of any insurance program to a consumer. We review all marketing materials we disseminate to the public for compliance with applicable insurance regulations. We are required to maintain certain licenses and approvals in order to market insurance products.

We have instituted various comprehensive policies and procedures to address compliance. However, there can be no assurance that employees, contractors, vendors or our agents will not violate such laws and regulations or our policies and procedures.

Our failure to comply with certain environmental regulations could adversely affect our business, financial condition and results of operations.

Our operations involve the use, handling, storage and contracting for recycling and/or disposal of materials such as motor oil and filters, transmission fluids, antifreeze, refrigerants, paints, thinners, batteries, cleaning products, lubricants, degreasing agents, tires and propane. Consequently, our business is subject to federal, state and local requirements that regulate the environment and public health and safety. We may incur significant costs to comply with such requirements. Our failure to comply with these regulations and requirements could cause us to become subject to fines and penalties or otherwise have an adverse impact on our business. In addition, we have indemnified certain of our landlords for any hazardous waste which may be found on or about property we lease. If any such hazardous waste were to be found on property that we occupy, a significant claim giving rise to our indemnity obligation could have a negative effect on our business, financial condition and results of operations.

Risks Related to Our Capital Stock

Our outstanding Series A convertible preferred stock, warrants, options and restricted stock units may have an adverse effect on the market price of our common stock.

As of December 31, 2023, we had outstanding (i) stock options issued to the board of directors and employees to purchase 376,940 shares of common stock at exercise prices ranging from \$4.50 to \$30.00 per share, (ii) 600,000 shares of Series A Preferred Stock which are convertible into up to 5,962,733 shares of common stock, taking into account any accrued dividends which we may elect to pay in cash or shares of common stock, and (iii) 238,275 restricted stock units. We may also issue additional equity awards under our Amended and Restated 2018 Long-Term Incentive Plan (the "Amended 2018 Plan").

The sale, or even the possibility of sale, of the shares of common stock underlying the warrants, stock options, restricted stock units and Series A Preferred Stock and the shares issuable under the Amended 2018 Plan could have an adverse effect on the market price of the common stock or on our ability to obtain future financing. If and to the extent these warrants, stock options and restricted stock units are exercised or the Series A Preferred Stock is converted to common stock, you may experience substantial dilution to your holdings.

The conversion of the Series A Preferred Stock into our common stock may dilute the value for the other holders of our common stock.

The Series A Preferred Stock is convertible into 5,962,733 shares of our common stock (this excludes accrued dividends which we may elect to pay in cash or shares of common stock). As a result of the conversion of any issued and outstanding Series A Preferred Stock, the existing holders of our common stock will own a smaller percentage of the outstanding common stock. Further, additional shares of our common stock may be issuable pursuant to certain other features of the Series A Preferred Stock, with such issuances being further dilutive to existing holders of our common stock.

If the Series A Preferred Stock is converted into our common stock, holders of such common stock will be entitled to the same dividend and distribution rights as other holders of our common stock. As such, another dilutive effect which may result from the conversion of any shares of Series A Preferred Stock will be a dilution to dividends and distributions receivable on account of our common stock.

The holders of Series A Preferred Stock own a large portion of the voting power and have the right to designate two members to our board of directors. This significantly influences the composition of our board of directors and future actions taken by our board of directors.

Our board of directors currently has eight members. The holders of the Series A Preferred Stock are exclusively entitled to designate two members to our board of directors. In addition, the holders of the Series A Preferred Stock are entitled to vote upon all matters upon which holders of our common stock have the right to vote and are entitled to the number of votes equal to the number of full shares of our common stock into which such shares of Series A Preferred Stock could be converted at the then applicable conversion rate. These matters include the election of all director nominees not designated by the holders of the Series A Preferred Stock. As a result, the holders of the Series A Preferred Stock have significant influence on the composition of our board of directors.

As of December 31, 2023, the holders of the Series A Preferred Stock held approximately 63.1% of the voting power on an as-converted basis, taking into account the accrued dividends which we may elect to pay in cash or shares of common stock. As a result, the holders of the Series A Preferred Stock will have the ability to influence future actions requiring stockholder approval.

Pursuant to the Certificate of Designations governing the Series A Preferred Stock, the holders of the Series A Preferred Stock must consent to us taking certain actions, including among others, increasing the number of directors constituting our board of directors above eight members, incurring certain indebtedness and the sale of certain assets. The holders of the Series A Preferred Stock are not obligated to consent to any specific action and there can be no assurance that the holders will consent to any action our board of directors determines is in the best interests of our stockholders as a whole.

Additionally, the holders of the Series A Preferred Stock have been granted a right of first refusal on certain debt financings. Pursuant to this right, the holders of the Series A Preferred Stock have 15 business days to determine whether they want to undertake a covered debt financing. This may delay our ability to undertake a debt financing and may cause

certain third parties to be less willing to engage in any debt financing with us. As a common shareholder, Series A Preferred shareholders could negatively impact your investment and may not take actions that will be in your best interest.

Our board of directors approved a stock repurchase program, which could increase the volatility of the price of our common stock.

In September 2021, our board of directors approved a stock repurchase program authorizing us to repurchase up to a maximum of \$25.0 million of our shares of common stock through December 31, 2022. On December 15, 2022, our board of directors approved the extension of the program for the remaining balance of \$13.7 million and approved additional repurchases of \$50.0 million, each through December 31, 2024 of which \$63.4 million remains as of December 31, 2023. Repurchases may be made at management's discretion from time to time in the open market, through privately negotiated transactions or pursuant to a trading plan subject to market conditions, applicable legal requirements and other factors. There can be no assurance that we would buy shares of our common stock or the timeframe for repurchases under our stock repurchase program or that any repurchases would have a positive impact on our stock price or earnings per share.

Additionally, the Inflation Reduction Act of 2022 was recently signed into law, which, among other things, imposed a new 1% excise tax on the fair market value of stock redeemed or repurchased by publicly traded corporations on or after January 1, 2023, subject to certain exceptions. If we redeem or repurchase shares of our stock in the future under our current stock repurchase program or otherwise, we could be subject to this excise tax, unless the redemptions or repurchases qualify for any of the exceptions that are provided in the Inflation Reduction Act or in future regulations or rules. Any such excise tax would be a liability and could increase the amount of tax that we are required to pay.

Our amended and restated certificate of incorporation provides to the fullest extent permitted by law that the Court of Chancery of the State of Delaware will be the exclusive forum for certain legal actions between the us and our stockholders, which could increase the costs to bring a claim in a judicial forum viewed by the stockholders as more favorable for disputes with us or our directors, officers or employees.

Our amended and restated certificate of incorporation provides to the fullest extent permitted by law that unless the Company consents in writing to the selection of an alternative forum, the Court of Chancery of the State of Delaware will be the sole and exclusive forum for any derivative action or proceeding brought on our behalf, any action asserting a claim of breach of a fiduciary duty owed by any of our directors, officers or other employees to the Company or our stockholders, any action asserting a claim arising pursuant to any provision of the Delaware General Corporation Law ("DGCL"), or any action asserting a claim governed by the internal affairs doctrine. The choice of forum provision may limit a stockholder's ability to bring a claim in a judicial forum that it finds favorable for disputes with us or our directors, officers or other employees, which may discourage such lawsuits against us or our directors, officers and other employees. Alternatively, if a court were to find the choice of forum provision contained in our amended and restated certificate of incorporation to be inapplicable or unenforceable in an action, we may incur additional costs associated with resolving such action in other jurisdictions. The exclusive forum provision in our amended and restated certificate of incorporation does not apply to actions arising under the federal securities laws and will not preclude or contract the scope of exclusive federal or concurrent jurisdiction for actions brought under the federal securities laws including the Securities Exchange Act of 1934, as amended, or the Securities Act of 1933, as amended, or the respective rules and regulations promulgated thereunder.

General Risk Factors

We depend on our ability to attract and retain customers.

Our future success depends upon our ability to attract and retain customers for our products, services, protection plans, and resources. The extent to which we achieve growth in our customer base materially influences our profitability. Any number of factors could affect our ability to grow our customer base. These factors include consumer preferences and general economic conditions, our ability to maintain our retail locations, weather conditions, the availability of alternative products, significant increases in gasoline prices, the disposable income of consumers available for discretionary expenditures and the external perception of our brands. Any significant decline in our customer base, the rate of growth of our customer base or customer demand could have a material adverse effect on our business, financial condition and results of operations.

If we are unable to protect, maintain or upgrade our information technology systems or if we are unable to convert to alternate systems in an efficient and timely manner, our operations may be disrupted or become less efficient.

We depend on a variety of information technology systems for the efficient operation of our business. We rely on hardware, telecommunications and software vendors to maintain and periodically upgrade many of these information technology systems so that we can continue to operate our business. Various components of our information technology systems, including hardware, networks, and software, are licensed to us by third party vendors. We rely extensively on our information technology systems to process transactions, summarize results and efficiently manage our business. Additionally, because we accept debit and credit cards for payment, we are subject to the Payment Card Industry Data Security Standard (the "PCI Standard"), issued by the Payment Card Industry Security Standards Council. The PCI Standard contains various compliance guidelines with respect to our security surrounding the physical and electronic storage, processing and transmission of cardholder data. We are currently in compliance with the PCI Standard, however, complying with the PCI Standard and implementing related procedures, technology and information security measures requires significant resources and ongoing attention to compliance. Costs and potential problems and interruptions associated with the implementation of new or upgraded systems and technology such as those necessary to maintain compliance with the PCI Standard or with respect to maintenance or support of existing systems could also disrupt or reduce the efficiency of our operations. Any material interruptions or failures in our payment-related systems could have a material adverse effect on our business, financial condition and results of operations.

While we have completed significant steps in our remediation, management will continue to implement its remediation plan, including its determination if additional updates are appropriate in the remediated actions noted above and through taking additional actions to remediate the material weaknesses in internal control over financial reporting, which include but are not limited to performing and implementing a user role redesign for certain systems, using third-party assistance to assess training needs, and expanding available resources at the Company with the appropriate experience. The material weaknesses will not be considered remediated until the remediation actions, including those noted above and any others determined appropriate have been completed and have operated effectively for a sufficient period of time. The Company is committed to validating that changes made are operating as intended within our remediation plan, and with the actions already taken and our planned remediation steps, when fully implemented and operated consistently, we believe we will remediate the material weaknesses.

Any disruptions to our information technology systems or breaches of our network security could interrupt our operations, compromise our reputation, expose us to litigation, government enforcement actions and costly response measures and could have a material adverse effect on our business, financial condition and results of operations.

We rely on the integrity, security and successful functioning of our information technology systems and network infrastructure across our operations. We use information technology systems to, among other things, generate and manage sales leads, support our consumer services and plans, manage procurement, manage our supply chain, track inventory information at our retail locations, communicate customer information and aggregate daily sales, margin and promotional information. We also use information systems to report and audit our operational results.

In connection with sales, we transmit encrypted confidential credit and debit card information. Although we are currently in compliance with the PCI Standard, there can be no assurance that in the future we will be able to remain compliant with the PCI Standard or other industry recommended or contractually required practices. Even if we continue to be compliant with such standards, we still may not be able to prevent security breaches.

We also have access to, collect or maintain private or confidential information regarding our customers, associates and suppliers, as well as our business. The protection of our customer, associate, supplier and company data is critical to us. The regulatory environment surrounding information security and privacy is increasingly demanding, with the frequent imposition of new and constantly changing requirements across our business and operations. In addition, our customers have a high expectation that we will adequately protect their personal information from cyber-attacks and other security breaches. We have procedures in place to safeguard our customer's data and information. However, a significant breach of customer, employee, supplier, or company data could attract a substantial amount of negative media attention, damage our relationships with our customers and suppliers, harm our reputation and result in lost sales, fines and/or lawsuits.

An increasingly significant portion of our sales depends on the continuing operation of our information technology and communications systems, including but not limited to our point-of-sale system and our credit card processing systems. Our information technology, communication systems and electronic data may be vulnerable to damage or interruption from earthquakes, acts of war or terrorist attacks, floods, fires, tornadoes, hurricanes, power loss and outages, computer and telecommunications failures, computer viruses, loss of data, unauthorized data breaches, usage errors by our associates or

our contractors or other attempts to harm our systems, including cyber-security attacks, hacking by third parties, computer viruses or other breaches of cardholder data. Some of our information technology and communication systems are not fully redundant and our disaster recovery planning cannot account for all eventualities. The occurrence of a natural disaster, intentional sabotage or other unanticipated problems could result in lengthy interruptions in our information technology and communications systems. Any errors or vulnerabilities in our information technology and communications systems, or damage to or failure of our information technology and communications systems, could result in interruptions services and non-compliance with certain regulations or expose us to risk of litigation and liability, which could have a material adverse effect on our business, financial condition and results of operations.

We may be subject to product liability claims if people or property are harmed by the products we sell and may be adversely impacted by manufacturer safety recalls.

Some of the products we sell may expose us to product liability claims relating to personal injury, death, or environmental or property damage, and may require product recalls or other actions. Although we maintain liability insurance, we cannot be certain that our insurance coverage will be adequate for losses actually incurred or that insurance will continue to be available to us on economically reasonable terms, or at all. In addition, some of our agreements with our vendors and sellers do not indemnify us from losses attributable to product liability. In addition, even if a product liability claim is not successful or is not fully pursued, the negative publicity surrounding a product recall or any assertion that the products sold by the Company caused property damage or personal injury could damage brand image and our reputation with existing and potential consumers and have a material adverse effect on our business, financial condition and results of operations.

Our risk management policies and procedures may not be fully effective in achieving their purposes.

Our policies, procedures, controls and oversight to monitor and manage our enterprise risks may not be fully effective in achieving their purpose and may leave us exposed to identified or unidentified risks. Past or future misconduct by our employees or vendors could result in violations of law by us, regulatory sanctions and/or serious reputational or financial harm to us. We monitor our policies, procedures and controls; however, there can be no assurance that these will be sufficient to prevent all forms of misconduct. We review our compensation policies and practices as part of our overall enterprise risk management program, but it is possible that our compensation policies could incentivize inappropriate risk taking or misconduct. If such inappropriate risks or misconduct occurs, it is possible that it could have a material adverse effect on our business, financial condition and results of operations.

We have incurred impairment charges for goodwill, and could incur impairment charges for intangible assets or other long-lived assets.

At least annually, we review goodwill, trademarks and trade names for impairment. Long-lived assets, identifiable intangible assets and goodwill are also reviewed for impairment whenever events or changes in circumstances indicate the carrying amount of an asset may not be recoverable from future cash flows. These events or circumstances could include a significant change in the business climate, legal factors, operating performance indicators, competition, sale or disposition of a significant portion of the business or other factors. If the carrying value of a long-lived asset is considered impaired, an impairment charge is recorded for the amount by which the carrying value of the long-lived asset exceeds its fair value. Our determination of future cash flows, future recoverability and fair value of our long-lived assets includes significant estimates and assumptions. Changes in those estimates and/or assumptions or lower than anticipated future financial performance may result in the identification of an impaired asset and a non-cash impairment charge, which could be material. Any such charge could adversely affect our financial position or results of operations.

Refer to Note 2 - Significant Accounting Policies and Note 7 - Goodwill and Intangible Assets of Notes to Consolidated Financial Statements for additional information.

We may be unable to retain senior executives and attract, develop, and retain other qualified employees.

Our success depends in part on our ability to attract, hire, develop and retain qualified personnel. Competition for the personnel required is high. We may be unsuccessful in attracting and retaining the personnel needed to conduct operations successfully. In this event, our business could be materially and adversely affected. In addition, the loss of members of our senior management team could impair our ability to execute our business plan and could have a material and adverse effect on our business, results of operations and financial condition.

Item 1B. Unresolved Staff Comments

None.

Item 1C. Cybersecurity

Cybersecurity risk management is a major component of our overall risk management systems and processes. We have a cybersecurity program and governance structure designed to identify and manage cybersecurity risks and threats. The program encompasses a comprehensive framework that begins with a clear governance structure comprised of our Chief Technical Officer (CTO), Director of Internal Audits, and Senior Director of Compliance, ensuring a holistic approach to risk management. Regular reporting mechanisms to the board and senior management keep all stakeholders informed about the evolving cyber risk landscape and the program's effectiveness.

The program includes a well-defined risk assessment and analysis process, identifying critical digital assets, conducting thorough threat and vulnerability assessments, and quantifying risks based on potential impact and likelihood. This information prioritizes risks, allowing us to allocate resources effectively and focus on mitigating the most significant threats. Policies and procedures form the foundation of the cyber risk management program, with comprehensive guidelines covering data protection, access controls, incident response, and employee training. Security controls, such as robust identity governance and access controls, AI-based email security solutions, endpoint protection, and network security measures, are implemented to fortify our defenses. An effective incident response plan ensures a swift and coordinated response to security incidents, minimizing potential damages. Continuous monitoring through MDR (Managed Detect and Respond) solutions and staying informed about the latest threat intelligence feeds enhance our ability to detect and respond to evolving cyber threats.

As part of our cybersecurity program, we assess the cybersecurity posture of our third-party vendors and partners to ensure they meet our security standards. This includes due diligence during the vendor selection and periodic evaluations throughout our partnerships. Third-party risk management, compliance adherence, and the consideration of cyber insurance contribute to a holistic and proactive approach to cyber risk management. Regular reviews and updates to the program ensure its relevance and effectiveness in the face of emerging threats, fostering a culture of continuous improvement and resilience.

We have not identified any risks from cybersecurity threats including those ones resulted from previous cybersecurity incidents that have materially affected or are reasonably likely to materially affect our business strategy, results of operations, or financial condition.

Item 2. Properties

We own the property at 8 of our locations and lease the remaining 16 properties. We also own the property for one additional location expected to open in March 2024. Our real property leases generally provide for fixed monthly rents with annual escalation clauses and multiple renewal terms of 3 to 20 years each. The leases are typically "triple net" requiring us to pay real estate taxes, insurance and maintenance costs. We believe that our properties are suitable and adequate for present purposes, and that the productive capacity in such properties is substantially being utilized.

Our largest leased dealership property is located in Tampa, Florida. The dealership is 384,000 square feet and sits on 126 acres. The lease term is 20 years with an initial expiration date in 2035.

Item 3. Legal Proceedings

We are a party to multiple legal proceedings that arise in the ordinary course of our business. We do not believe that the ultimate resolution of these matters will have a material adverse effect on our business, results of operations, financial condition or cash flows. However, the results of these matters cannot be predicted with certainty and an unfavorable resolution of one or more of these or other matters could have a material adverse effect on our business, results of operations, financial condition and/or cash flows.

Item 4. Mine Safety Disclosures

None.

PART II

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

Currently, our shares of common stock are listed on the Nasdaq Capital Market under the symbol "GORV".

As of March 8, 2024, there were 47 holders of record of our shares of common stock and 4 holders of record of our shares of Series A Preferred Stock.

We have not paid any cash dividends on our common stock and do not plan to pay any cash dividends on our common stock in the foreseeable future. Our board of directors will determine our future dividend policy on the basis of many factors, including results of operations, capital requirements, and general business conditions, subject to any restrictions under our credit facility and the Certificate of Designations for the Series A Preferred Stock.

Recent Sales of Unregistered Securities

During the quarter ended December 31, 2023, there were no sales of unregistered securities.

Purchases of Equity Securities by the Issuer

As of December 31, 2023, we had \$63.4 million of remaining availability to purchase our common stock pursuant to a plan that expires on December 31, 2024. No repurchases were made during the year ended December 31, 2023.

Item 6. [Reserved]

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

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with Part I, including matters set forth in the "Risk Factors" section of this Form 10-K and our Consolidated Financial Statements and notes thereto, included in Part II, Item 8 of this Form 10-K.

Business Overview

We operate recreational vehicle dealerships and offer a comprehensive portfolio of products and services for RV owners and outdoor enthusiasts. We generate revenue by providing RV owners and outdoor enthusiasts a full spectrum of products: RV sales, RV repair and services, financing and insurance products, third-party protection plans, and after-market parts and accessories. During the second quarter of 2023 we closed the campground facilities at our Tampa, Florida location. In the third quarter of 2023, we closed our dealerships at the Maryville and Burns Harbor locations.

We operate 24 dealerships in 15 states and expect to open an additional dealership in March 2024. Based on industry research and management's estimates, we believe we operate the world's largest RV dealership, measured in terms of on-site inventory, located on approximately 126 acres outside Tampa, Florida. See Item 1. Business for additional details.

Lazydays offers one of the largest selections of leading RV brands in the nation, featuring more than 6,000 new and pre-owned RVs. We have more than 400 service bays, and each location has an RV parts and accessories store. We employ approximately 1,300 people at our 24 dealership locations. Our locations are staffed with knowledgeable local team members, providing customers access to extensive RV expertise. We believe our locations are strategically located and, based on information collected by us from reports prepared by Statistical Surveys, account for a significant portion of new RV units sold on an annual basis in the U.S. Our dealerships attract customers from all states, except Hawaii.

We attract new customers primarily through Lazydays dealership locations as well as digital and traditional marketing efforts. Once we acquire customers, those customers become part of our customer database where we use customer relationship management tools and analytics to actively engage, market and sell our products and services.

In January 2024, we launched a complete rebranding effort with new websites, logos, fonts and colors, as well as a new stock symbol ("GORV"). We believe these rebranding efforts will enhance our digital retail experience, particularly on mobile devices, which account for over 80% of our website traffic.

Results of Operations

For the year ended December 31, 2023, we reported a net loss of \$110.3 million, or \$8.45 per diluted share. For the year ended December 31, 2022, we reported net income of \$66.4 million, or \$2.42 per diluted share.

(In thousands, except vehicle and per vehicle data)	Year Ended December 31,		Change	% Change
	2023	2022		
Revenue				
New vehicle retail	\$ 631,748	\$ 777,807	\$ (146,059)	(18.8)%
Pre-owned vehicle retail	323,258	394,582	(71,324)	(18.1)%
Vehicle wholesale	8,006	21,266	(13,260)	(62.4)%
Finance and insurance	62,139	75,482	(13,343)	(17.7)%
Service, body and parts and other	57,596	57,824	(228)	(0.4)%
Total revenue	\$ 1,082,747	\$ 1,326,961	\$ (244,214)	(18.4)%
Gross profit				
New vehicle retail	\$ 79,437	\$ 145,491	\$ (66,054)	(45.4)%
Pre-owned vehicle retail	63,764	93,017	(29,253)	(31.4)%
Vehicle wholesale	(172)	(354)	182	(51.4)%
Finance and insurance	59,592	72,753	(13,161)	(18.1)%
Service, body and parts and other	29,873	30,167	(294)	(1.0)%
LIFO	(3,752)	(12,383)	8,631	(69.7)%
Total gross profit	\$ 228,742	\$ 328,691	\$ (99,949)	(30.4)%
Gross profit margins				
New vehicle retail	12.6 %	18.7 %	(610) bps	
Pre-owned vehicle retail	19.7 %	23.6 %	(390) bps	
Vehicle wholesale	(2.2)%	(1.7)%	(50) bps	
Finance and insurance	95.9 %	96.4 %	(50) bps	
Service, body and parts and other	51.9 %	52.2 %	(30) bps	
Total gross profit margin	21.1 %	24.8 %	(370) bps	
Total gross profit margin (excluding LIFO)	21.5 %	25.7 %	(420) bps	
Retail units sold				
New vehicle retail	7,269	8,603	(1,334)	(15.5)%
Pre-owned vehicle retail	5,018	5,409	(391)	(7.2)%
Total retail units sold	12,287	14,012	(1,725)	(12.3)%
Average selling price per retail unit				
New vehicle retail	\$ 86,910	\$ 90,411	\$ (3,501)	(3.9)%
Pre-owned vehicle retail	64,420	72,949	(8,529)	(11.7)%
Average gross profit per retail unit (excluding LIFO)				
New vehicle retail	\$ 10,928	\$ 16,912	\$ (5,984)	(35.4)%
Pre-owned vehicle retail	12,707	17,197	(4,490)	(26.1)%
Finance and insurance	4,850	5,192	(342)	(6.6)%

NM - Not meaningful

Same Store Results of Operations

We believe that same store comparisons are an important indicator of our financial performance. Same store measures demonstrate our ability to grow operations in our existing locations.

Same store measures reflect results for stores that were operating in each comparison period, and only include the months when operations occurred in both periods. For example, a store acquired in November 2022 would be included in same store operating data beginning in December 2023, after its first complete comparable month of operations. The fourth quarter operating results for the same store comparisons would include results for that store for both comparable periods. We believe that this measure provides meaningful information on our performance and operating results. However, readers

should know that this financial metric has no standardized meaning and may not be comparable to similar measures presented by other companies.

(In thousands, except vehicle and per vehicle data)	Year Ended December 31,		Change	% Change
	2023	2022		
Revenues				
New vehicle retail	\$ 557,176	\$ 731,572	\$ (174,397)	(23.8)%
Pre-owned vehicle retail	290,242	378,117	(87,875)	(23.2)%
Vehicle wholesale	7,567	21,167	(13,600)	(64.2)%
Finance and insurance	54,395	71,899	(17,504)	(24.3)%
Service, body and parts and other	51,392	55,603	(4,211)	(7.6)%
Total revenues	\$ 960,772	\$ 1,258,358	\$ (297,586)	(23.6)%
Gross profit				
New vehicle retail	\$ 69,710	\$ 137,016	\$ (67,306)	(49.1)%
Pre-owned vehicle retail	56,773	88,854	(32,081)	(36.1)%
Vehicle wholesale	(171)	(354)	183	NM
Finance and insurance	52,132	69,285	(17,153)	(24.8)%
Service, body and parts and other	26,593	29,109	(2,516)	(8.6)%
LIFO	(3,752)	(12,383)	8,631	NM
Total gross profit	\$ 201,285	\$ 311,527	\$ (110,242)	(35.4)%
Gross profit margins				
New vehicle retail	12.5 %	18.7 %	(620) bps	
Pre-owned vehicle retail	19.6 %	23.5 %	(390) bps	
Vehicle wholesale	(2.3)%	(1.7)%	(60) bps	
Finance and insurance	95.8 %	96.4 %	(60) bps	
Service, body and parts and other	51.7 %	52.4 %	(70) bps	
Total gross profit margin	21.0 %	24.8 %	(380) bps	
Total gross profit margin (excluding LIFO)	21.3 %	25.7 %	(440) bps	
Retail units sold				
New vehicle retail	6,142	7,867	(1,725)	(21.9)%
Pre-owned vehicle retail	4,362	5,049	(687)	(13.6)%
Total retail units sold	10,504	12,916	(2,412)	(18.7)%
Average selling price per retail unit				
New vehicle retail	\$ 90,716	\$ 92,993	\$ (2,277)	(2.4)%
Pre-owned vehicle retail	66,539	74,889	(8,350)	(11.1)%
Average gross profit per retail unit (excluding LIFO)				
New vehicle retail	\$ 11,350	\$ 17,417	\$ (6,067)	(34.8)%
Pre-owned vehicle retail	13,015	17,598	(4,583)	(26.0)%
Finance and insurance	4,963	5,364	(401)	(7.5)%

NM - Not meaningful

Revenue and Gross Margin Discussion

New Vehicles Retail

We offer a comprehensive selection of new RVs across a wide range of price points, classes and floor plans, from entry level travel trailers to Class A motorhomes, at our dealership locations and on our website. We have strong strategic alliances with leading RV manufacturers. The core brands that we sell, representing 96.0% of the new vehicles that we sold in 2023, are manufactured by Thor Industries, Inc., Winnebago Industries, Inc., and Forest River, Inc.

Under our business strategy, we believe that our new RV sales create incremental profit opportunities by providing used RV inventory through trade-ins, arranging of third-party financing, RV service and insurance contracts, future resale of trade-ins and parts and service work.

New vehicle revenue decreased \$146.1 million, or 18.8%, in 2023 compared to 2022 due primarily to a 15.5% decrease in units sold and a decrease of 3.9% in the average selling price per retail unit. The decrease in units sold was primarily due to a contracting market coming off of a robust 2022.

New vehicle gross profit decreased \$66.1 million, or 45.4%, in 2023 compared to 2022, primarily due to less units sold combined with a \$5,984 decrease in gross profit per unit. As inventories continued to normalize and overall sales declined, we discounted towards the end of 2023 ahead of the new model year change to generate sales, which led to the decline in gross profit per unit.

On a same store basis, new vehicle revenue decreased \$174.4 million, or 23.8%, in 2023 compared to 2022, due primarily to a 21.9% decrease in retail units sold and a 2.4% decrease in average selling prices.

On a same store basis, new vehicle gross profit decreased \$67.3 million, or 49.1%, in 2023 compared to 2022, due primarily to less units sold and a 34.8% decrease in gross profit per unit, excluding LIFO.

Although supply chain and inventory continued to normalize in 2023, our stores focused on positioning themselves for 2024 and 2025 model year inventory by discounting 2022 and 2023 model year units. We ended the fourth quarter of 2023 with approximately 62% of our units being 2024 model year, 36% being 2023 model year and only 2%, or approximately 104 units being 2022 model year.

Pre-Owned Vehicles Retail

Pre-owned vehicle retail sales are currently a strategic focus for growth. Our pre-owned vehicle operations provide an opportunity to generate sales to customers unable or unwilling to purchase a new vehicle, to sell models other than the store's new vehicle models, access additional used vehicle inventory through trade-ins and increase sales from finance and insurance products. We sell a comprehensive selection of pre-owned RVs at our dealership locations. We have established a goal to reach a used to new ratio of 1:1. Strategies to achieve this target include reducing wholesale sales, procuring additional used RV inventory direct from consumers and selling deeper into the pre-owned RV spectrum. We achieved a used to new ratio of 0.73:1 in 2023.

Pre-owned vehicle retail revenue decreased \$71.3 million, or 18.1%, in 2023 compared to 2022 due primarily to a 7.2% decrease in retail units sold and a 11.7% decrease in average selling price per retail unit. The decrease in retail units sold was primarily due to a contracting market coming off of a robust 2022.

Pre-owned vehicle retail gross profit decreased \$29.3 million, or 31.4%, in 2023 compared to 2022 due primarily to fewer units sold, combined with lower gross profit per unit. The decline in gross profit per unit was primarily due to supply normalizing after increased demand during 2022 saw inventories depleted, which led to higher margins in 2022.

On a same store basis, pre-owned vehicle retail revenue decreased \$87.9 million, or 23.2% in 2023 compared to 2022 due primarily to a 11.1% decrease in average selling prices and a 13.6% decrease in retail units sold.

Pre-owned vehicle retail gross profits on a same store basis decreased \$32.1 million, or 36.1% in 2023 compared to 2022. This decrease was a result of a 13.6% decrease in units sold, combined with a 26.0% decrease in gross profit per unit, excluding LIFO.

Finance and Insurance

We believe that arranging timely financing is an important part of providing access to the RV lifestyle and we attempt to arrange financing for every vehicle we sell. We also offer related products such as extended warranties, insurance contracts and other maintenance products.

Finance and insurance ("F&I") revenues decreased 17.7% during 2023 compared to 2022, primarily due to a 12.3% decrease in total retail units sold and an 6.6% decrease in average F&I gross profit per unit. The decrease in average F&I gross profit per unit was primarily due to a higher volume of chargebacks during the year.

On a same store basis, F&I revenue decreased 24.3% primarily due to a decrease in total retail units sold of 18.7% and a 7.5% decrease in average F&I gross profit per unit, excluding LIFO.

Certain information regarding our F&I operations was as follows:

	Year Ended December 31,		Change	% Change
	2023	2022		
Overall				
F&I per unit	\$ 4,850	\$ 5,192	\$ (342)	(6.6) %
F&I penetration rate	61.1 %	64.3 %	(320) bps	
Same store				
F&I per unit	\$ 4,963	\$ 5,364	\$ (401)	(7.5) %
F&I penetration rate	61.1 %	65.0 %	(390) bps	

Service, Body and Parts and Other

With more than 400 service bays, we provide onsite general RV maintenance and repair services at all of our dealership locations. We employ over 300 highly skilled technicians, many of them certified by the Recreational Vehicle Industry Association ("RVIA") or the National RV Dealers Association ("RVDA") and we are equipped to offer comprehensive services and perform original equipment manufacturer ("OEM") warranty repairs for most RV components. Earnings from service, body and parts and other have historically been more resilient during economic downturns, when owners have tended to hold and repair their existing RVs rather than buy a new one.

Service, body and parts and other is a strategic area of focus and an area of opportunity to grow additional earnings.

Our service, body and parts and other revenue and gross profit decreased 0.4% and 1.0%, respectively, in 2023 compared to 2022. The decreases in revenue and gross profit were primarily due to the closure of the campground in the second quarter of 2023, partially offset by acquisitions and greenfields, combined with more units in operation and increases in warranty rates.

Our same store service, body and parts and other revenue and gross profit decreased 7.6% and 8.6%, respectively, during 2023 compared to 2022.

Depreciation and Amortization

Depreciation and amortization was as follows:

	Year Ended December 31,		Change	% Change
	2023	2022		
(\$ in thousands)				
Depreciation and amortization	\$ 18,512	\$ 16,758	\$ 1,754	10.5 %

The increase in depreciation and amortization in 2023 compared to 2022 was primarily related to the increase in Property and equipment as a result of acquisitions, the expansion of several dealerships and the opening of new stores.

Selling, General and Administrative

Selling, general, and administrative ("SG&A") expenses consist primarily of wage-related expenses, selling expenses related to commissions and advertising, lease expenses, corporate overhead expenses, transaction costs, and stock-based compensation expense, and do not include depreciation and amortization expense.

SG&A expense was as follows:

(\$ in thousands)	Year Ended December 31,		Change	% Change
	2023	2022		
SG&A expense	\$ 198,962	\$ 222,218	\$ (23,256)	(10.5)%
SG&A as percentage of gross profit	87.0%	67.6%	1,940 bps	
Stock-based compensation included in SG&A	\$ 2,249	\$ 2,813	\$ (564)	(20.0)%

The decrease in SG&A in 2023 compared to 2022 was primarily related to decreased marketing expenses, reduced headcount and lower commissions paid due to fewer units sold. Offsetting the decrease was an impairment charge of \$0.6 million in the first quarter of 2023 related to the write-off of capitalized software that we determined we would not utilize.

The increase in SG&A as a percentage of gross profit in 2023 compared to 2022 was primarily related to lower gross profit and the impairment charge mentioned above.

Goodwill Impairment

As discussed in Note 1 - Significant Accounting Policies to our Consolidated Financial Statements, we recognized a goodwill impairment charge of \$118.0 million in 2023.

Floor Plan Interest Expense

Floor plan interest expense was as follows:

(\$ in thousands)	Year Ended December 31,		Change	% Change
	2023	2022		
Floor plan interest expense	\$ 24,820	\$ 8,596	\$ 16,224	188.7%

The increase in floor plan interest expense in 2023 compared to 2022 is due to increased interest rates and an increase in acquisition volume.

Other Interest Expense

(\$ in thousands)	Year Ended December 31,		Change	% Change
	2023	2022		
Other interest expense	\$ 10,062	\$ 7,996	\$ 2,066	25.8%

The increase in other interest expense in 2023 compared to 2022 was primarily due to higher revolver balances outstanding and mortgages obtained during the third quarter of 2023.

Change in Fair Value of Warrant Liabilities

Change in fair value of warrant liabilities represents the mark-to-market fair value adjustments to the outstanding PIPE warrants issued in connection with our SPAC merger in March 2018. The fair value of the warrants fluctuated with

changes in the value of our common stock. All of the warrants were exercised or expired during the first quarter of 2023 and, accordingly, as of December 31, 2023, no PIPE warrants remained outstanding.

(\$ in thousands)	Year Ended December 31,		Change	% Change
	2023	2022		
Change in fair value of warrant liabilities	\$ 856	\$ 12,453	\$ (11,597)	(93.1)%

Income Tax Expense

Income tax benefit (expense) was as follows:

(\$ in thousands)	Year Ended December 31,		Change	% Change
	2023	2022		
Income tax benefit (expense)	\$ 30,462	\$ (19,183)	\$ 49,645	258.8 %
Effective tax rate	(21.6)%	22.4 %		

The income tax benefit (expense) differs from the statutory rate primarily as a result of state income taxes and the impairment of Goodwill that took place in the fourth quarter of 2023. The effective tax rate was lower in 2023 compared to 2022 due to the effect of fair value adjustments related to Goodwill. Goodwill was fully impaired as of December 2023 and therefore will no longer have a meaningful impact on our effective tax rate.

Liquidity and Capital Resources

Our principal needs for liquidity and capital resources are for capital expenditures and working capital as well as for growth through acquisitions and greenfielding. We have historically satisfied our liquidity needs through cash flows from operations, borrowings under our credit facilities as well as occasional sale-leaseback arrangements. In addition to these sources of liquidity, potential sources to fund our business strategy include financing of owned real estate, construction loans, and proceeds from debt or equity offerings. We evaluate all of these options and may select one or more of them depending upon overall capital needs and the availability and cost of capital, although no assurances can be provided that these capital sources will be available in sufficient amounts or with terms acceptable to us.

As of December 31, 2023 we had cash of \$58.1 million and our revolver was fully drawn. We hold approximately \$109.9 million of real estate financed under our \$35.0 million mortgage facility that we estimate could provide \$47.5 million of additional liquidity at an estimated 75% loan to value as we refinance these properties. We also have other unencumbered real estate that we estimate can generate additional liquidity of approximately \$18 million through financing transactions.

Cash Flow Summary

(\$ in thousands)	Year Ended December 31,	
	2023	2022
Net income (loss)	\$ (110,266)	\$ 66,393
Non cash adjustments, net	108,171	9,048
Changes in operating assets and liabilities	(34,385)	(147,401)
Net cash used in operating activities	(36,480)	(71,960)
Net cash used in investing activities	(192,964)	(54,542)
Net cash provided by financing activities	225,842	90,069
Net decrease in cash	\$ (3,602)	\$ (36,433)

Operating Activities

Inventories are the most significant component of our cash flow from operations. As of December 31, 2023, our new vehicle days' supply was 380 days which was 130 days higher than our days' supply as of December 31, 2022. As of December 31, 2023, our days' supply of pre-owned vehicles was 132 days, which was 54 days higher than our days' supply at December 31, 2022. We calculate days' supply of inventory based on current inventory levels and a 90 day historical cost of sales level. We continue to focus on managing our unit mix and maintaining appropriate levels of new and used vehicle inventory.

Borrowings from and repayments to the M&T Floor Plan Line of Credit related to our new vehicle inventory floor plan financing are presented as financing activities. Additionally, the cash paid for inventory purchased as part of an acquisition is presented as an investing activity, while the subsequent flooring of the new inventory is included in our floor plan payable cash activities.

To better understand the impact of these items, a reconciliation of adjusted net cash provided by operating activities, a non-GAAP financial measure to net cash provided by operating activities, is presented below:

(In thousands)	Year Ended December 31,		Change
	2023	2022	
Net cash used in operating activities, as reported	\$ (36,480)	\$ (71,960)	\$ 35,480
Net borrowings on floor plan notes payable	98,530	148,180	(49,650)
Minus borrowings on floor plan notes payable associated with acquired new inventory	(28,751)	—	(28,751)
Net cash provided by operating activities, as adjusted	<u>\$ 33,299</u>	<u>\$ 76,220</u>	<u>\$ (42,921)</u>

Investing Activities

During 2023, net cash used in investing activities of \$193.0 million was primarily for \$97.7 million spent on acquisitions of 5 dealerships in Nevada, Tennessee, Colorado, Utah and Arizona as disclosed in Note 3 to the consolidated financial statements, as well as \$95.2 million for the purchase of property and equipment related to the construction of our greenfield locations in Iowa, Florida, Ohio and Arizona.

Financing Activities

During 2023, significant financing activities included \$98.5 million of net borrowings under our M&T bank floor plan, \$49.5 million of borrowings under M&T revolving credit facility, and \$64.0 million of proceeds from the issuance of long-term debt, which included \$35.0 million of proceeds is from the Coliseum Loan and \$29 million of proceeds from the Murfreesboro and Knoxville mortgages. In addition, there was \$30.5 million of proceeds from the exercise of warrants.

Short-Term Material Cash Requirements

For at least the next twelve months, our primary capital requirements are capital to maintain our current operations. We may also use our resources for the funding of potential acquisitions or development of bare land for future dealership locations. Cash used for acquisitions will be dependent upon deal flow and individual targets. Inventory associated with acquisitions and stocking new greenfield location inventories will primarily be financed using the M&T floorplan facility. Cash used for capital expenditures and acquisitions will also be dependent upon operational cash flows.

Long-Term Material Cash Requirements

Beyond the next twelve months, our principal demands for funds will be for maintenance of our core business, and continued growth through acquisitions. Additional funds may be spent on technology and efficiency investments, at our discretion.

We expect to meet our long-term liquidity requirements primarily through current cash on hand and cash generated by operations. We may obtain lease or mortgage financing for land purchased and the additional costs of building out dealership on these properties. Additionally, we have approximately \$109.9 million of property encumbered by our \$35.0 million Coliseum Loan that we estimate we can refinance at higher loan-to-value ratios and lower interest rates, similar to other properties we financed in 2023. We also have other unencumbered real estate that we estimate can generate additional liquidity of approximately \$18.0 million through financing transactions.

For short-term and long-term cash requirements, we believe that our cash flows from operations, combined with our current cash levels, will be adequate to support our ongoing operations and to fund our operating and growth requirements

for the next twelve months, as well as beyond the next twelve months. We believe that we have access to additional funds, if needed, through the capital markets under the current market conditions, but we cannot guarantee that such financing will be available on favorable terms, or at all.

M&T Credit Facility

On February 21, 2023, we amended our Senior Secured Credit Facility with M&T Bank.

The material provisions of the amendment were to: (i) increase the capacity under the Floor Plan Line of Credit to up to \$525.0 million from \$327.0 million and increase the capacity under the M&T Revolving Credit Facility to up to \$50.0 million from \$25.0 million; (ii) remove the Mortgage Loan Facility and Term Loan Facility; (iii) extend the term of the Floor Plan Line of Credit and the Revolving Credit to February 21, 2027; (iv) lower interest rates on the Floor Plan Line of Credit and the M&T Revolving Credit Facility; and (v) remove certain guarantors.

At the time of the amendment, we paid off the \$5.4 million outstanding on the Mortgage Loan Facility and the \$6.7 million outstanding on the Term Loan Facility.

At December 31, 2023, there was \$446.8 million outstanding on the Floor Plan Line of Credit at an interest rate of 7.48% and \$49.5 million outstanding on the Revolving Credit Facility at an interest rate of 8.35%. We were not in compliance with our financial and restrictive covenants at December 31, 2023 as we exceeded our total leverage ratio of 3.00, but received a waiver from M&T Bank through the second quarter of 2024, and modified covenants through the fourth quarter of 2024.

The Floor Plan Line of Credit bears interest at: (a) 30-day SOFR plus an applicable margin of 1.90% to 2.05% based on the total net leverage ratio (as defined in the new M&T Facility) or (b) the Base Rate plus a margin of 0.90% to 1.05% based on the total net leverage ratio (as defined in the new M&T Facility). Base Rate means, for any day, the fluctuating rate per annum equal to the highest of: (a) the Prime Rate for such day, (b) the Federal Funds Rate in effect on such day plus 50 Basis Points, and (c) the one-month Adjusted Term SOFR Rate, determined on a daily basis, plus 100 Basis Points. The Floor Plan Line of Credit is also subject to an annual unused commitment fee at 0.15% of the average daily unused portion of the Floor Plan.

The M&T Revolving Credit Facility bears interest at: (a) 30-day SOFR plus an applicable margin of 2.15% to 2.90% based on the total net leverage ratio (as defined in the new M&T Facility) or (b) the Base Rate plus a margin of 1.15% to 1.90% based on the total net leverage ratio (as defined in the new M&T Facility). Base Rate means, for any day, the fluctuating rate per annum equal to the highest of: (a) the Prime Rate for such day, (b) the Federal Funds Rate in effect on such day plus 50 Basis Points, and (c) the one-month Adjusted Term SOFR Rate, determined on a daily basis, plus 100 Basis Points. The Revolving Credit Facility is also subject to a quarterly unused commitment fee at 0.15% of the average daily unused portion of the M&T Revolving Credit Facility.

On March 8, 2024, LDRV Holdings Corp, Lazydays RV America, LLC, Lazydays RVDiscount, LLC and Lazydays Mile HI RV, LLC, together with certain other subsidiary entities entered into the First Amendment to Second Amended and Restated Credit Agreement and Consent with Manufacturers and Traders Trust Company as Administrative Agent and other financial institutions as loan parties (the "Amendment"), to waive and modify certain covenants. This includes waiving the net leverage ratio from the fourth quarter of 2023 through the second quarter of 2024, current ratio for the fourth quarter of 2023, and fixed charge coverage ratio for the first and second quarters of 2024. Additionally, an additional tier was added to the definition of applicable margin of the Credit Facilities, setting forth the applicable interest rates corresponding to a total net leverage ratio of 3.00. This new tier is applicable to the Company as of March 8, 2024.

Long-Term Debt

Mortgages

In July 2023, we entered into two mortgages for total proceeds of \$29.3 million secured by certain real estate assets at our Murfreesboro and Knoxville locations. The loans bear interest between 6.85% and 7.10% per annum and mature in July 2033.

Coliseum Term Loan

On December 29, 2023, we entered into a \$35 million term loan (the "Loan") with the Lender, with a maturity date of December 29, 2026. Certain funds and accounts managed by Coliseum currently hold 57% of LazyDays common stock (calculated as if the preferred stock has been converted into common stock) as of December 31, 2023 and is therefore

considered a related party. The Loan bears interest at a rate of 12% per annum, payable monthly in cash on the outstanding loan balance. For any quarterly period during the Loan term, we have the option at the beginning of each quarter to make pay-in-kind elections, whereby the entire outstanding balance would be charged interest at 14% per annum and interest amounts will be added to the outstanding principal. The Loan is secured by certain of our assets. Issuance costs of \$2.0 million were recorded as debt discount and are being amortized over the term of the Loan to interest expense using the effective interest method. The Loan is carried at the outstanding principal balance, less debt issuance costs.

Under the terms of the Loan, for any repayments and prepayments that occur prior to January 1, 2025, we will owe a prepayment penalty of 1% on the outstanding principal balance being repaid and a make whole premium equal to the remaining interest owed on such balance repaid from date of repayment through January 1, 2025. For repayments and prepayments that occur after January 1, 2025 through maturity, we will owe a prepayment penalty of 2% on the outstanding principal balance being repaid.

The Loan contains certain reporting and compliance-related covenants. The Loan contains negative covenants, among other things, related to borrowing and events of default. It also includes certain non-financial covenants and covenants limiting our ability to dispose of assets, undergo a change in control, merge with, acquire stock, or make investments in other companies, in each case subject to certain exceptions. Upon the occurrence of an event of default, in addition to the lender being able to declare amounts outstanding under the Loan due and payable or foreclose on the collateral, the lender can elect to increase the interest rate by 7% per annum during the period of default. In addition, the Loan contains a cross default with M&T Bank. As of December 31, 2023, we were not in compliance with all of the covenants with M&T Bank as we exceed our maximum leverage covenant, however the cross default was waived for the period ended December 31, 2023.

Summary

Long-term debt was as follows:

(In thousands)	As of December 31, 2023			As of December 31, 2022		
	Gross Principal Amount	Debt Discount	Total Debt, Net of Debt Discount	Gross Principal Amount	Debt Discount	Total Debt, Net of Debt Discount
Total long-term debt	\$ 64,870	\$ (2,300)	\$ 62,570	\$ 13,787	\$ (49)	\$ 13,738
Less: current portion	1,141	—	1,141	3,607	—	3,607
Long-term debt, non-current	\$ 63,729	\$ (2,300)	\$ 61,429	\$ 10,180	\$ (49)	\$ 10,131

Inflation

We have experienced higher than normal RV retail and wholesale price increases as manufacturers have passed through increased supply chain costs in their pricing to dealers. We monitor the health of our inventory and focus on discounting prior model year units as needed. While we anticipate the pricing of many 2025 model year units to be lower than 2023 and 2024 model year units, we cannot accurately anticipate the effect of inflation on our operations from possible continued cost increases, the full impact of the introduction of 2025 model year units into inventory and the related pricing of those units, consumers' willingness to accept higher prices and the potential impact on retail demand and margins.

Cyclicality

Unit sales of RV vehicles historically have been cyclical, fluctuating with general economic cycles. During economic downturns the RV retailing industry tends to experience similar periods of decline and recession as the general economy. We believe that the industry is influenced by general economic conditions and particularly by consumer confidence, the level of personal discretionary spending, fuel prices, interest rates and credit availability.

Seasonality and Effects of Weather

Our operations generally experience modestly higher volumes of vehicle sales in the first half of each year due in part to consumer buying trends and the hospitable warm climate during the winter months at our Florida and Arizona locations. In addition, the northern locations in Colorado, Tennessee, Minnesota, Indiana, Oregon, Washington and Wisconsin generally experience modestly higher vehicle sales during the spring months.

Our largest RV dealership is located near Tampa, Florida, which is in close proximity to the Gulf of Mexico. A severe weather event, such as a hurricane, could cause severe damage to property and inventory and decrease the traffic to our

dealerships. Although we believe that we have adequate insurance coverage, if we were to experience a catastrophic loss, we may exceed our policy limits and/or may have difficulty obtaining similar insurance coverage in the future.

Critical Accounting Policies and Estimates

We prepare our consolidated financial statements in accordance with GAAP, and in doing so, we must make estimates, assumptions and judgments affecting the reported amounts of assets, liabilities, revenues and expenses, as well as the related disclosure of contingent assets and liabilities. We base our estimates, assumptions and judgments on historical experience and on various other factors we believe to be reasonable under the circumstances. Different assumptions and judgments would change estimates used in the preparation of the consolidated financial statements, which, in turn, could change the results from those reported. We evaluate our critical accounting estimates, assumptions and judgments on an ongoing basis.

We believe that, of our significant accounting policies (see [Note 2](#) of the consolidated financial statements included in this Form 10-K), the following policies are the most critical:

Use of Estimates in the Preparation of Financial Statements

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Significant estimates include the assumptions used in the valuation of the net assets acquired in business combinations, goodwill and other intangible assets, provision for charge-backs, LIFO adjustments and the allowance for doubtful accounts.

Impairment of Goodwill and Intangible Assets

Goodwill and indefinite life intangible assets are not amortized but are tested annually as of our annual impairment assessment date, or more frequently if events or changes in circumstances indicate that the assets might be impaired. In assessing the recoverability of goodwill indefinite life intangible assets, we must make assumptions about the estimated future cash flows and other factors to determine the fair value of these assets. For goodwill, our assessment is performed at the reporting unit level, and we have determined that we operate as a single reporting unit. The goodwill impairment test compares the fair value of the reporting unit to the carrying amount, including goodwill. If the fair value of the reporting unit is less than the carrying amount, an impairment charge is recorded for the difference, limited to the total amount of goodwill allocated to that reporting unit.

Similarly, for the impairment evaluation for indefinite life intangible assets, which includes our trade names, we determine whether the estimated fair value of the indefinite-lived intangible asset is less than its carrying value. We calculate the estimated fair value of the indefinite-lived intangible asset and compare it to the carrying value. Fair value is estimated primarily using future discounted cash flow projections in conjunction with qualitative factors and future operating plans. When the carrying value exceeds fair value, an impairment charge is recorded for the amount of the difference. An intangible asset is determined to have an indefinite useful life when there are no legal, regulatory, contractual, competitive, economic or other factors that may limit the period over which the asset is expected to contribute directly or indirectly to our future cash flows. We also annually evaluate intangible assets that are not being amortized to determine whether events and circumstances continue to support an indefinite useful life. If an intangible asset that is not being amortized is determined to have a finite useful life, the asset will be amortized prospectively over the estimated remaining useful life and accounted for in the same manner as intangible assets subject to amortization.

Revenue Recognition

The core principle of revenue recognition is that an entity recognizes revenue to depict the transfer of promised goods or services to clients in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. We apply a five-step model for revenue measurement and recognition.

Revenues are recognized when control of the promised goods or services is transferred to the customers at the expected amount we are entitled to for such goods and services. Taxes collected on revenue producing transactions are excluded from revenue in the consolidated statements of operations.

Revenue from the sale of vehicles is recognized at a point in time on delivery, transfer of title and completion of financing arrangements.

Revenue from the sale of parts, accessories, and related service is recognized as services and parts are delivered or as a customer approves elements of the completion of service. Revenue from the sale of parts, accessories, and related service is recognized in other revenue in the accompanying consolidated statements of operations.

We receive commissions from the sale of insurance and vehicle service contracts to customers. In addition, we arrange financing for customers through various financial institutions and receive commissions. We may be charged back ("charge-backs") for financing fees, insurance or vehicle service contract commissions in the event of early termination of the contracts by the customers. The revenues from financing fees and commissions are recorded at the time of the sale of the vehicles and an estimated allowance for future charge-backs is established based on historical operating results and the termination provision of the applicable contracts. The estimates for future chargebacks require judgment by management, and as a result, there may be an element of risk associated with these revenue streams.

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

Information requested by this Item is not applicable as we have elected scaled disclosure requirements available to smaller reporting companies with respect to this Item.

Item 8. Financial Statements and Supplementary Data

Lazydays Holdings, Inc.

Index to Financial Statements

	<u>Page</u>
Report of Independent Registered Public Accounting Firm (PCAOB ID No. 49)	F-1
Consolidated Balance Sheets as of December 31, 2023 and 2022	F-5
Consolidated Statements of Operations for the Years ended December 31, 2023 and December 31, 2022	F-6
Consolidated Statements of Stockholders' Equity for the Years ended December 31, 2023 and December 31, 2022	F-7
Consolidated Statements of Cash Flows for the Years ended December 31, 2023 and December 31, 2022	F-8
Notes to Consolidated Financial Statements	F-10

Report of Independent Registered Public Accounting Firm

To the Stockholders and the Board of Directors of Lazydays Holdings, Inc.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Lazydays Holdings, Inc. and its subsidiaries (the Company) as of December 31, 2023 and 2022, the related consolidated statements of operations, stockholders' equity and cash flows, for each of the two years in the period ended December 31, 2023, and the related notes to the consolidated financial statements (collectively, the financial statements). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2023 and 2022, and the results of their operations and their cash flows for each of the two years in the period ended December 31, 2023, in conformity with accounting principles generally accepted in the United States of America.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of December 31, 2023, based on criteria established in *Internal Control—Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission in 2013. Our report dated March 12, 2024 expressed an opinion that the Company had not maintained effective internal control over financial reporting as of December 31, 2023, based on criteria established in *Internal Control—Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission in 2013.

Basis for Opinion

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

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

Critical Audit Matter

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

Goodwill Impairment Testing

As described in Notes 2 and 7 to the consolidated financial statements, goodwill is evaluated at least annually for impairment and more often whenever changes in facts and circumstances may indicate that the carrying value may not be recoverable. The Company tests goodwill for impairment by comparing the estimated fair value of the Company's single reporting unit to its carrying value. When the carrying value of the reporting unit exceeds its estimated fair value, an impairment charge is recorded, not to exceed the carrying amount of goodwill. The Company tested goodwill for impairment on its annual test date of September 30 and concluded that goodwill was not impaired as of that date. During the fourth quarter of 2023, the Company concluded changes in facts and circumstances indicated that the carrying value of goodwill may not be recoverable; consequently the Company performed an interim test of goodwill for impairment at December 31 and concluded that goodwill was fully impaired, resulting in an impairment charge of \$118.0 million for the year ended December 31, 2023. The Company estimated the fair value of its single reporting unit at September 30 using an income approach with a reconciliation of the concluded fair value to the market capitalization of the Company with consideration of a reasonable control premium. The Company estimated the fair value of its single reporting unit at December 31 using an equity capitalization market approach with a reconciliation of the concluded fair value to the market capitalization of the Company with consideration of a reasonable control premium.

We identified the Company's annual goodwill impairment test at September 30 and its interim impairment test at December 31 as a critical audit matter because of the significant estimates and assumptions management made in determining the fair value of the single reporting unit at each testing date, including the projected revenue, operating margins and discount rate used in the income approach in the September 30 impairment test and the selected control premium used in the reconciliation to the market capitalization of the Company in both impairment tests. Auditing

management's assumptions involved a high degree of auditor judgment and an increase in audit effort, including the use of our valuation specialists, due to the impact these assumptions have on the accounting estimate.

Our audit procedures related to the Company's annual goodwill impairment test as of September 30, 2023 and the interim goodwill impairment test as of December 31, 2023 included the following, among others:

- We tested the mathematical accuracy of the models used by management to estimate the fair value of the Company's single reporting unit at both the annual and interim test dates and tested the source data for accuracy and completeness by agreeing such information to the underlying support.

- We tested the reasonableness of management's revenue and operating margin projections used in the income approach by comparing to management's forecasts to historical results of the Company and external market and industry data.

- We utilized valuation specialists to assist in the following procedures, among others:
 - Evaluating the reasonableness of the discount rate used by management in the income approach by comparing the underlying source information to publicly available market data and verifying the accuracy of the calculations.
 - Calculating an average and median control premium based upon independently sourced market data and comparing the results to the control premium utilized by management.

/s/ RSM US LLP

We have served as the Company's auditor since 2021.

Tampa, Florida
March 12, 2024

Report of Independent Registered Public Accounting Firm

To the Stockholders and the Board of Directors of Lazydays Holdings, Inc.

Opinion on the Internal Control Over Financial Reporting

We have audited Lazydays Holdings, Inc.'s (the Company) internal control over financial reporting as of December 31, 2023, based on criteria established in *Internal Control—Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission in 2013. In our opinion, because of the effect of the material weaknesses described below on the achievement of the objectives of the control criteria, the Company has not maintained effective internal control over financial reporting as of December 31, 2023, based on criteria established in *Internal Control—Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission in 2013.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated balance sheets as of December 31, 2023 and 2022, and the related consolidated statement of operations, stockholders' equity and cash flows for each of the two years in the period ended December 31, 2023 of the Company and our report dated March 12, 2024 expressed an unqualified opinion.

A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the Company's annual or interim financial statements will not be prevented or detected on a timely basis. The following material weaknesses have been identified and included in management's assessment.

- There were deficiencies in the design and implementation of information technology general controls (ITGCs) in the areas of user access, program change management and security administration that are relevant to preparation of the financial statements. As a result, IT dependent manual and automated controls that rely on the affected ITGCs, or information from the IT systems with affected ITGCs were also ineffective.
- Resource turnover in the fourth quarter resulted in the lack of sufficient evidence to support the effective performance of the Company's internal control over financial reporting across all transaction cycles of the financial statements.

These material weaknesses were considered in determining the nature, timing and extent of audit tests applied in our audit of the 2023 consolidated financial statements, and this report does not affect our report dated March 12, 2024 on those consolidated financial statements.

Basis for Opinion

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

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

Definition and Limitations of Internal Control Over Financial Reporting

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

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

/s/ RSM US LLP

Tampa, Florida

March 12, 2024

LAZYDAYS HOLDINGS, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(In thousands except share and per share data)

	As of December 31,	
	2023	2022
ASSETS		
Current assets		
Cash	\$ 58,085	\$ 61,687
Receivables, net of allowance for doubtful accounts of \$479 and \$476	22,694	25,053
Inventories	456,087	378,881
Income tax receivable	7,419	7,912
Prepaid expenses and other	2,614	3,316
Total current assets	546,899	476,849
Property and equipment, net of accumulated depreciation of \$46,098 and \$35,275	265,726	158,991
Operating lease right-of-use assets	26,377	26,984
Goodwill	—	83,460
Intangible assets, net	80,546	81,665
Other assets	2,750	2,769
Deferred income tax asset	15,444	—
Total assets	\$ 937,742	\$ 830,718
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities		
Accounts payable	\$ 15,144	\$ 10,843
Accrued expenses and other current liabilities	29,160	27,875
Dividends payable	—	1,210
Income tax payable	3	—
Floor plan notes payable, net of debt discount	446,783	348,735
Financing liability, current portion	2,473	2,281
Long-term debt, current portion	1,141	3,607
Operating lease liability, current portion	5,276	5,074
Total current liabilities	499,980	399,625
Long-term liabilities		
Financing liability, non-current portion, net of debt discount	91,401	89,770
Revolving line of credit	49,500	—
Long term debt, non-current portion, net of debt discount	61,429	10,131
Operating lease liability, non-current portion	22,242	22,755
Deferred income tax liability	—	15,536
Warrant liabilities	—	906
Total liabilities	724,552	538,723
Commitments and contingencies		
Series A convertible preferred stock; 600,000 shares, designated, issued, and outstanding and liquidation preference of \$60,000 as of December 31, 2023 and December 31, 2022.	56,193	54,983
Stockholders' equity		
Preferred stock, \$0.0001 par value; 5,000,000 shares authorized;	—	—
Common stock, \$0.0001 par value; 100,000,000 shares authorized; 17,477,019 and 14,515,253 shares issued and 14,064,797 and 11,112,464 shares outstanding as of December 31, 2023 and December 31, 2022, respectively.	—	—
Additional paid-in capital	165,988	130,828
Treasury stock, at cost, 3,412,222 and 3,402,789 shares as of December 31, 2023 and December 31, 2022, respectively.	(57,128)	(57,019)
Retained earnings	48,137	163,203
Total stockholders' equity	156,997	237,012
Total liabilities and stockholders' equity	\$ 937,742	\$ 830,718

See the accompanying notes to the consolidated financial statements.

LAZYDAYS HOLDINGS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME (LOSS)
(In thousands except share and per share data)

	Year Ended December 31,	
	2023	2022
Revenue		
New vehicle retail	\$ 631,748	\$ 777,807
Pre-owned vehicle retail	323,258	394,582
Vehicle wholesale	8,006	21,266
Finance and insurance	62,139	75,482
Service, body and parts and other	57,596	57,824
Total revenue	<u>1,082,747</u>	<u>1,326,961</u>
Cost applicable to revenue		
New vehicle retail	552,311	632,316
Pre-owned vehicle retail	259,494	301,565
Vehicle wholesale	8,178	21,620
Finance and insurance	2,547	2,729
Service, body and parts, other	27,723	27,657
LIFO	3,752	12,383
Total cost applicable to revenue	<u>854,005</u>	<u>998,270</u>
Gross profit	<u>228,742</u>	<u>328,691</u>
Depreciation and amortization	18,512	16,758
Selling, general, and administrative expenses	198,962	222,218
Goodwill impairment	117,970	—
(Loss) income from operations	<u>(106,702)</u>	<u>89,715</u>
Other income (expense)		
Floor plan interest expense	(24,820)	(8,596)
Other interest expense	(10,062)	(7,996)
Change in fair value of warrant liabilities	856	12,453
Total other expense, net	<u>(34,026)</u>	<u>(4,139)</u>
(Loss) income before income tax expense	<u>(140,728)</u>	<u>85,576</u>
Income tax benefit (expense)	30,462	(19,183)
Net (loss) income	<u>(110,266)</u>	<u>66,393</u>
Dividends on Series A convertible preferred stock	(4,800)	(4,801)
Net (loss) income and comprehensive (loss) income attributable to common stock and participating securities	<u>\$ (115,066)</u>	<u>\$ 61,592</u>
EPS:		
Basic	<u>\$ (8.41)</u>	<u>\$ 3.47</u>
Diluted	<u>\$ (8.45)</u>	<u>\$ 2.42</u>
Weighted average shares outstanding:		
Basic	<u>13,689,001</u>	<u>11,701,302</u>
Diluted	<u>13,689,001</u>	<u>12,797,796</u>

See the accompanying notes to the consolidated financial statements.

LAZYDAYS HOLDINGS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(In thousands except share data)

	Common Stock		Treasury Stock		Additional Paid-In capital	Retained Earnings	Total Stockholders' Equity
	Shares	Amount	Shares	Amount			
Balance at December 31, 2021	13,694,417	\$ —	707,312	\$ (12,515)	\$ 121,831	\$ 96,810	\$ 206,126
Stock-based compensation	—	—	—	—	2,813	—	2,813
Repurchase of treasury stock	—	—	2,695,477	(44,504)	—	—	(44,504)
Conversion of warrants and options	753,951	—	—	—	10,067	—	10,067
Shares issued pursuant to the Employee Stock Purchase Plan	66,885	—	—	—	918	—	918
Dividends on Series A preferred stock	—	—	—	—	(4,801)	—	(4,801)
Net income	—	—	—	—	—	66,393	66,393
Balance at December 31, 2022	14,515,253	—	3,402,789	(57,019)	130,828	163,203	237,012
Stock-based compensation	—	—	—	—	2,249	—	2,249
Repurchase of treasury stock	—	—	9,433	(109)	—	—	(109)
Conversion of warrants, options and restricted stock units	2,911,803	—	—	—	31,876	—	31,876
Shares issued pursuant to the Employee Stock Purchase Plan	49,963	—	—	—	413	—	413
Disgorgement of short-swing profits	—	—	—	—	622	—	622
Dividends on Series A preferred stock	—	—	—	—	—	(4,800)	(4,800)
Net loss	—	—	—	—	—	(110,266)	(110,266)
Balance at December 31, 2023	17,477,019	\$ —	3,412,222	\$ (57,128)	\$ 165,988	\$ 48,137	\$ 156,997

See the accompanying notes to the consolidated financial statements.

LAZYSAYS HOLDINGS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands)

	Year Ended December 31,	
	2023	2022
Cash Flows From Operating Activities		
Net (loss) income	\$ (110,266)	\$ 66,393
Adjustments to reconcile net (loss) income to net cash used in operating activities:		
Stock-based compensation	2,249	2,813
Bad debt expense	12	(526)
Depreciation and amortization of property and equipment	10,954	9,480
Amortization of intangible assets	7,558	7,278
Amortization of debt discount	312	431
Non-cash lease expense	296	173
Loss (gain) on sale of property and equipment	28	(20)
Goodwill Impairment	117,970	—
Deferred income taxes	(30,980)	1,872
Change in fair value of warrant liabilities	(856)	(12,453)
Impairment charges	629	—
Changes in operating assets and liabilities:		
Receivables	2,347	6,512
Inventories	(42,901)	(127,594)
Prepaid expenses and other	450	(613)
Income tax receivable/payable	492	(6,725)
Other assets	(199)	(1,146)
Accounts payable and Accrued expenses and other current liabilities	5,425	(17,835)
Total Adjustments	73,786	(138,353)
Net Cash Used In Operating Activities	(36,480)	(71,960)
Cash Flows From Investing Activities		
Cash paid for acquisitions, net of cash received	(97,727)	(14,694)
Proceeds from sales of property and equipment	—	36
Purchases of property and equipment	(95,237)	(39,884)
Net Cash Used In Investing Activities	(192,964)	(54,542)
Cash Flows From Financing Activities		
Net borrowings under M&T bank floor plan	98,530	148,180
Borrowings under revolving line of credit	49,500	—
Principal payments on long-term debt and finance liabilities	(11,130)	(29,657)
Proceeds from issuance of long-term debt and finance liabilities	64,005	11,686
Debt issuance costs	(3,015)	—
Payment of dividends on Series A preferred stock	(4,800)	(4,801)
Repurchase of Treasury Stock	(109)	(44,504)
Proceeds from shares issued pursuant to the Employee Stock Purchase Plan	413	918
Proceeds from exercise of warrants	30,543	5,714
Proceeds from exercise of stock options	1,283	2,418
Disgorgement of short-swing profits	622	—
Tax benefit related to stock-based awards	—	115
Net Cash Provided By Financing Activities	225,842	90,069
Net Decrease In Cash	(3,602)	(36,433)
Cash - Beginning	61,687	98,120
Cash - Ending	\$ 58,085	\$ 61,687

See the accompanying notes to the consolidated financial statements.

LAZYDAYS HOLDINGS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS, CONTINUED
(In thousands)

	Year Ended December 31,	
	2023	2022
Supplemental Disclosures of Cash Flow Information:		
Cash paid during the period for interest	\$ 11,040	\$ 15,558
Cash paid during the period for income taxes net of refunds received	620	23,920
Cash Paid for Amounts Included in the Measurement of Lease Liability:		
Operating cash flows for operating leases	\$ 6,810	\$ 6,556
ROU Assets Obtained in Exchange for Lease Liabilities:		
Operating leases	\$ 4,826	\$ 886
Finance lease	—	24
	<u>\$ 4,826</u>	<u>\$ 910</u>
Non-Cash Investing and Financing Activities:		
Accrued dividends on Series A Preferred Stock	\$ —	\$ 1,210

See the accompanying notes to the consolidated financial statements.

LAZYDAYS HOLDINGS, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Dollar amounts in thousands, except per share amounts)

NOTE 1 – BUSINESS ORGANIZATION AND NATURE OF OPERATIONS

Lazydays RV Center, Inc., the operating subsidiary of Lazydays Holdings, Inc., operates recreational vehicle ("RV") dealerships in 24 locations as follows:

Location	Number of Dealerships
Arizona	3
Colorado	3
Florida	3
Tennessee	3
Minnesota	2
Indiana	1
Iowa	1
Nevada	1
Ohio	1
Oklahoma	1
Oregon	1
Texas	1
Utah	1
Washington	1
Wisconsin	1

Lazydays RV sells and services new and pre-owned recreational vehicles and sells related parts and accessories. We also arrange financing and extended service contracts for vehicle sales through third-party financing sources and extended warranty providers. We also offer our customers ancillary services such as overnight campground and restaurant facilities.

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES***Basis of Presentation and Principles of Consolidation***

The Consolidated Financial Statements for the years ended December 31, 2023 and 2022 include the accounts of Lazydays Holdings, Inc. and Lazydays RV Center, Inc. and its wholly owned subsidiaries. All significant inter-company accounts and transactions have been eliminated in consolidation.

Segments

We operate one reportable segment, which includes all aspects of our RV dealership operations which include sales of new and pre-owned RVs, assisting customers with vehicle financing and protection plans, servicing and repairing new and pre-owned RVs, sales of RV parts and accessories and campground facilities. We identified our reporting segment by considering the level at which the operating results are regularly reviewed by our chief operating decision maker to allocate resources and assess performance.

Use of Estimates in the Preparation of Financial Statements

The preparation of financial statements in conformity with generally accepted accounting principles in the United States of America ("GAAP") requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Significant estimates include the assumptions used in the valuation of the net assets acquired in business combinations, goodwill and other intangible assets, provision for charge-backs, LIFO adjustments and the allowance for doubtful accounts.

Cash

Cash consists of business checking accounts with our banks.

Revenue Recognition

The core principle of revenue recognition is that an entity recognizes revenue to depict the transfer of promised goods or services to clients in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. We apply a five-step model for revenue measurement and recognition.

Revenues are recognized when control of the promised goods or services is transferred to customers at the expected amount we are entitled to for such goods and services. Taxes collected on revenue producing transactions are excluded from revenue in the consolidated statements of operations.

Revenue from the sale of vehicle contracts is recognized at a point in time on delivery, transfer of title and completion of financing arrangements.

Revenue from the sale of parts, accessories, and related service is recognized as services and parts are delivered or as a customer approves elements of the completion of service.

We receive commissions from the sale of insurance and vehicle service contracts to customers. In addition, we arrange financing for customers through various financial institutions and receive commissions. We may be charged back ("charge-backs") for financing fees, insurance or vehicle service contract commissions in the event of early termination of the contracts by our customers. The revenues from financing fees and commissions are recorded at the time of the sale of the vehicle and an allowance for future charge-backs is established based on historical operating results and the termination provision of the applicable contracts. The estimates for future chargebacks require judgment by management, and as a result, there is an element of risk associated with these revenue streams. We recognized finance and insurance revenues, less the addition to the charge-back allowance as follows:

	Year Ended December 31,	
	2023	2022
Gross finance and insurance revenues	\$ 69,811	\$ 82,226
Less charge-back allowance	(7,672)	(6,744)
Net finance and insurance revenues	<u>\$ 62,139</u>	<u>\$ 75,482</u>

We have an accrual for charge-backs which totaled \$8.8 million and \$8.2 million at December 31, 2023 and 2022, respectively, and is included in Accrued expenses and other current liabilities in the accompanying Consolidated Balance Sheets.

Receivables

We sell to customers and arrange third-party financing, as is customary in the industry. These financing arrangements result in receivables from financial institutions. Interest is not normally charged on receivables. Management establishes an allowance for doubtful accounts based on our historic loss experience and current economic conditions. Losses are charged to the allowance when management deems further collection efforts will not produce additional recoveries.

Inventories

Vehicle and parts inventories are recorded at the lower of cost or net realizable value, with cost determined by the last-in, first-out ("LIFO") method. Cost includes purchase costs, reconditioning costs, dealer-installed accessories and freight. For vehicles accepted as trade-ins, the cost is the fair value of such pre-owned vehicles at the time of the trade-in. Other inventory includes parts and accessories, as well as retail travel and leisure specialty merchandise, and is recorded at the lower of cost or net realizable value with cost determined by LIFO method.

The current replacement costs of LIFO inventories exceeded their recorded values by \$24.6 million and \$20.8 million as of December 31, 2023 and 2022, respectively.

Property and Equipment

Property and equipment are stated at cost less accumulated depreciation and amortization. Expenditures for maintenance and repairs are charged to expense in the period incurred. Improvements and additions are capitalized. Depreciation of property and equipment is provided using the straight-line method over the estimated useful lives of the assets. Leasehold improvements are amortized using the straight-line method over the lesser of the useful life of the asset or the term of the lease.

Useful lives range from 15 to 39 years for buildings and improvements and from 5 to 7 years for vehicles and equipment.

Goodwill and Indefinite-lived Intangible Assets

We perform an annual review for the potential impairment of the carrying value of goodwill as of September 30, or more frequently if events or circumstances indicate a possible impairment. In the third quarter of 2023, we changed the date of our annual review to October 1, 2023. This change in accounting principle was not considered to be material. For purposes of evaluating goodwill for impairment, we have one reporting unit. In evaluating goodwill for impairment, we may assess qualitative factors to determine whether it is more likely than not (that is, a likelihood of more than 50%) that the fair value of the reporting unit is less than its carrying amount. If we bypass the qualitative assessment, or if we conclude that it is more likely than not that the fair value of the reporting unit is less than its carrying value, then we perform a quantitative impairment test by comparing the fair value of the reporting unit with its carrying amount. Qualitative factors that we consider include, for example, macroeconomic and industry conditions, overall financial performance, and other relevant entity-specific events. If the qualitative assessment is not conclusive, then a quantitative impairment analysis for goodwill is performed at the reporting unit level. We may also choose to perform this quantitative impairment analysis instead of the qualitative analysis. The quantitative impairment analysis compares the fair value of the reporting unit, determined using the income, to its recorded amount. If the recorded amount exceeds the fair value, then a goodwill impairment charge is recorded for the difference up to the recorded amount of goodwill.

Similarly, for the impairment evaluation for indefinite-lived intangible assets, which includes our trade names, we determine whether it is more likely than not that the fair value is less than the carrying amount. If we conclude that it is more likely than not that the fair value is less than the carrying value, then we perform a quantitative assessment by calculating the estimated fair value and comparing to the carrying value. Fair value is estimated primarily using the relief from royalty method, in conjunction with qualitative factors and future operating plans. When the carrying value exceeds fair value, an impairment charge is recorded for the amount of the difference. An intangible asset is determined to have an indefinite useful life when there are no legal, regulatory, contractual, competitive, economic or other factors that may limit the period over which the asset is expected to contribute directly or indirectly to our future cash flows. We also annually evaluate intangible assets that are not being amortized to determine whether events and circumstances continue to support an indefinite useful life. If an intangible asset that is not being amortized is determined to have a finite useful life, the asset will be amortized prospectively over the estimated remaining useful life and accounted for in the same manner as intangible assets subject to amortization.

Our manufacturer and customer relationships are amortized over their estimated useful lives on a straight-line basis. The estimated useful lives are 8 to 15 years for both the manufacturer and customer relationships.

Vendor Allowances

As a component of our consolidated procurement program, we frequently enter into contracts with vendors that provide for payments of rebates. These vendor payments are reflected as a reduction in the carrying value of Inventory when earned or as progress is made towards earning the rebates and as a component of Costs applicable to revenue as the inventory is sold.

Certain of these vendor contracts provide for rebates that are contingent upon us meeting specified performance measures such as a cumulative level of purchases over a specified period of time. Such contingent rebates are given accounting recognition at the point at which achievement of the specified performance measures is deemed to be probable and reasonably estimable.

Impairment of Long-Lived and Definite-Lived Intangible Assets

We evaluate the carrying value of long-lived and definite lived intangible assets whenever events or changes in circumstances indicate that the asset's carrying amount may not be recoverable. Such circumstances could include, but are not limited to (1) a significant decrease in the market value of an asset, (2) a significant adverse change in the extent or manner in which an asset is used, or (3) an accumulation of costs significantly in excess of the amount originally expected for the acquisition of an asset.

When such circumstances occur, we measure the carrying amount of the asset against the estimated undiscounted future cash flows associated with it. Should the sum of the expected future net cash flows be less than the carrying amount of the asset being evaluated, an impairment loss would be recognized for the amount by which the carrying value of the asset exceeds its fair value. The evaluation of asset impairment requires us to make assumptions about future cash flows over the life of the asset being evaluated. These assumptions require significant judgment and actual results may differ from assumed and estimated amounts.

In the first quarter of 2023, we recorded an asset impairment charge totaling \$0.6 million as a component of Selling, general and administrative expenses related to capitalized software for an IT project that we decided not to utilize. \$0.5 million had been recorded in Prepaid and other assets on our Consolidated Balance Sheets at December 31, 2022.

We have evaluated the impacts of the triggering event as well as other factors as discussed in Note 7- Goodwill and Intangible Assets, and completed a qualitative assessment of long-lived and intangible asset impairments. As a result of this assessment, we have concluded that long-lived and intangible assets were not impaired during the years ended December 31, 2023 or 2022.

Fair Value of Financial Instruments

We determined the carrying value of Cash, Receivables, Accounts payable and Accrued expenses and other current liabilities approximate their fair values due to the short-term nature of their terms.

The carrying amount of Floor plan notes payable and amounts outstanding under our Revolving Credit Facility approximate fair value due to their short-term nature or the existence of variable interest rates that approximate prevailing market rates.

The carrying amount of other bank debt approximates fair value because the debt bears interest at a rate that approximates prevailing market rate at which we could borrow funds with similar maturities.

Cumulative Redeemable Convertible Preferred Stock

Our Series A Preferred Stock (See [Note 15](#)) is cumulative redeemable convertible preferred stock. Accordingly, it is classified as temporary equity and is shown net of issuance costs and the relative fair value of warrants issued in conjunction with the issuance of the Series A Preferred Stock.

Stock-Based Compensation

We account for stock-based compensation for employees and directors in accordance with Accounting Standards Codification ("ASC") 718, Compensation. ASC 718 requires all share-based payments to employees, including grants of employee stock options, to be recognized in the statement of operations based on their fair values. Under the provisions of ASC 718, stock-based compensation costs are measured at the grant date, based on the fair value of the award, and are recognized as expense over the employee's requisite or derived service period. Forfeitures are recognized as they occur. In accordance with ASC 718, excess tax benefits realized from the exercise of stock-based awards are classified as cash flows from financing activities.

We record excess tax benefits and tax deficiencies resulting from the settlement of stock-based awards as a benefit or expense within Income taxes in the Consolidated Statements of Operations and Comprehensive Income (Loss) in the period in which they occur.

Earnings Per Share

We compute basic and diluted earnings per share ("EPS") by dividing net earnings by the weighted average number of shares of common stock outstanding during the period.

We are required, in periods in which we have net income, to calculate EPS using the two-class method. The two-class method is an earnings allocation formula that treats a participating security as having rights to earnings that otherwise would have been available to common stockholders but does not require the presentation of basic and diluted EPS for securities other than common stock. The two-class method is required because our Series A convertible preferred stock ("Preferred Stock") has the right to receive dividends or dividend equivalents should we declare dividends on our common stock as if such holder of the Preferred Stock had been converted to common stock. Under the two-class method, earnings for the period are allocated to the common and preferred stockholders taking into consideration Series A preferred stockholders participation in dividends on an as converted basis. The weighted-average number of common and preferred shares outstanding during the period is then used to calculate basic EPS for each class of shares. Diluted EPS is computed in the same manner as basic EPS except that the denominator is increased to include the number of contingently issuable share-based compensation awards that would have been outstanding unless those additional shares would have been anti-dilutive. For the diluted EPS computation, the *if-converted* method is applied and compared to the two-class method and whichever method results in a more dilutive impact is utilized to calculate diluted EPS.

In periods in which we have a net loss, basic loss per share is calculated by dividing the loss attributable to common stockholders by the weighted-average number of common shares outstanding during the period. The two-class method is not used because the Preferred Stock does not participate in losses. As such, the net loss was attributed entirely to common stockholders.

Advertising Costs

Advertising and promotion costs are charged to operations in the period incurred as a component of Selling, general and administrative expense. Advertising and promotion costs totaled \$22.0 million and \$30.6 million for the years ended December 31, 2023 and 2022, respectively.

Income Taxes

We account for income taxes under ASC 740 Income Taxes. Under this method, deferred tax assets and liabilities are determined based on the difference between the financial reporting and tax bases of assets and liabilities using enacted tax rates that will be in effect in the year in which the differences are expected to reverse. We record a valuation allowance to offset deferred tax assets if based on the weight of available evidence, it is more-likely-than-not that some portion, or all, of the deferred tax assets will not be realized. The effect on deferred taxes of a change in tax rates is recognized as income or loss in the period that includes the enactment date.

ASC 740 also clarifies the accounting for uncertainty in income taxes recognized in an enterprise's financial statements and prescribes a recognition threshold and measurement process for financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return.

Tax benefits claimed or expected to be claimed on a tax return are recorded in our financial statements. A tax benefit from an uncertain tax position is only recognized if it is more likely than not that the tax position will be sustained on examination by the taxing authorities, based on the technical merits of the position. The tax benefits recognized in the financial statements from such a position are measured based on the largest benefit that has a greater than fifty percent likelihood of being realized upon ultimate resolution. Uncertain tax positions have had no impact on our financial condition, results of operations or cash flows. We do not expect any significant changes in our unrecognized tax benefits within twelve months of the reporting date.

Our policy is to classify assessments, if any, for tax related interest and penalties as a component of Income tax benefit (expense).

Vendor Concentrations

We purchase our new RVs and replacement parts from various manufacturers.

Significant manufacturers were as follows:

	Year Ended December 31,	
	2023	2022
Thor Industries	41.0 %	49.1 %
Winnebago Industries	32.0 %	29.1 %
Forest River	23.0 %	18.3 %

We are subject to dealer agreements with each manufacturer. The manufacturer is entitled to terminate the dealer agreement if we are in material breach of the agreement terms.

Geographic Concentrations

Revenues by state that generated 10% or more of revenues were as follows:

	Year Ended December 31,	
	2023	2022
Florida	41 %	44 %
Tennessee	14 %	14 %

These geographic concentrations increase the exposure to adverse developments related to competition, as well as economic, demographic, weather and other changes in these regions.

Reclassifications

Certain amounts in prior periods have been reclassified to conform to the current period presentation. These reclassifications had no effect on the previously reported net income.

Lease Recognition

At inception of a contract, we determine whether an arrangement is or contains a lease. For all leases, we determine the classification as either operating or financing.

Operating lease assets represent our right to use an underlying asset for the lease term, and Operating lease liability represents our obligation to make lease payments under the lease. Lease recognition occurs at the commencement date and Operating lease liability amounts are based on the present value of lease payments over the lease term. Our lease terms may include options to extend or terminate the lease when it is reasonably certain that we will exercise that option. Because most of our leases do not provide information to determine an implicit interest rate, we use our incremental borrowing rate in determining the present value of lease payments. Operating lease assets also include any lease payments made prior to the commencement date and exclude lease incentives received. Operating lease expense is recognized on a straight-line basis over the lease term. We have lease agreements with both lease and non-lease components, which are generally accounted for together as a single lease component.

Leases with lease terms of 12 months or less are expensed on a straight-line basis over the lease term and are not recorded in the Consolidated Balance Sheets.

Most leases include one or more options to renew, with renewal terms that can extend the lease term up to 50 years (some leases include multiple renewal periods). The exercise of lease renewal options is at our sole discretion. In addition, some of our lease agreements include rental payments adjusted periodically for inflation. Our lease agreements neither contain any residual value guarantees nor impose any significant restrictions or covenants.

Assets under leases that are determined to be finance leases are recorded as Property and equipment with the corresponding liability recorded as Financing liability on Consolidated Balance Sheets.

See [Note 9](#) and [Note 10](#) for additional information.

Recently Issued Accounting Standards

Adopted

ASU 2021-08

In October 2021, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2021-08, Business Combinations (Topic 805): Accounting for Contract Assets and Contract Liabilities from Contracts with Customers ("ASU 2021-08"). This standard requires contract assets and contract liabilities, such as certain receivables and deferred revenue, acquired in a business combination to be recognized and measured by the acquirer on the acquisition date in accordance with Accounting Standards Codification ("ASC") 606, Revenue from Contracts with Customers. Generally, this new guidance will result in the acquirer recognizing contract assets and contract liabilities at the same amounts recorded by the acquiree instead of recording those balances at fair value. This standard should be applied prospectively to acquisitions occurring after the effective date. The adoption of ASU 2021-08 on January 1, 2023 did not have any effect on our Consolidated Financial Statements.

Not Yet Adopted

ASU 2020-06

In August 2020, the FASB issued ASU No. 2020-06, Debt – Debt with Conversion and Other Options (Subtopic 470-20) and Derivatives and Hedging – Contracts in Entity's Own Equity (Subtopic 815-40): Accounting for Convertible Instruments and Contracts in an Entity's Own Equity. The update simplifies the accounting for convertible debt instruments and convertible preferred stock by reducing the number of accounting models and limiting the number of embedded conversion features separately recognized from the primary contract. The guidance also includes targeted improvements to the disclosures for convertible instruments and earnings per share. ASU 2020-06 is effective for fiscal

years beginning after December 15, 2023, including interim periods within those fiscal years. We are currently evaluating the impact that this new standard will have on our Consolidated Financial Statements.

ASU 2023-07

In November 2023, the FASB issued ASU 2023-07, Improvements to Reportable Segment Disclosures. The amendments in this ASU are effective for fiscal years beginning after December 15, 2023, and interim periods within fiscal years beginning after December 15, 2024. We are currently evaluating the impact of this guidance on our Consolidated Financial Statements.

ASU 2023-09

In December 2023, the FASB issued ASU 2023-09, Improvements to Income Tax Disclosures. This ASU requires enhanced jurisdictional and other disaggregated disclosures for the effective tax rate reconciliation and income taxes paid and is effective for fiscal years beginning after December 15, 2024. This ASU requires additional disclosures and, accordingly, we do not expect the adoption of ASU 2023-09 to have a material effect on our financial position, results of operations or cash flows.

NOTE 3 – BUSINESS COMBINATIONS

During the years ended December 31, 2023 (the "2023 Acquisitions") and 2022 (the "2022 Acquisitions") we acquired all of the outstanding equity interest in the following entities:

2023 Acquisitions		
•	February 15, 2023	Findlay RV in Las Vegas, Nevada (the "Findlay Acquisition")
•	July 24, 2023	Buddy Gregg RVs & Motor Homes in Knoxville, Tennessee (the "Buddy Gregg Acquisition")
•	August 7, 2023	Century RV in Longmont, Colorado (the "Century Acquisition")
•	November 6, 2023	RVZZ LLC in St. George, Utah (the "RVzz Acquisition")
•	November 20, 2023	Orangewood RV in Surprise, Arizona (the "Orangewood Acquisition")
2022 Acquisition		
•	July 23, 2022	Dave's Claremore RV in Tulsa, Oklahoma

We incurred \$2.3 million of acquisition related expenses recorded as a component of Selling, general and administrative in the year ended December 31, 2023.

Revenue and Income from operations contributed by the 2023 Acquisitions subsequent to the date of acquisition were as follows:

(In thousands)	Year ended December 31, 2023
Revenue	\$ 46,505
Loss from operations	(651)

The following tables summarize the consideration paid and the preliminary purchase price allocation for identified assets acquired and liabilities assumed as of the acquisition dates:

(In thousands)	Year Ended December 31,	
	2023	2022
Consideration paid in cash	\$ 97,727	\$ 14,694
Floor plan notes payable	—	8,069
Total Consideration	\$ 97,727	\$ 22,763

(In thousands)	Year Ended December 31,	
	2023	2022
Cash	\$ 2	\$ 5
Inventories	34,305	9,504
Accounts receivable and prepaid expenses	—	98
Prepaid expenses and other	372	—
Property and equipment	22,480	7,353
Goodwill	34,285	4,692
Intangible assets	6,449	1,140
Total assets acquired	97,893	22,792
Accounts payable	118	—
Accrued expenses and other current liabilities	49	29
Total liabilities assumed	167	29
Net assets acquired	\$ 97,726	\$ 22,763

We accounted for the 2023 Acquisitions and the 2022 Acquisitions as business combinations, which requires us to record the assets acquired and liabilities assumed at fair value as of the acquisition date. The fair values of the assets acquired and liabilities assumed, which are presented in the table above, and the related acquisition accounting are based on management's estimates and assumptions, as well as information compiled by management. Our estimates and assumptions are subject to change during the measurement period, not to exceed one year from the acquisition date.

Goodwill represents the excess of the purchase price over the estimated fair value assigned to tangible and identifiable intangible assets acquired and liabilities assumed. The primary items that generated the goodwill are the value of the synergies between us and the acquired businesses and the growth and operational improvements that drive profitability growth, neither of which qualify for recognition as a separately identified intangible asset. We expect substantially all of the goodwill related to the 2023 Acquisitions to be deductible for federal income tax purposes.

See [Note 2 - Significant Accounting Policies](#) and [Note 7 - Goodwill and Intangible Assets](#) for additional information regarding Goodwill.

The following table summarizes our allocation of the purchase price to the identifiable intangible assets acquired. The allocations are final for the 2023 Acquisitions and the 2022 Acquisitions.

(Dollars in thousands)	Gross Asset Amount at Acquisition Date		Weighted Average Amortization Period	
	2023	2022	2023	2022
Customer Lists	\$ —	\$ 240	—	15 years
Dealer Agreements	6,449	900	8 years	10 years

The following unaudited pro forma financial information presents consolidated information as though the 2023 Acquisitions and the 2022 Acquisitions had been consummated on January 1, 2023 and January 1, 2022, respectively.

(In thousands)	Year Ended December 31,	
	2023	2022
Revenue	\$ 112,056	\$ 1,427,197
(Loss) income before income taxes	2,880	89,165
Net (loss) income	2,811	69,893

These amounts have been adjusted to eliminate business combination expenses, the incremental depreciation and amortization associated with the preliminary purchase price allocation as well as the income taxes for the previously un-taxed acquired entities to determine pro forma net (loss) income.

NOTE 4 – RECEIVABLES, NET

Receivables consisted of the following:

(In thousands)	As of December 31,	
	2023	2022
Contracts in transit and vehicle receivables	\$ 14,347	\$ 15,442
Manufacturer receivables	8,750	8,760
Finance and other receivables	76	1,327
	23,173	25,529
Less: Allowance for doubtful accounts	(479)	(476)
	\$ 22,694	\$ 25,053

Contracts in transit represent receivables from financial institutions for the portion of the vehicle and other products sales price financed by our customers through financing sources arranged by us. Manufacturer receivables are due from the manufacturers for incentives, rebates, and other programs. These incentives and rebates are treated as a reduction of Cost of revenue.

NOTE 5 – INVENTORIES

Vehicle and parts inventories are recorded at the lower of cost or net realizable value, with cost determined by the last-in, first-out ("LIFO") method. Cost includes purchase costs, reconditioning costs, dealer-installed accessories and freight. For vehicles accepted as trade-ins, the cost is the fair value of such pre-owned vehicles at the time of the trade-in. Other inventory includes parts and accessories, as well as retail travel and leisure specialty merchandise, and is recorded at the lower of cost or net realizable value with cost determined by LIFO method.

Inventories consisted of the following:

(In thousands)	As of December 31,	
	2023	2022
New recreational vehicles	\$ 385,001	\$ 342,415
Pre-owned recreational vehicles	86,517	50,457
Parts, accessories and other	9,144	6,831
	480,662	399,703
Less: excess of current cost over LIFO	(24,575)	(20,822)
Total	\$ 456,087	\$ 378,881

NOTE 6 – PROPERTY AND EQUIPMENT, NET

Property and equipment consisted of the following:

(In thousands)	As of December 31,			
	2023		2022	
Land	\$	76,291	\$	41,286
Building and improvements, including leasehold improvements		157,463		113,596
Furniture and equipment		20,364		17,503
Vehicles		2,322		1,691
Construction in progress		55,384		20,190
		311,824		194,266
Less: Accumulated depreciation and amortization		(46,098)		(35,275)
Net PP&E	\$	265,726	\$	158,991

Depreciation expense was as follows:

(In thousands)	Year Ended December 31,			
	2023		2022	
Depreciation	\$	10,954	\$	9,480

NOTE 7 – GOODWILL AND INTANGIBLE ASSETS

Commencing with the announcement of the Rights Offering, there was a prolonged decline in our share price which did not reverse in the fourth quarter upon cancellation of the Rights Offering. This resulted in a triggering event in December. As a result of this triggering event, we performed a quantitative assessment as of December 31, 2023.

We calculated the estimated fair value of the reporting unit using an equity market capitalization approach, leveraging our outstanding share price adjusted for preferred stock equity and applying a 30% control premium. We found this method to be preferable to the income approach used in the September 30, 2023 quantitative assessment, given that we operate in a single reporting unit, and the emphasis placed on our market capitalization as a result of the depressed share price. As a result of this test, we determined that the carrying value of the reporting unit exceeded its fair value, resulting in an impairment charge of \$118.0 million, which represents the entirety of the goodwill balance previously recorded. The non-cash impairment charge is recognized in the Goodwill impairment expense line for 2023 in the accompanying Consolidated Statements of Operations.

The changes in the carrying amounts of goodwill were as follows (in thousands):

Balance as of December 31, 2021	\$	80,318
Acquisitions		4,692
Measurement period adjustments related to prior acquisitions		(1,550)
Balance as of December 31, 2022		83,460
Acquisitions		40,735
Goodwill impairment		(117,970)
Measurement period adjustments related to current year acquisitions		(6,225)
Balance as of December 31, 2023	\$	—

Accumulated goodwill impairment losses were \$118.0 million and \$0 as of December 31, 2023 and December 31, 2022, respectively.

Detail of Intangible assets was as follows:

(In thousands)	As of December 31, 2023			As of December 31, 2022		
	Gross Carrying Amount	Accumulated Amortization	Net Asset Value	Gross Carrying Amount	Accumulated Amortization	Net Asset Value
Amortizable intangible assets:						
Manufacturer relationships	\$ 71,849	\$ 26,968	\$ 44,881	\$ 65,400	\$ 20,346	\$ 45,054
Customer relationships	10,395	4,893	5,502	10,395	3,993	6,402
Non-compete agreements	230	167	63	230	121	109
	<u>82,474</u>	<u>32,028</u>	<u>50,446</u>	<u>76,025</u>	<u>24,460</u>	<u>51,565</u>
Non-amortizable intangible assets:						
Trade names and trademarks	30,100	—	30,100	30,100	—	30,100
	<u>\$ 112,574</u>	<u>\$ 32,028</u>	<u>\$ 80,546</u>	<u>\$ 106,125</u>	<u>\$ 24,460</u>	<u>\$ 81,665</u>

Amortization expense related to Intangible assets was as follows:

(In thousands)	Year Ended December 31,	
	2023	2022
Amortization	\$ 7,558	\$ 7,278

Future amortization of Intangible assets is as follows:

(In thousands)	
2024	\$ 8,138
2025	8,070
2026	7,391
2027	7,080
2028	7,004
Thereafter	12,763
	<u>\$ 50,446</u>

As of December 31, 2023, the weighted average remaining amortization period was 10.5.

NOTE 8 – EARNING PER SHARE

The following table summarizes net (loss) income attributable to common stockholders used in the calculation of basic and diluted (loss) income per common share:

	Year Ended December 31,	
	2023	2022
(In thousands except share and per share amounts)		
Distributed (loss) income allocated to common stock	\$ —	\$ —
Net (loss) income attributable to common stock and participating securities used to calculate basic (loss) earnings per share	(110,266)	40,618
Net (loss) income allocated to Series A convertible preferred stock	(4,800)	20,974
Net (loss) income allocated to common stock and participating securities	<u>\$ (115,066)</u>	<u>\$ 61,592</u>
Weighted average common shares outstanding	13,388,644	11,400,945
Dilutive effect of pre-funded warrants	300,357	300,357
Weighted average shares outstanding - basic	<u>13,689,001</u>	<u>11,701,302</u>
Weighted average common shares outstanding	13,388,644	11,400,945
Weighted average prefunded warrants	300,357	300,357
Weighted average warrants (equity)	—	534,137
Weighted average warrants (liabilities)	—	237,518
Weighted average options	—	324,839
Weighted shares outstanding - diluted	<u>13,689,001</u>	<u>12,797,796</u>
Basic (loss) income per common share	<u>\$ (8.41)</u>	<u>\$ 3.47</u>
Diluted (loss) income per common share	<u>\$ (8.45)</u>	<u>\$ 2.42</u>

The following common stock equivalent shares were excluded from the computation of the diluted (loss) income per share, since their inclusion would have been anti-dilutive:

	Year Ended December 31,	
	2023	2022
Stock options	139,650	245,032
Restricted stock units	238,275	72,459
Shares issuable under the Employee Stock Purchase Plan	27,266	4,517
Share equivalents excluded from EPS	<u>405,191</u>	<u>322,008</u>

NOTE 9 – FINANCING LIABILITY

We have operations at several properties that were previously sold and then leased back from the purchasers over a non-cancellable period of 20 years. The leases contain renewal options at lease termination, with three options to renew for 10 additional years each and contain a right of first offer in the event the property owner intends to sell any portion or all of the property to a third party. These rights and obligations constitute continuing involvement, which resulted in failed sale-leaseback (financing) accounting. The financing liabilities have implied interest rates ranging from 5.0% to 7.9% and have original expiration dates between September 1, 2024 and June 1, 2025. At the conclusion of the 20-year lease period, the financing liability residual will correspond to the carrying value of the land.

The Financing liability, net of debt discount, was follows:

(In thousands)	As of December 31,	
	2023	2022
Financing liability	\$ 93,978	\$ 92,160
Debt discount	(104)	(109)
Financing liability, net of debt discount	93,874	92,051
Less: current portion	2,473	2,281
Financing liability, non-current portion	\$ 91,401	\$ 89,770

Principal and interest payments made were as follows:

(In thousands)	Year Ended December 31,	
	2023	2022
Principal	\$ 2,177	\$ 2,212
Interest	6,021	7,029

On December 29, 2022, we repurchased real estate in Nashville, Tennessee and Elkhart, Indiana that was previously leased through two finance leases for \$24.5 million. Upon the repurchase, the finance leases were terminated. There were no repurchases of leased properties during the year ended December 31, 2023.

Future minimum payments required by the arrangements are as follows (in thousands):

(In thousands)	Principal	Interest	Total Payment
2024	\$ 2,473	\$ 6,410	\$ 8,883
2025	2,826	6,231	9,057
2026	3,201	6,027	9,228
2027	3,616	5,797	9,413
2028	4,064	5,536	9,600
Thereafter	77,798	35,333	113,131
	\$ 93,978	\$ 65,334	\$ 159,312

NOTE 10 – LEASES

We lease property, equipment and billboards throughout the U.S. primarily under thirty-five operating leases. The related right-of-use ("ROU") assets for these operating leases are included in operating lease right-of-use assets. Leases with lease terms of 12 months or less are expensed on a straight-line basis over the lease term and are not recorded in the Condensed Consolidated Balance Sheets.

Most leases include one or more options to renew, with renewal terms that can extend the lease term up to 50 years (some leases include multiple renewal periods). The exercise of lease renewal options is at our sole discretion. In addition, some of our lease agreements include rental payments adjusted periodically for inflation. Our lease agreements neither contain any residual value guarantees nor impose any significant restrictions or covenants.

As of December 31, 2023, the weighted-average remaining lease term and weighted-average discount rate of operating leases was 6.2 years and 5.3%, respectively.

Operating lease costs were \$6.8 million and \$6.6 million for the years ended December 31, 2023 and 2022, respectively, including variable lease costs.

Future maturities of our Operating lease liability as of December 31, 2023 are as follows:

(In thousands)	Operating Leases
2024	\$ 6,629
2025	5,618
2026	4,374
2027	4,335
2028	4,191
Thereafter	7,257
Total lease payments	32,404
Less: Imputed interest	4,886
Present value of lease liabilities	\$ 27,518

NOTE 11 – DEBT

M&T Financing Agreement

On February 21, 2023, we amended our \$369 million Senior Secured Credit Facility with M&T Bank.

The material provisions of the amendment were to (i) increase the capacity under the Floor Plan Line of Credit to up to \$525 million from \$327 million and increase the capacity under the Revolving Credit Facility to up to \$50 million from \$25 million; (ii) remove the mortgage loan facility ("Mortgage Loan Facility") and M&T term loan facility (the "M&T Term Loan Facility"); (iii) extend the term of the M&T floor plan line of credit (the "Floor Plan Line of Credit") and the revolving credit facility (the "Revolving Credit Facility") to February 21, 2027; (iv) lower interest rates on the Floor Plan Line of Credit and the Revolving Credit Facility; and (v) remove certain guarantors.

In the first quarter of 2023, at the time of the amendment, we paid off the \$5.4 million outstanding on the Mortgage Loan Facility and the \$6.7 million outstanding on the Term Loan Facility.

At December 31, 2023, there was \$446.8 million outstanding on the Floor Plan Line of Credit at an interest rate of 7.5% and \$49.5 million outstanding on the Revolving Credit Facility at an interest rate of 8.35%. We were not in compliance with our financial and restrictive covenants at December 31, 2023 as we exceed our maximum total leverage ratio of 3.00, but received a waiver from M&T bank through the second quarter of 2024, and received modified covenants through the fourth quarter of 2024.

The Floor Plan Line of Credit bears interest at: (a) 30-day SOFR plus an applicable margin of 1.90% to 2.05% based on the total net leverage ratio (as defined in the new M&T Facility) or (b) the Base Rate plus a margin of 0.90% to 1.05% based on the total net leverage ratio (as defined in the new M&T Facility). Base Rate means, for any day, the fluctuating rate per annum equal to the highest of: (a) the Prime Rate for such day, (b) the Federal Funds Rate in effect on such day plus 50 Basis Points, and (c) the one-month Adjusted Term SOFR Rate, determined on a daily basis, plus 100 Basis Points. The Floor Plan Line of Credit is also subject to an annual unused commitment fee at 0.15% of the average daily unused portion of the Floor Plan.

The M&T Revolving Credit facility bears interest at: (a) 30-day SOFR plus an applicable margin of 2.15% to 2.90% based on the total net leverage ratio (as defined in the new M&T Facility) or (b) the Base Rate plus a margin of 1.15% to 1.90% based on the total net leverage ratio (as defined in the new M&T Facility). Base Rate means, for any day, the fluctuating rate per annum equal to the highest of: (a) the Prime Rate for such day, (b) the Federal Funds Rate in effect on such day plus 50 Basis Points, and (c) the one-month Adjusted Term SOFR Rate, determined on a daily basis, plus 100 Basis Points.

The Revolving Credit facility is also subject to a quarterly unused commitment fee at 0.15% of the average daily unused portion of the Credit facility.

The M&T Floor Plan Line of Credit consisted of the following:

(In thousands)	As of December 31,	
	2023	2022
Floor plan notes payable, gross	\$ 447,647	\$ 349,117
Debt discount	(864)	(382)
Floor plan notes payable, net of debt discount	\$ 446,783	\$ 348,735

Borrowings under M&T Financing Agreement are secured by a first priority lien on substantially all of our assets.

On March 8, 2024, we entered into the First Amendment to the Second Amended and Restated Credit Agreement and Consent with M&T to waive and modify certain covenants. This included waiving the net leverage ratio from the fourth quarter of 2023 through the second quarter of 2024, the current ratio for the fourth quarter of 2023, and the fixed charge coverage ratio for the first and second quarters of 2024. Additionally, an additional tier was added to the definition of applicable margin of the M&T credit facilities, setting forth the applicable interest rates corresponding to a total net leverage ratio of $3.00 \leq X$. This new tier is applicable as of March 8, 2024.

Long-Term Debt

Mortgages

In July 2023, we entered into two mortgages for total proceeds of \$29.3 million secured by certain real estate assets at our Murfreesboro and Knoxville locations. The loans bear interest between 6.85% and 7.10% per annum and mature in July 2033.

Coliseum Term Loan

On December 29, 2023, we entered into a \$35 million term loan (the "Loan") with the Lender, with a maturity date of December 29, 2026. Certain funds and accounts managed by Coliseum currently hold 57% of LazyDays common stock (calculated as if the preferred stock has been converted into common stock) as of December 31, 2023 and is therefore considered a related party. The Loan bears interest at a rate of 12% per annum, payable monthly in cash on the outstanding loan balance. For any quarterly period during the Loan term, we have the option at the beginning of each quarter to make pay-in-kind elections, whereby the entire outstanding balance would be charged interest at 14% per annum and interest amounts will be added to the outstanding principal. The Loan is secured by certain of our assets. Issuance costs of \$2.0 million were recorded as debt discount and are being amortized over the term of the Loan to interest expense using the effective interest method. The Loan is carried at the outstanding principal balance, less debt issuance costs.

Under the terms of the Loan, for any repayments and prepayments that occur prior to January 1, 2025, we will owe a prepayment penalty of 1% on the outstanding principal balance being repaid and a make whole premium equal to the remaining interest owed on such balance repaid from date of repayment through January 1, 2025. For repayments and prepayments that occur after January 1, 2025 through maturity, we will owe a prepayment penalty of 2% on the outstanding principal balance being repaid.

The Loan contains certain reporting and compliance-related covenants. The Loan contains negative covenants, among other things, related to borrowing and events of default. It also includes certain non-financial covenants and covenants limiting our ability to dispose of assets, undergo a change in control, merge with, acquire stock, or make investments in other companies, in each case subject to certain exceptions. Upon the occurrence of an event of default, in addition to the lender being able to declare amounts outstanding under the Loan due and payable or foreclose on the collateral, the lender can elect to increase the interest rate by 7% per annum during the period of default. In addition, the Loan contains a cross default with M&T Bank. As of December 31, 2023, we were not in compliance with all of the covenants with M&T Bank as we exceed our max leverage covenant, however the cross default was waived for the period ended December 31, 2023.

Summary

Long-term debt was as follows:

(In thousands)	As of December 31, 2023			As of December 31, 2022		
	Gross Principal Amount	Debt Discount	Total Debt, Net of Debt Discount	Gross Principal Amount	Debt Discount	Total Debt, Net of Debt Discount
Total long-term debt	\$ 64,870	\$ (2,300)	\$ 62,570	\$ 13,787	\$ (49)	\$ 13,738
Less: current portion	1,141	—	1,141	3,607	—	3,607
Long-term debt, non-current	\$ 63,729	\$ (2,300)	\$ 61,429	\$ 10,180	\$ (49)	\$ 10,131

Future maturities of long-term debt are as follows:

(In thousands)	
2024	\$ 1,141
2025	1,205
2026	35,826
2027	886
2028	950
Thereafter	24,862
Total	\$ 64,870

NOTE 12 – INCOME TAXES

The components of our income tax (benefit) expense were as follows:

(In thousands)	Year Ended December 31,	
	2023	2022
Current:		
Federal	\$ 539	\$ 13,389
State	(21)	3,922
	518	17,311
Deferred:		
Federal	(24,307)	1,651
State	(6,673)	221
	(30,980)	1,872
Income tax (benefit) expense	\$ (30,462)	\$ 19,183

A reconciliation of income taxes calculated using the statutory federal income tax rate (21% in 2023 and 2022) to our income tax expense is as follows:

	Year ended December 31, 2023		Year ended December 31, 2022	
	Amount	%	Amount	%
Income taxes at statutory rate	\$ (29,543)	21.0 %	\$ 17,971	21.0 %
Non-deductible expense	66	— %	55	0.1 %
State income taxes, net of federal tax effect	(4,826)	3.4 %	3,329	3.8 %
Stock-based compensation and officer compensation	49	— %	450	0.6 %
Change in fair value of warrant liabilities	(180)	0.1 %	(2,615)	-3.0 %
Impairment of Goodwill	4,502	-3.2 %	—	— %
Other credits and changes in estimate	(530)	0.4 %	(7)	-0.1 %
Income tax (benefit) expense	\$ (30,462)	21.7 %	\$ 19,183	22.4 %

Deferred tax assets and liabilities were as follows:

(In thousands)	As of December 31,	
	2023	2022
Deferred tax assets:		
Accounts receivable	\$ 120	\$ 167
Accrued charge-backs	2,199	2,093
Other accrued liabilities	372	639
Goodwill	22,677	—
Financing liability	15,682	16,448
Operating lease liability	6,912	8,039
Stock-based compensation	468	523
Net operating losses	2,432	—
Interest expense limitation	2,528	—
Other, net	219	139
	53,609	28,048
Deferred tax liabilities:		
Prepaid expenses	(507)	(649)
Goodwill	—	(1,908)
Inventories	(6,035)	(6,873)
Property and equipment	(13,817)	(14,747)
Right of use asset	(6,626)	(8,039)
Intangible assets	(11,180)	(11,368)
	(38,165)	(43,584)
Net deferred tax asset (liability)	\$ 15,444	\$ (15,536)

No significant increases or decreases in the amounts of unrecognized tax benefits are expected in the next 12 months.

We are subject to U.S. federal income tax and income tax in the states of Florida, Arizona, Colorado, Minnesota, Tennessee, Texas, Indiana, Oregon, Wisconsin, Oklahoma and Iowa. We are no longer subject to the examination by Federal and state taxing authorities for years prior to 2020. We recognize interest and penalties related to income tax matters in Income tax expense. Interest and penalties were insignificant in the years ended December 31, 2023 and 2022.

NOTE 13 – EMPLOYEE BENEFIT PLANS

We have a 401(k) plan with profit sharing provisions (the "Plan") that covers substantially all employees. The Plan allows employee contributions to be made on a salary reduction basis under Section 401(k) of the Internal Revenue Code. Under the 401(k) provisions, we make discretionary matching contributions to employees' 401(k). We made contributions to the Plan of \$1.2 million and \$1.7 million for the years ended December 31, 2023 and 2022, respectively.

NOTE 14 - COMMITMENTS AND CONTINGENCIES

Lease Obligations

See [Note 9](#) and [Note 10](#) for information regarding leases

Legal Proceedings

We are a party to multiple legal proceedings that arise in the ordinary course of business. We have certain insurance coverage and rights of indemnification. We do not believe that the ultimate resolution of these matters will have a material adverse effect on our business, results of operations, financial condition, or cash flows. However, the results of these matters cannot be predicted with certainty and an unfavorable resolution of one or more of these or other matters could have a material adverse effect on our business, results of operations, financial condition, or cash flows.

We record legal expenses as incurred in our Consolidated Statements of Operations and Comprehensive Income (Loss).

NOTE 15 – PREFERRED STOCK

In March 2018, we consummated a private placement with institutional investors for the sale of convertible preferred stock, common stock, and warrants for an aggregate purchase price of \$94.8 million (the "PIPE Investment"). At the closing, we issued an aggregate of 600,000 shares of Series A preferred stock for gross proceeds of \$60.0 million. The investors in the PIPE Investment were granted certain registration rights as set forth in the securities purchase agreements. The holders of the Series A Preferred Stock include 500,000 shares owned by funds managed by a member of our Board of Directors.

The Series A preferred stock ranks senior to all of our other outstanding stock. Holders of the Series A preferred stock are entitled to vote on an as-converted basis together with the holders of our common stock, and not as a separate class, at any annual or special meeting of stockholders. Each share of Series A preferred stock is convertible at the holder's election at any time, at an initial conversion price of \$10.0625 per share, subject to adjustment (as applicable, the "Conversion Price"). Upon any conversion of the Series A preferred stock, we will be required to pay each holder converting shares all accrued and unpaid dividends, in either cash or shares of our common stock, at our option. The Conversion Price will be subject to adjustment for stock dividends, forward and reverse splits, combinations and similar events, as well as for certain dilutive issuances.

Dividends on the Series A preferred stock accrue at an initial rate of 8% per annum (the "Dividend Rate"), compounded quarterly, on each \$100 of Series A preferred stock (the "Issue Price") and are payable quarterly in arrears. If there are accrued and unpaid dividends, future dividends will accrue at the then applicable Dividend Rate plus 2% until all accrued dividends are paid in full in cash. The Dividend Rate will be increased to 11% per annum, compounded quarterly, in the event that our senior indebtedness less unrestricted cash during any trailing twelve-month period ending at the end of any fiscal quarter is greater than 2.25 times earnings before interest, taxes, depreciation and amortization ("EBITDA"). The Dividend Rate will be reset to 8% at the end of the first quarterly period when our senior indebtedness less unrestricted cash during the trailing twelve-month period ending at the end of such quarter is less than 2.25 times EBITDA.

If, at any time following the second anniversary of the issuance of the Series A preferred stock, the volume weighted average price of our common stock equals or exceeds \$25.00 per share (as adjusted for stock dividends, splits, combinations and similar events) for a period of thirty consecutive trading days, we may elect to force the conversion of any or all of the outstanding Series A preferred stock at the Conversion Price then in effect. From and after the eighth anniversary of the issuance of the Series A Preferred Stock, we may elect to redeem all, but not less than all, of the outstanding Series A preferred stock in cash at the Issue Price plus all accrued and unpaid dividends. From and after the ninth anniversary of the issuance of the Series A preferred stock, each holder of Series A preferred stock has the right to require us to redeem all of the holder's outstanding shares of Series A preferred stock in cash at the Issue Price plus all accrued and unpaid dividends.

In the event of any liquidation, merger, sale, dissolution or winding up of our business, holders of the Series A preferred stock will have the right to (i) payment in cash of the Issue Price plus all accrued and unpaid dividends, or (ii) convert the shares of Series A preferred stock into common stock and participate on an as-converted basis with the holders of common stock.

So long as the Series A preferred stock is outstanding, the holders thereof, by the vote or written consent of the holders of a majority in voting power of the outstanding Series A preferred stock, shall have the right to designate two members to our Board of Directors.

In conjunction with the issuance of the Series A preferred stock, we issued five-year warrants to purchase 596,273 shares of our common stock at an exercise price of \$11.50 per share. The warrants may be exercised for cash or, at the option of the holder, on a "cashless basis" pursuant to the exemption provided by Section 3(a)(9) of the Securities Act. The warrants may be called for redemption in whole and not in part, at a price of \$0.01 per share of common stock, if the last reported sales price of our common stock equals or exceeds \$24.00 per share for any 20 trading days within a 30-day trading period ending on the third business day prior to the notice of redemption to warrant holders, if there is a current registration statement in effect with respect to the shares underlying the warrants.

The Series A preferred stock, while convertible into common stock, is also redeemable at the holder's option and, as a result, is classified as temporary equity in the Consolidated Balance Sheets. An analysis of its features determined that the Series A preferred stock was more akin to equity. While the embedded conversion option ("ECO") was subject to an anti-dilution price adjustment, and since the ECO was clearly and closely related to the equity host, it was not required to be bifurcated and it was not accounted for as a derivative liability under ASC 815, Derivatives and Hedging.

After factoring in the fair value of the warrants issued in conjunction with the Series A preferred stock, the effective conversion price is \$9.72 per share, compared to the market price of \$10.29 per share on the date of issuance. As a result, a \$3.4 million beneficial conversion feature was recorded as a deemed dividend in the Consolidated Statement of Operations at the time of issuance because the Series A preferred stock is immediately convertible, with a credit to Additional paid-in capital.

The fair value of the warrants issued with the Series A Preferred Stock of \$2.0 million was recorded as a reduction to the carrying amount of the Series A preferred stock in the Consolidated Balance Sheets. In addition, aggregate offering costs of \$3.0 million cash and the value of five-year warrants to purchase 178,882 shares of our common stock at an exercise price of \$11.50 per share issued to the placement agent were recorded as a reduction to the carrying amount of the preferred stock. The \$632,000 value of the warrants was determined utilizing the Black-Scholes option pricing model using a term of 5 years, a volatility of 39%, a risk-free interest rate of 2.61%, and a 0% rate of dividends.

The discount associated with the Series A preferred stock was not accreted during the year ended December 31, 2023 because redemption was not currently deemed to be probable.

We did not declare a dividend payment on the Series A preferred stock totaling \$1.2 million for the quarter ended December 31, 2023. As a result, the amount was added to the carrying amount of the Series A Preferred Stock and the dividend rate is currently at 10% until such dividends are paid. All other dividends to date have been declared and paid.

NOTE 16 – STOCKHOLDERS' EQUITY

Authorized Capital

We are authorized to issue 100,000,000 shares of common stock, \$0.0001 par value, and 5,000,000 shares of preferred stock, \$0.0001 par value. The holders of our common stock are entitled to one vote per share. The holders of Series A preferred stock are entitled to the number of votes equal to the number of shares of common stock into which the holder's shares are convertible. Holders of Series A preferred stock also participate in dividends if they are declared by our Board of Directors. See [Note 15](#) for additional information associated with the Series A preferred stock.

Stock Repurchase Program

On September 13, 2021, our Board of Directors authorized the repurchase of up to \$25 million of our common stock through December 31, 2022, which was subsequently extended to December 31, 2024.

On December 15, 2022, our Board of Directors authorized the repurchase of up to an additional \$50.0 million of our common stock through December 31, 2024.

Information about purchases was as follows:

	Year Ended December 31,	
	2023	2022
Number of shares purchased	9,433	2,695,477
Weighted average per share purchase price	\$ 11.56	\$ 16.51
Total purchase price (in thousands)	\$ 109	\$ 44,504

All repurchased shares are included in treasury stock in the consolidated balance sheets. At December 31, 2023, \$63.4 million remained available for repurchases. These shares may be purchased from time-to-time in the open market at prevailing prices, in privately negotiated transactions or through block trades.

2019 Employee Stock Purchase Plan

We reserved a total of 900,000 shares of our common stock for purchase by participants in our 2019 Employee Stock Purchase Plan (the "ESPP"). Participants in the ESPP may purchase shares of our common stock at a purchase price which will not be less than the lesser of 85% of the fair value per share of our common stock on the first day of the purchase period or the last day of the purchase period. As of December 31, 2023, 608,294 shares remained available for future issuance.

ESPP activity was as follows:

Year ended December 31, 2023

Shares purchased pursuant to the ESPP	49,963
Weighted average per share price of shares purchased	\$9.72
Weighted average per share discount from market value for shares purchased	\$1.46
Stock-based compensation related to ESPP	\$179,671

PIPE Warrants

PIPE warrant activity was as follows:

	Shares Underlying Warrants	Weighted Average Exercise Price
Outstanding at December 31, 2022	2,865,068	\$ 11.50
Cancelled or Expired	(208,912)	11.50
Exercised	(2,656,156)	11.50
Outstanding at December 31, 2023	—	—

Prefunded Warrants

As of December 31, 2023, there were 300,357 perpetual non-redeemable prefunded warrants outstanding with an exercise price of \$0.01 per share. There was no activity related to these warrants during the year ended December 31, 2023.

2018 Long-Term Incentive Equity Plan

Our 2018 Long-Term Incentive Equity Plan, as amended (the "2018 Plan") reserves up to 18% of the shares of our common stock outstanding on a fully diluted basis. The 2018 Plan provides for awards of options, stock appreciation rights, restricted stock, restricted stock units, warrants or other securities which may be convertible, exercisable or exchangeable for or into our common stock. On May 20, 2019, our stockholders approved the adoption of the Lazydays Holdings, Inc. Amended and Restated 2018 Long Term Incentive Plan (the "Incentive Plan"). The Incentive Plan amends and restates the previously adopted 2018 Plan in order to replenish the pool of shares of common stock available under the Incentive Plan by adding an additional 600,000 shares of common stock and making certain changes in light of the Tax Cuts and Jobs Act and its impact on Section 162(m) of the Internal Revenue Code of 1986, as amended. Stock options are canceled upon termination of employment. On June 9, 2022, our stockholders approved the addition of 510,000 shares of our common stock to the 2018 Plan. Following this addition, a total of 4,934,566 shares had been authorized for issuance pursuant to the

2018 Plan. Stock options are canceled upon termination of employment. As of December 31, 2023, there were 1,091,427 shares of our common stock available to be issued under the 2018 Plan.

Stock Options

Stock option activity is summarized below:

	Shares Underlying Options	Weighted Average Exercise Price	Weighted Average Remaining Contractual Life (in years)	Aggregate Intrinsic Value (in thousands)
Outstanding at December 31, 2022	1,052,093	\$ 12.34	2.26	\$ (427)
Granted	94,326	12.38		
Cancelled or terminated	(600,418)	14.06		
Exercised	(169,061)	8.07		
Outstanding at December 31, 2023	<u>376,940</u>	11.21	1.91	(2)
Vested at December 31, 2023	<u>302,585</u>	10.73	0.94	(2)
Vested and expected to vest at December 31, 2023	<u>376,940</u>			

Restricted Stock Units

Restricted stock unit ("RSU") activity was as follows:

	Number of Restricted Stock Units	Weighted Average Grant Date Fair Value
Outstanding at December 31, 2022	207,822	\$ 14.98
Granted	323,679	12.44
Vested	(110,661)	15.35
Forfeited	(182,565)	12.32
Outstanding at December 31, 2023	<u>238,275</u>	<u>\$ 13.35</u>

Stock-Based Compensation

Stock-based compensation was as follows:

(In thousands)	Year Ended December 31,	
	2023	2022
ESPP	\$ 180	\$ 280
2018 Plan	2,069	1,697
	<u>\$ 2,249</u>	<u>\$ 1,977</u>

The fair value of options was based on the following assumptions:

	Year Ended December 31, 2023	
	ESPP	2018 Plan
Risk free interest rate	4.65%-4.65%	4 %
Expected term (years)	0.50-1.0	6
Expected volatility	50%-52%	70 %
Expected dividends	0.00 %	0.00 %

The expected life was determined using the simplified method as the awards were determined to be plain-vanilla options. Expected volatility was based on the historical volatility of our stock price over a period equal to the expected lives of the awards.

As of December 31, 2023, total unrecognized stock-based compensation was \$0.1 million which is expected to be recognized over a weighted average service period of 2.13 years.

Certain other information regarding stock-based compensation was as follows:

	Year Ended December 31,	
	2023	2022
Per share weighted average grant date fair value of awards issued	\$ 12.14	\$ 4.28
Intrinsic value of stock options exercised (in millions)	0.6	1.6
Current tax benefit related to stock-based awards (in millions)	0.3	0.1

NOTE 17 – FAIR VALUE MEASUREMENTS

Factors used in determining the fair value of our financial assets and liabilities are summarized into three broad categories:

- Level 1 - quoted prices in active markets for identical securities;
- Level 2 - other significant observable inputs, including quoted prices for similar securities, interest rates, prepayment spreads, credit risk; and
- Level 3 - significant unobservable inputs, including our own assumptions in determining fair value.

There were no changes to our valuation techniques during the year ended December 31, 2023.

See [Note 2](#) and [Note 11](#) for additional information.

Goodwill and Asset Impairment

See [Note 2](#) for discussion of an asset impairment charge recorded in the quarter ended March 31, 2023 and goodwill impairment recorded in the fourth quarter of 2023. There were no other impairment charges during the years ended December 31, 2023 or 2022.

PIPE Warrants

All of our remaining PIPE warrants were exercised or expired in the first quarter of 2023.

Our PIPE warrants were recorded at fair value at the end of each reporting period and transaction date with changes in fair value recorded in our Consolidated Statements of Operations and Comprehensive Income (Loss).

The public PIPE warrants traded in active markets with sufficient trading volume to qualify as Level 1 financial instruments as they had observable market prices which were used to estimate the fair value.

The private placement PIPE warrants were not traded in active markets, or were traded with insufficient volume and therefore represented Level 3 financial instruments that were valued using a Black-Scholes option-pricing model.

The fair value of the PIPE warrant liability was as follows:

(In thousands)	December 31, 2022			
	Carrying Amount	Level 1	Level 2	Level 3
Public PIPE warrants	\$ 742	\$ 742	\$ —	\$ —
Private PIPE warrants	164	—	—	164
Total	<u>\$ 906</u>	<u>\$ 742</u>	<u>\$ —</u>	<u>\$ 164</u>

Level 3 Disclosures

Changes in the Level 3 private PIPE warrant liability were as follows:

(In thousands)		
Balance at December 31, 2021		\$ 1,690
Measurement adjustment		(1,526)
Balance at December 31, 2022		164
Measurement adjustment		(164)
Balance at December 31, 2023		<u>\$ —</u>

NOTE 18 - RELATED PARTY TRANSACTIONS

On December 29, 2023, we entered into a \$35 million term loan with Coliseum, a significant shareholder, with a maturity date of December 29, 2026 that is included in the long-term debt, non-current portion, net of debt discount financial line item on the consolidated balance sheet. See [Note 11](#) for additional information.

NOTE 19 – SUBSEQUENT EVENTS

On March 8, 2024, we entered into the First Amendment to the Second Amended and Restated Credit Agreement and Consent with M&T to waive and modify certain covenants. See [Note 11](#) for additional information.

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

Under the supervision and with the participation of our management including our Chief Executive Officer and Chief Financial Officer, we evaluated the effectiveness of the design and operation of our disclosure controls and procedures pursuant to Rule 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the "Exchange Act") as of the end of the period covered by this report. Our disclosure controls are designed to ensure that information required to be disclosed by us in reports that we file or submit under the Exchange Act, is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms, and that such information is accumulated and communicated to our management, including our Chief Executive Officer and our Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosures. Our Chief Executive Officer and Chief Financial Officer recognize that these controls, no matter how well designed and operated, cannot provide absolute assurance that the objectives of these controls will be met.

Based this evaluation, the Chief Executive Officer and Chief Financial Officer concluded that, as of December 31, 2023, the disclosure controls and procedures were not effective as of December 31, 2023 due to material weaknesses in internal control over financial reporting as described below.

In light of the material weaknesses in the Company's internal control over financial reporting, we performed additional procedures to ensure that our consolidated financial statements included in Form 10-K were prepared in accordance with accounting principles generally accepted in the United States ("GAAP"). Following such additional procedures, our management, including our principal executive officer and principal financial officer, has concluded that our consolidated financial statements present fairly, in all material respects, our financial position, results of operations and cash flows for the periods presented in this Form 10-K, in conformity with GAAP.

A "material weakness" is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement in annual or interim financial statements will not be prevented or detected on a timely basis

Management's Annual Report on Internal Control Over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Exchange Act Rules 13a-15(f) and 15d-15(f). Our internal control over financial reporting is a framework designed under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, and effected by our board of directors, management, and other personnel, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of our financial statements for external purposes in accordance with US GAAP. Internal control over financial reporting, no matter how well designed, has inherent limitations and may not prevent or detect misstatements. Therefore, even effective internal control over financial reporting can only provide reasonable assurance with respect to the financial statement preparation and presentation.

As of December 31, 2023, our management conducted an evaluation of the effectiveness of our internal control over financial reporting based on the criteria for effective internal control over financial reporting established by the Committee of Sponsoring Organization of the Treadway Commission (COSO) in Internal Control – Integrated Framework (2013). Based on this evaluation, due to the material weaknesses described below, we concluded that the system of internal control over financial reporting was not effective.

The material weaknesses in our internal control over financial reporting which existed as of December 31, 2023 related to the ineffective design and implementation of information technology general controls ("ITGCs") in the areas of user access, program change management and security administration that are relevant to the preparation of our financial statements, and the turnover of certain accounting positions during the fourth quarter. The Company was unable to attract, develop and retain sufficient resources to fulfill internal control responsibilities during the fourth quarter which impacted the operating effectiveness of controls during that period. Notwithstanding the material weaknesses, we have concluded that the financial statements and other financial information included in this Annual Report fairly present in all material

respects our financial condition, results of operations and cash flows for the periods presented in conformity with accounting principles generally accepted in the United States.

RSM U.S. LLP, an independently registered accounting firm, who audited the financial statements as of and for the year ended December 31, 2023 included in this Annual Report on Form 10-K issued an adverse report on the Company's internal control over financial reporting reflecting these material weaknesses as of December 31, 2023, as stated in its report which is set forth herein.

Material Weaknesses

As disclosed in Part II, Item 9A on Form 10-K for the year ended December 31, 2022, we previously identified a material weakness related to ineffective design and implementation of ITGC in the area of user access, program change management and security administration that are relevant to the preparation of the financial statements. Primarily, we did not design and maintain controls to ensure (a) access provisioned matched the access requested, (b) user access reviews were performed with complete and accurate data, (c) changes to internally developed applications were approved prior to deployment to production and (d) security administration was appropriately maintained. As a result, the Company's related process-level IT dependent manual and automated controls that rely on the affected ITGCs, or information from IT systems with affected ITGCs, were also deemed ineffective.

As of December 31, 2023, management identified an additional material weakness in our internal control over financial reporting that existed due to the resource turnover during the fourth quarter which resulted in the lack of sufficient documentation to support the effective performance of the Company's internal control over financial reporting.

The Company has devoted, and will continue to devote significant time and resources to execute our plan to remediate the aforementioned material weaknesses and enable us to conclude full remediation once these steps have been completed and operating effectively. The following components of the remediation plan, among others have been implemented:

- Hired a new Chief Financial Officer and Chief Technology Officer with requisite accounting and internal controls knowledge and experience to complement the executive leadership team;
- Engaged third-party assistance to assess our methodologies, policies, and procedures to ensure adequate design and effectiveness of processes supporting internal control over financial reporting;
- Assessed the specific training needs or resource gaps and have begun steps to hire key personnel, including key personnel hired in 2024;
- Designed and implemented controls over change management and security administration for all key financial systems.

While we have completed significant steps in our remediation, management will continue to implement its remediation plan, including its determination if additional updates are appropriate in the enumerated points above and through taking additional actions to remediate the material weaknesses in internal control over financial reporting, which include but are not limited to the following:

- Perform and implement a user role redesign for certain systems, which includes rationalization of user roles and permissions and considers segregation of duties;
- Continue to use third-party assistance to assess the specific training needs for newly hired and existing personnel and develop and deliver training programs, designed to uphold our internal control;
- Continue to expand the available resources at the Company with experience in designing and implementing both ITGC and business process control activities.

With the actions already taken and our planned remediation steps in fiscal 2024, when fully implemented and operated consistently, we believe we will remediate the material weaknesses. The material weaknesses will not be considered remediated until the remediation actions, including those above and any other determined appropriate have been completed and have operated effectively for a sufficient period of time. The Company is committed to validating that changes made are operating as intended within our remediation plan.

Changes in Internal Control Over Financial Reporting

The Company is in the process of implementing certain changes in its internal controls to remediate the material weaknesses described above. Other than those described above, there were no changes in our internal control over financial

reporting during the most recent fiscal quarter that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Item 9B. Other Information

During the fourth quarter of 2023, none of the Company's officers or directors adopted or terminated any "Rule 10b5-1 trading arrangement" or any "non-Rule 10b5-1 trading arrangement," as each term is defined in Item 408 of Regulation S-K.

On March 8, 2024, LDRV Holdings Corp, Lazydays RV America, LLC, Lazydays RVDiscount, LLC and Lazydays Mile HI RV, LLC, together with certain other subsidiary entities entered into the First Amendment to Second Amended and Restated Credit Agreement and Consent with Manufacturers and Traders Trust Company as Administrative Agent and other financial institutions as loan parties (the "Amendment"), to waive and modify certain covenants. This includes waiving the net leverage ratio from the fourth quarter of 2023 through the second quarter of 2024, current ratio for the fourth quarter of 2023, and fixed charge coverage ratio for the first and second quarters of 2024. Additionally, an additional tier was added to the definition of applicable margin of the Credit Facilities, setting forth the applicable interest rates corresponding to a total net leverage ratio of $3.00 \leq X$. This new tier is applicable to the Company as of March 8, 2024. All of the lenders under the Amendment or their affiliates have various other relationships with the Company and its subsidiaries involving the provision of financial services, and some may serve as a source of retail financing for the Company's customers. This description of the Amendment is qualified in its entirety by reference to the complete terms and conditions of the Amendment which is filed as exhibit 10.27 to this Annual Report on Form 10-K and is incorporated by reference in its entirety into this Item 9B.

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

Not applicable.

PART III

Item 10. Directors, Executive Officers and Corporate Governance

We have adopted a Code of Business Conduct applicable to all of our directors, officers and employees. A copy of the Code of Business Conduct is available on our corporate website at www.lazydays.com by clicking on the link "Investor Relations" on our homepage and then clicking on the link "Governance" and then clicking on the link "Code of Business Conduct" under "Governance Documents." You also may obtain a printed copy of the Code of Business Conduct by sending a written request to: Investor Relations, Lazydays Holdings, Inc., 4042 Park Oaks Blvd, Suite 350, Tampa, FL 33610, or by contacting Investor Relations at investors@lazydays.com or 855-629-3995. In the event that we amend or waive any of the provisions of the Code of Business Conduct that relate to any element of the code of ethics definition enumerated in Item 406(b) of Regulation S-K, we intend to disclose the same on our Investor Relations website.

The other information required by this item will be contained in, and is incorporated by reference from, the proxy statement for our 2024 annual meeting of stockholders, which will be filed with the SEC pursuant to Regulation 14A within 120 days after the end of the year covered by this report.

Item 11. Executive Compensation

The information required by this item will be contained in, and is incorporated by reference from, the proxy statement for our 2024 annual meeting of stockholders, which will be filed with the SEC pursuant to Regulation 14A within 120 days after the end of the fiscal year covered by this report.

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

The information required by this item will be contained in, and is incorporated by reference from, the proxy statement for our 2024 annual meeting of stockholders, which will be filed with the SEC pursuant to Regulation 14A within 120 days after the end of the fiscal year covered by this report.

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

The information required by this item will be contained in, and is incorporated by reference from, the proxy statement for our 2024 annual meeting of stockholders, which will be filed with the SEC pursuant to Regulation 14A within 120 days after the end of the fiscal year covered by this report.

Item 14. Principal Accounting Fees and Services

The information required by this item will be contained in, and is incorporated by reference from, the proxy statement for our 2024 annual meeting of stockholders, which will be filed with the SEC pursuant to Regulation 14A within 120 days after the end of the fiscal year covered by this report.

PART IV

Item 15. Exhibits and Financial Statement Schedules

The following documents are filed as part of this Report:

1. Financial statements

Reference is made to the information set forth in Part II, Item 8 of this Report, which information is incorporated by reference.

2. Consolidated Financial Statement Schedules

All required Financial Statement Schedules are included in the Consolidated Financial Statements or the Notes to Consolidated Financial Statements.

3. Exhibits

The following exhibits are filed as a part of this Report:

Exhibit Number	Description
2.1	Agreement and Plan of Merger, dated as of October 27, 2017, by and among Andina Acquisition Corp. II, Andina II Holdco Corp., Andina II Merger Sub Inc., Lazy Days' R.V. Center, Inc. and A. Lorne Weil (included as Annex A to the Proxy Statement/Prospectus/Information Statement filed on February 14, 2018 and incorporated herein by reference).
2.2	Asset Purchase Agreement among BYRV, Inc., BYRV Washington, Inc., Bruce Young, Mark Bretz, The Bruce A. Young Revocable Trust, The Bruce A. Young 2021 Gift Trust and Lazydays RV of Oregon, LLC, effective as of July 9, 2021 (filed as Exhibit 2.1 to the Quarterly Report on Form 10-Q filed on November 5, 2021 and incorporated herein by reference).
3.1	Amended and Restated Certificate of Incorporation of Lazydays Holdings, Inc., including the Certificate of Designations of Series A Convertible Preferred Stock (filed as Exhibit 3.1 to the Current Report on Form 8-K filed on June 3, 2022 and incorporated herein by reference).
3.2	Amended and Restated Bylaws of Lazydays Holdings, Inc., effective January 25, 2023 (filed as Exhibit 3.1 to the Current Report on Form 8-K filed on January 27, 2023 and incorporated herein by reference).
4.1	Specimen Common Stock Certificate of Lazydays Holdings, Inc. (filed as Exhibit 4.5 to the Registration Statement on Form S-4 (SEC File No. 333-221723) filed on January 16, 2018 and incorporated herein by reference).
4.2	Form of Unit Purchase Option (filed as Exhibit 4.5 of Andina's Form S-1/A filed on November 6, 2015 and incorporated herein by reference).
4.3	Warrant Agreement between Continental Stock Transfer & Trust Company and Andina (filed as Exhibit 4.7 of Andina's Form S-1/A filed on November 6, 2015 and incorporated herein by reference).
4.4	Form of Specimen Series A Preferred Stock Certificate (filed as Exhibit 4.4 to the Registration Statement on Form S-1 (SEC File No. 333-224063) filed on March 30, 2018 and incorporated herein by reference).
4.5	Form of Common Stock purchase warrant (filed as Exhibit 4.5 to the Registration Statement on Form S-1 (SEC File No. 333-224063) filed on March 30, 2018 and incorporated herein by reference).
4.6	Form of Pre-Funded Common Stock Purchase warrant (filed as Exhibit 4.6 to the Registration Statement on Form S-1 (SEC File No. 333-224063) filed on March 30, 2018 and incorporated herein by reference).
4.7	Description of Registrant's Securities.*

Exhibit Number	Description
10.1	Registration Rights Agreement between Andina and certain security holders of Andina (incorporated by reference to Exhibit 10.1 of Andina’s Current Report on Form 8-K filed on December 1, 2015 and incorporated herein by reference).
10.2	2018 Long-Term Incentive Plan+ (included as Annex C to the Proxy Statement/Prospectus/Information Statement filed on February 14, 2018 and incorporated herein by reference).
10.3	Employment Agreement between Lazydays Holdings, Inc. and William Mumane+ (filed as Exhibit 10.11 to the Registration Statement on Form S-4 (SEC File No. 333-221723) and incorporated herein by reference).
10.4	Employment Agreement, by and between the Company and Robert DeVincenzi, dated January 3, 2022 + (filed as Exhibit 10.1 to the Quarterly Report on Form 10-Q for the quarter ended March 31, 2022 and incorporated herein by reference).
10.5	Amended and Restated Employment Agreement, dated September 6, 2022, by and between the Company and John North+ (filed as Exhibit 10.1 to the Quarterly Report on Form 10-Q for the quarter ended September 30, 2022 and incorporated herein by reference).
10.6	Employment Agreement, by and between the Company and Kelly Porter, dated October 3, 2022. + (filed as Exhibit 10.6 to form 10-K filed March 1, 2023 and incorporated herein by reference).
10.7	Transition Agreement, dated October 19, 2022, by and between the Company and Nicholas Tomashot. + (filed as Exhibit 10.7 to Form 10-K filed March 1, 2023 and incorporated herein by reference).
10.8.1	Form of Securities Purchase Agreement (Preferred) (filed as Exhibit 10.13.1 to the Registration Statement on Form S-4 (SEC File No. 333-221723) and incorporated herein by reference).
10.8.2	Form of Securities Purchase Agreement (Unit) (filed as Exhibit 10.13.2 to the Registration Statement on Form S-4 (SEC File No. 333-221723) and incorporated herein by reference).
10.9	Lease Agreement by and between Cars MTI-4 L.P., as Landlord, and LDRV Holdings Corp., as Tenant (filed as Exhibit 10.14 to the Registration Statement on Form S-4 (SEC File No. 333-221723) and incorporated herein by reference).
10.10	Lease Agreement between Chambers 3640, LLC, as Landlord, and Lazydays Mile HI RV, LLC, as Tenant (filed as Exhibit 10.15 to the Registration Statement on Form S-4 (SEC File No. 333-221723) and incorporated herein by reference).
10.11	Lease Agreement between 6701 Marketplace Drive, LLC, as Landlord, and Lazydays RV America, LLC, as Tenant (filed as Exhibit 10.16 to the Registration Statement on Form S-4 (SEC File No. 333-221723) and incorporated herein by reference).
10.12	Lease Agreement between DS Real Estate, LLC, as Landlord, and Lazydays RV Discount, LLC, as Tenant (filed as Exhibit 10.17 to the Registration Statement on Form S-4 (SEC File No. 333-221723) and incorporated herein by reference).
10.13	Restated Credit Agreement, dated as of July 14, 2021, by and among LDRV Holdings Corp., Lazydays RV America, LLC, Lazydays RV Discount, LLC and Lazydays Mile HI RV, LLC, Manufacturers and Traders Trust Company, as Administrative Agent, Swingline Lender, Issuing Bank and a Lender, and other financial institutions as Lender parties thereto (filed as Exhibit 10.1 to the Quarterly Report on Form 10-Q filed on November 5, 2021 and incorporated herein by reference).
10.14	First Amendment to Amended and Restated Credit Agreement, dated as of May 13, 2022, by and among LDRV Holdings Corp., Lazydays RV America, LLC, Lazydays RV Discount, LLC and Lazydays Mile HI RV, LLC, Manufacturers and Traders Trust Company, as Administrative Agent, Swingline Lender, Issuing Bank and a Lender, and other financial institutions as Lender parties (filed as Exhibit 10.1 to the Current Report on Form 8-K filed on May 17, 2022 and incorporated herein by reference).
10.15	Second Amended and Restated Credit Agreement dated February 21, 2023 with Manufacturers and Traders Trust Company ("M&T"), as Administrative Agent, Swingline Lender, Issuing Bank and a Lender, and other financial institutions as Lender parties (filed as Exhibit 10.1 to the form 10-Q filed on April 28, 2023 and incorporated herein by reference).

Exhibit Number	Description
10.16	First Amendment, dated February 21, 2023, to Second Amended and Restated Credit Agreement and Consent between LDRV Holdings Corp. and Manufacturers and Traders Trust Company*.
10.17	Security Agreement, dated March 15, 2018, by and between LDRV Holdings Corp., Lazydays RV America, LLC, Lazydays RV Discount, LLC, and Lazydays Mile HI RV, LLC, as Borrowers, Lazydays Holdings Inc., Lazy Days' R.V. Center, Inc., Lazydays RV America, LLC, and Lazydays Land Holdings, LLC, as Guarantors, and Manufacturers and Traders Trust Company, as administrative agent under the Credit Agreement of even date therewith (filed as Exhibit 10.11 to the Form 8-K filed on March 21, 2018 and incorporated herein by reference).
10.18	Guaranty Agreement, dated March 15, 2018, by certain parties named therein (filed as Exhibit 10.12 to the Form 8-K filed on March 21, 2018 and incorporated herein by reference).
10.19	Form of Registration Rights Agreement between Lazydays Holdings, Inc. and the PIPE investors (filed as Exhibit 10.13 to the Registration Statement on Form S-1 (SEC File No. 333-224063) filed on March 30, 2018 and incorporated herein by reference).
10.20	Form of Registration Rights Agreement between Lazydays Holdings, Inc. and the PIPE investors (filed as Exhibit 10.14 to the Registration Statement on Form S-1 (SEC File No. 333-224063) filed on March 30, 2018 and incorporated herein by reference).
10.21	Employment Offer Letter between Lazydays Holdings, Inc. and Nicholas Tomashot+ (filed as Exhibit 10.15 to Amendment No. 2 to the Registration Statement on Form S-1 (SEC File No. 333-224063) filed on May 22, 2018 and incorporated herein by reference).
10.22	Lazydays Holdings, Inc. 2019 Employee Stock Purchase Plan (filed as Exhibit 10.1 to the Form 8-K filed on May 23, 2019 and incorporated herein by reference).
10.23	Lazydays Holdings, Inc. Amended and Restated 2018 Long Term Incentive Plan.+ (filed as Exhibit 10.21 to Form 10-K filed March 1, 2023 and incorporated herein by reference).
10.24	Form of Term Note (U.S. Small Business Administration Paycheck Protection Program) in favor of M&T Bank (filed as Exhibit 10.1 to the Form 8-K filed on May 4, 2020 and incorporated herein by reference).
10.25	Waiver Agreement, dated September 12, 2023, by and between the Company and Park West (filed as Exhibit 10.1 to Form 8-K filed on September 12, 2023 and incorporated herein by reference).
10.26	Waiver Agreement, dated September 12, 2023, by and between the Company, Coliseum and Park West (filed as Exhibit 10.2 to Form 8-K filed on September 12, 2023 and incorporated herein by reference).
10.27	Loan Agreement, dated December 29, 2023, between LD Real Estate, LLC, Lazydays RV of Ohio, LLC, Airstream of Knoxville at Lazydays RV, LLC, Lone Star Acquisition LLC, Lazydays Land of Phoenix, LLC and Lazydays Land of Chicagoland, LLC, as Borrower and Coliseum Holdings I, LLC, as Lender (filed as Exhibit 10.1 to Form 8-K filed on January 2, 2024 and incorporated herein by reference).
21.1	Subsidiaries of the Company.*
23.1	Consent of RSM US LLP.*
31.1	Certification of Chief Executive Officer pursuant to Rule 13a-14 and Rule 15d-14(a), promulgated under the Securities Exchange Act of 1934, as amended.*
31.2	Certification of Chief Financial Officer pursuant to Rule 13a-14 and Rule 15d-14(a), promulgated under the Securities Exchange Act of 1934, as amended.*
32.1	Certification pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (Chief Executive Officer).**
32.2	Certification pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (Chief Financial Officer).**
97.0	Lazydays Holdings, Inc. Clawback Policy.*

Exhibit Number	Description
101	The following financial statements from the Company's Annual Report on Form 10-K for the period ended December 31, 2023, formatted in inline XBRL, include: (i) Consolidated Balance Sheets, (ii) Consolidated Statements of Operations, (iii) Consolidated Statements of Stockholders' Equity, (iv) Consolidated Statements of Cash Flows and (v) the Notes to the Consolidated Financial Statements.
104	Cover Page Interactive Data File (Embedded within the Inline XBRL document and included in Exhibit 101)*

* Filed herewith.

** Furnished herewith.

+ Management compensatory plan or arrangement.

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.

LAZYDAYS HOLDINGS, INC.

/s/ John North

John North
Chief Executive Officer

Date: March 12, 2024

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.

<u>Signature</u>	<u>Title</u>	<u>Date</u>
<u>/s/ John North</u> John North	Chief Executive Officer and Director (Principal Executive Officer)	March 12, 2024
<u>/s/ Kelly Porter</u> Kelly Porter	Chief Financial Officer (Principal Financial Officer and Principal Accounting Officer)	March 12, 2024
<u>/s/ Christopher S. Shackelton</u> Christopher S. Shackelton	Director and Chairman of the Board	March 12, 2024
<u>/s/ Robert DeVincenzi</u> Robert DeVincenzi	Lead Independent Director	March 12, 2024
<u>/s/ Jordan Gnat</u> Jordan Gnat	Director	March 12, 2024
<u>/s/ Susan Scarola</u> Susan Scarola	Director	March 12, 2024
<u>/s/ James J. Fredlake</u> James J. Fredlake	Director	March 12, 2024
<u>/s/ Suzanne Tager</u> Suzanne Tager	Director	March 12, 2024
<u>/s/ Jerry Comstock</u> Jerry Comstock	Director	March 12, 2024

**DESCRIPTION OF THE REGISTRANT'S SECURITIES
REGISTERED PURSUANT TO SECTION 12
OF THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED**

As of December 31, 2023, Lazydays Holdings, Inc. (the "Company," "Lazydays," "Registrant," "we," "us," or "our") had one class of securities registered under Section 12 of the Securities Exchange Act of 1934, as amended: our common stock.

The following is a description of the material terms of our common stock and preferred stock as set forth in our Amended and Restated Certificate of Incorporation (the "Certificate of Incorporation"), our Amended and Restated Bylaws (the "Bylaws"), and our Certificate of Designations of Series A Preferred Stock (the "Certificate of Designations"), which govern the rights of our common stock and preferred stock. This description is only a summary. You should read it together with the Certificate of Incorporation, Bylaws, and Certificate of Designations, which are included as exhibits to the Company's Annual Report on Form 10-K for the year ended December 31, 2023 and incorporated by reference herein.

General

Our Certificate of Incorporation provides for the issuance of 100,000,000 shares of common stock, par value \$0.0001 per share, and 5,000,000 shares of preferred stock, par value \$0.0001 per share. As of December 31, 2023, we had 14,064,797 shares of common stock outstanding and 600,000 shares of Series A Preferred Stock outstanding.

Common Stock

The holders of our common stock are entitled to one vote for each share held of record on all matters to be voted on by stockholders. There is no cumulative voting with respect to the election of directors, with the result that the holders of more than 50% of our shares voted for the election of directors can elect all of the directors.

Holders of our common stock do not have any conversion, preemptive or other subscription rights and there are no sinking fund or redemption provisions applicable to our common stock.

We have not paid any cash dividends on our common stock and do not plan to pay any cash dividends on our common stock in the foreseeable future. Our board of directors ("Board") will determine our future dividend policy on the basis of many factors, including results of operations, capital requirements, and general business conditions, subject to any restrictions under our credit facility and the Certificate of Designations for the Series A Preferred Stock.

Our Board currently consists of eight (8) directors who are divided into three classes including two (2) directors designated by the holders of the Series A Preferred Stock. Directors in each class serve a three-year term. The terms of each class expire at successive annual meetings so that the stockholders elect one class of directors at each annual meeting. The current classification of our Board is: (i) Class A – has two (2) directors with a term expiring at the 2025 annual meeting of stockholders; (ii) Class B – has three (3) directors with a term expiring at the 2026 annual meeting of stockholders; and (iii) Class C – has three (3) directors with a term expiring at the 2024 annual meeting of stockholders.

Preferred Stock

Our Certificate of Incorporation authorizes the issuance of 5,000,000 shares of blank check preferred stock with such designations, rights and preferences as may be determined from time to time by our Board. Any designated series of preferred stock shall have such powers, designations, preferences and relative, participation or optional or other special rights and qualifications, limitations or restrictions as shall be expressed in the resolution adopted by the Board. Once designated by our Board, each series of preferred stock will have specific financial and other terms that will be described in a prospectus supplement. The description of the preferred stock that is set forth in any prospectus supplement is not complete without reference to the documents that govern the preferred stock. These include our Certificate of Incorporation and any certificates of designations that our Board may adopt. Prior to the issuance of shares of each series of preferred stock, the Board is required by the Delaware General Corporation Law ("DGCL") and our Certificate of Incorporation to adopt resolutions and file a certificate of designations with the Secretary of State of the State of Delaware. The certificate of designations fixes for each class or series the designations, powers, preferences, rights, qualifications, limitations and restrictions, including, but not limited to, some or all of the following: (i) entitled to voting powers, full or limited; (ii) subject to redemption at such time or times and at such price or prices as our Board may establish; (iii) entitled to receive dividends (which may be cumulative or non-cumulative) at such rates, on such conditions, and at such times, and payable in preference to, or in such relation to, the dividends payable on any other class or classes or any other series as our Board may establish; (iv) entitled to such rights upon the dissolution of us, or upon any distribution of our assets, as our Board may establish; or (v) convertible into, or exchangeable for, shares of any other class or classes of stock, or of any other series of the same or any other class or classes of stock, of ours at such price or prices or at such rates of exchange and with such adjustments as our Board may establish.

Series A Preferred Stock

In connection with the PIPE Investment on March 15, 2018, we designated 600,000 shares as Series A Preferred Stock.

The material terms of the Series A Preferred Stock are as follows:

The Series A Preferred Stock ranks senior to all outstanding capital stock of the Company. Except as required by law or by the Certificate of Designations, holders of the Series A Preferred Stock will be entitled to vote on an as-converted basis together with the holders of our common stock, and not as a separate class, at any annual or special meeting of Company stockholders. However, the Certificate of Designations provides holders of the Series A Preferred Stock with a separate vote requiring the vote or consent of a majority of the Series A Preferred Stock (unless otherwise waived by a majority in voting power of the outstanding shares of the Series A Preferred Stock) relating to certain actions, including: (i) the voluntary initiation of any liquidation, dissolution or winding up of the Company if the holders of Series A Preferred Stock will not have the option to receive the full liquidation preference; (ii) any amendment or repeal of the Certificate of Incorporation or Bylaws that adversely modifies the rights, preferences, privileges or voting powers of the Series A Preferred Stock; (iii) any authorization or issuance of a new class or series of stock or any other securities convertible into equity securities, having rights, preferences or privileges senior to or on parity with the Series A Preferred Stock

(including additional shares of Series A Preferred Stock); (iv) any increase or decrease in the authorized number of Series A Preferred Stock; (v) any increase in the number of members of the Board above eight (8); (vi) certain issuances of senior indebtedness or certain incurrences of floor plan financing; (vii) any sale or agreement to license any material asset or material portion of the assets of the Company or any subsidiary other than in the ordinary course of business; (viii) the making of capital expenditures during any four consecutive fiscal quarters in excess of 25% of earnings before interest, taxes, depreciation, and amortization ("EBITDA") for such four (4) fiscal quarters, on a non-cumulative basis; and (ix) any change by the Company or any subsidiary in its principal line of business or entry into an additional line of business.

The Series A Preferred Stock will be convertible into shares of our common stock at the holder's election at any time, and such holder will receive such number of shares of common stock as is equal to the product obtained by multiplying the conversion rate then in effect by the number of shares of Series A Preferred Stock being converted, plus cash in lieu of fractional shares. The conversion rate is calculated as the quotient obtained by dividing the liquidation preference then in effect by the conversion price. Currently, the conversion rate is 9.9378882 calculated by dividing the liquidation preference currently in effect of \$100 by the initial conversion price of \$10.0625. The conversion price will be subject to adjustment for stock dividends, forward and reverse splits, combinations and similar events, as well as for certain dilutive issuances. The liquidation preference and initial conversion price are set forth in the Certificate of Designations and were determined based on the valuation of the securities of Andina taking into account the impact of the mergers and the rights and preferences of the Series A Preferred Stock in connection with our business combination in March 2018. As a result, the 600,000 shares of Series A Preferred Stock are convertible into 5,962,733 shares of common stock (this excludes accrued dividends which the Company may elect to pay in cash or shares of common stock).

Dividends on the Series A Preferred Stock will accrue at an initial rate of 8% per annum (the "Dividend Rate"), compounded quarterly, and be payable quarterly in arrears on January 1, April 1, July 1 and October 1 of each year (unless any such day is not a business day, in which event such preferred dividends shall be payable on the next succeeding business day, without accrual to the actual payment date). If we do not declare and pay dividends on any dividend payment date, such accrued and unpaid dividends, until paid in full in cash, will accrue at the then applicable Dividend Rate plus 2%. The Dividend Rate will be increased to 11% per annum, compounded quarterly, in the event our senior indebtedness less unrestricted cash during any trailing twelve month period ending at the end of any fiscal quarter is greater than 2.25 times EBITDA (as defined in the Certificate of Designations of the Series A Preferred Stock) for such preceding twelve (12)-month period. The Dividend Rate will be reset to 8% at the end of the first fiscal quarter when our senior indebtedness less unrestricted cash during the trailing twelve month period ending at the end of such quarter is less than 2.25 times EBITDA for such preceding twelve (12)-month period.

If, at any time following the second anniversary of the issuance of the Series A Preferred Stock, the volume weighted average price of our common stock equals or exceeds \$25.00 (as adjusted for stock dividends, splits, combinations and similar events) for a period of thirty consecutive trading days, we may force the conversion of any or all of the outstanding Series A Preferred Stock at the conversion price then in effect. From and after the eighth anniversary of the issuance of the Series A Preferred Stock, we may elect to redeem all, but not less than all, of the outstanding Series A Preferred Stock at a redemption price per share equal to the liquidation

preference then in effect. From and after the ninth anniversary of the issuance of the Series A Preferred Stock, each holder of Series A Preferred Stock has the right to require us to redeem all of such holder's outstanding shares of Series A Preferred Stock at a redemption price per share equal to the liquidation preference then in effect.

In the event of any liquidation, merger, sale, dissolution or winding up of the Company, holders of the Series A Preferred Stock will have the right to (i) payment in cash equal to the liquidation preference thereof plus all accrued and unpaid dividends, or (ii) convert the shares of Series A Preferred Stock into our common stock and participate on an as-converted basis with our holders of common stock.

So long as the Series A Preferred Stock is outstanding, the holders thereof, by the vote or written consent of the holders of a majority in voting power of the outstanding Series A Preferred Stock, shall have the right to designate two members to our Board.

The holders of Series A Preferred Stock may elect in writing to the Company to be subject to a beneficial ownership limitation, initially set at 9.99% (but which may subsequently be set at a higher or lower percentage by the electing holder) of the shares of common stock then outstanding after giving effect to the issuance of shares of common stock upon conversion of the Series A Preferred Stock held by such holder. If a holder of the Series A Preferred Stock has elected to be subject to a beneficial ownership limitation, the Company shall not effect any conversion of the Series A Preferred Stock and the holder shall not have any right to convert any portion of the Series A Preferred Stock if after giving effect to such conversion, the holder would beneficially own in excess of its then applicable beneficial ownership limitation.

The securities purchase agreement entered into in connection with the sale of the Series A Preferred Stock also includes the following rights:

- Subject to applicable securities laws and regulations, any purchaser that continues to hold Series A Preferred Stock convertible into 5% or more of the then issued and outstanding shares of our common stock shall also have a preemptive right to purchase its pro rata share of all equity securities that we may, from time to time, propose to sell and issue after the consummation of the Mergers (subject to certain exceptions).
- If we seek to consummate any debt financings (other than (i) non-distressed floor plan financings on customary terms and conditions and with an interest rate of not greater than 5% per annum, (ii) the replacement or refinancing of existing indebtedness where the replaced or refinanced indebtedness does not exceed the existing amount of indebtedness and are not on terms materially worse than the indebtedness being replaced or refinanced, and (iii) advances or other extensions of credit under a revolving credit facility or floor plan credit facility) after the consummation of the Mergers, Coliseum Capital Management, LLC shall be entitled to a right of first refusal to provide the funding necessary for such debt financings provided that it still holds an aggregate of at least \$10 million of the Series A Preferred Stock. Coliseum Capital Management, LLC will have a period of 15 business days to notify us of its intention to exercise its right.

There are no sinking fund provisions applicable to our shares of Series A Preferred Stock.

Provisions of Delaware Law, the Certificate of Incorporation and Bylaws

Provisions of the Delaware General Corporation Law (the "DGCL"), the Certificate of Incorporation, the Bylaws and other relevant documents described below could make it more difficult to acquire us by means of a tender offer, a proxy contest or otherwise, or to remove incumbent officers and directors. These provisions, summarized below, are expected to discourage types of coercive takeover practices and inadequate takeover bids and to encourage persons seeking to acquire control of us to first negotiate with us. We believe that the benefits of increased protection of our potential ability to negotiate with the proponent of an unfriendly or unsolicited proposal to acquire or restructure us outweigh the disadvantages of discouraging takeover or acquisition proposals because, among other things, negotiation of these proposals could result in an improvement of their terms.

Delaware Anti-Takeover Statute. We have elected to be subject to Section 203 of the DGCL, an anti-takeover statute. In general, Section 203 prohibits a publicly held Delaware corporation from engaging in a "business combination" with an "interested stockholder" for a period of three years following the time the person became an interested stockholder, unless (with certain exceptions) the business combination or the transaction in which the person became an interested stockholder is approved in a prescribed manner. Generally, a "business combination" includes a merger, asset or stock sale, or other transaction resulting in a financial benefit to the interested stockholder. Generally, an "interested stockholder" is a person who, together with affiliates and associates, owns (or within three years prior to the determination of interested stockholder status did own) 15 percent or more of a corporation's voting stock. The existence of this provision would be expected to have an anti-takeover effect with respect to transactions not approved in advance by the Board of Directors, including discouraging attempts that might result in a premium over the market price for the shares of Common Stock.

Limitation of Liability and Indemnification of Officers and Directors. The DGCL authorizes corporations to limit or eliminate the personal liability of directors to corporations and their stockholders for monetary damages for breaches of directors' fiduciary duties as directors. The Certificate of Incorporation and Bylaws include provisions that indemnify, to the fullest extent allowable under the DGCL, the personal liability of directors or officers for monetary damages for actions taken as a director or officer of the Company, or for serving at our request as a director or officer or in another position at another corporation or enterprise, as the case may be. The Bylaws also provide that we must indemnify and advance expenses to our directors and officers, subject to our receipt of an undertaking from the indemnitee to repay such amount if it shall ultimately be determined that he is not entitled to be indemnified by the Company and such terms and conditions as are deemed appropriate by the Board. We are also expressly authorized to carry directors' and officers' insurance to protect the Company and our directors, officers, employees and agents from certain liabilities.

The limitation of liability and indemnification provisions in the Certificate of Incorporation and the Bylaws may discourage stockholders from bringing a lawsuit against directors for breach of their fiduciary duties. These provisions may also have the effect of reducing the likelihood of derivative litigation against directors and officers, even though such an action, if successful, might otherwise benefit us and our stockholders. We may be adversely affected to the extent that, in a class action or direct suit, we pay the costs of settlement and damage awards against directors and officers pursuant to these indemnification provisions.

Authorized but Unissued Shares of Common Stock. Our authorized but unissued shares of common stock will be available for future issuance without approval by the holders of common stock. We may use additional shares for a variety of corporate purposes, including future public offerings to raise additional capital, employee benefit plans and as consideration for or to finance future acquisitions, investments or other purposes. The existence of authorized but unissued shares of common stock could render more difficult or discourage an attempt to obtain control of us by means of a proxy contest, tender offer, merger or otherwise.

Undesignated Preferred Stock. Our Certificate of Incorporation and Bylaws authorize 5,000,000 shares of undesignated preferred stock and 600,000 of these shares have been designated as Series A Preferred Stock. As a result, our Board of Directors may, without the approval of holders of common stock, issue 4,400,000 shares of preferred stock with super voting, special approval, dividend or other rights or preferences that could impede the success of any attempt to acquire us. These and other provisions may have the effect of deferring, delaying or discouraging hostile takeovers or changes in control or management of the Company.

Classified Board. As discussed above, our Board currently consists of eight (8) directors who are divided into three classes. Pursuant to the Certificate of Incorporation, directors in each class serve a three-year term. The terms of each class expire at successive annual meetings so that the stockholders elect one class of directors at each annual meeting. The classified board provisions in the Certificate of Incorporation could make it more difficult to acquire us by means of a proxy contest or to remove incumbent directors.

Exclusive Forum. Unless the Company consents in writing to the selection of an alternative forum, the sole and exclusive forum for: (i) any derivative action or proceeding brought on behalf of the Company, (ii) any action asserting a claim of breach of a fiduciary duty owed by any director, officer or other employee of the Company to the Company or the Company's stockholders, (iii) any action asserting a claim arising pursuant to any provision of the DGCL or the Certificate of Incorporation or Bylaws, or (iv) any action asserting a claim governed by the internal affairs doctrine shall be the Court of Chancery of the State of Delaware (or if the Court of Chancery does not have jurisdiction, another state court located within the State of Delaware, or if no state court located within the State of Delaware has jurisdiction, the federal district court for the District of Delaware) in all cases subject to the court's having personal jurisdiction over the indispensable parties named as defendants. Section 27 of the Securities Exchange Act of 1934, as amended, provides for exclusive federal jurisdiction over suits brought to enforce any duty or liability created by the Exchange Act or the rules and regulations thereunder, and as such the exclusive jurisdiction clauses set forth above would not apply to such suits. Furthermore, Section 22 of the Securities Act of 1933, as amended, provides for concurrent jurisdiction for federal and state courts over all suits brought to enforce any duty or liability created by the Securities Act or the rules and regulations thereunder, and as such the exclusive jurisdiction clauses set forth above would not apply to such suits.

Listing

Our shares of common stock are listed on the Nasdaq Capital Market under the symbol "GORV." We cannot assure you that our common stock will continue to be listed on the Nasdaq Capital Market as we might not meet certain continued listing standards in the future. Our shares of Series A Preferred Stock are currently not listed or traded on any exchange or marketplace and

we do not intend to apply for listing or quotation of our Series A Preferred Stock on any exchange or marketplace in the future.

Transfer Agent

The transfer agent for our shares of common stock is Continental Stock Transfer & Trust Company, 1 State Street, 30th Floor, New York, New York 10004.

**FIRST AMENDMENT TO SECOND AMENDED AND RESTATED CREDIT AGREEMENT
AND CONSENT**

This **FIRST AMENDMENT TO SECOND AMENDED AND RESTATED CREDIT AGREEMENT AND CONSENT** is of March 8, 2024 (this "Amendment"), is made and entered into by and among **LDRV HOLDINGS CORP**, a Delaware corporation (the "Borrower Representative"), each of the other Loan Parties party hereto, each of the Lenders and **MANUFACTURERS AND TRADERS TRUST COMPANY**, a New York banking corporation, as Administrative Agent.

RECITALS:

WHEREAS, reference is made to the Second Amended and Restated Credit Agreement dated as of February 21, 2023 (as amended, restated, supplemented or otherwise modified prior to the date hereof, the "Existing Credit Agreement") and as amended by this Amendment, the "Credit Agreement"), by and among the Borrower Representative, the Loan Parties party thereto, the lenders from time to time party thereto (the "Lenders"), and the Administrative Agent;

WHEREAS, the Borrower Representative has requested that the Administrative Agent and the Lenders agree to certain amendments to the Existing Credit Agreement and consent to certain accommodations as further set forth herein; and

WHEREAS, the Lenders party hereto, comprising the Required Lenders under the Existing Credit Agreement, have agreed to the amendments to the Existing Credit Agreement and the requested consents as set forth herein subject to the conditions set forth herein.

NOW, THEREFORE, in consideration of the mutual agreements herein contained and other good and valuable consideration, the sufficiency and receipt of which are hereby acknowledged, the parties hereto agree as follows:

SECTION 1. ***Defined Terms; Interpretation; Etc.*** Capitalized terms used and not defined herein shall have the meanings assigned to such terms in the Credit Agreement. This Amendment is a "Credit Document", as defined in the Credit Agreement.

SECTION 2. ***Amendments to Existing Credit Agreement.*** Subject to the terms and conditions set forth herein, effective upon the occurrence of the First Amendment Effective Date, the parties hereto agree as follows:

(a) the Existing Credit Agreement is hereby amended to delete the stricken text (indicated textually in the same manner as the following example ~~stricken text~~) and to add the double-underlined text (indicated textually in the same manner as the following example: double-underlined text) as set forth in Annex A attached hereto, except that any Schedule or Exhibits to the Credit Agreement not amended pursuant to the terms of this Amendment shall remain in effect without any amendment or other modification thereto;

(b) the Existing Credit Agreement is hereby amended by replacing Exhibit G thereto with Exhibit G attached hereto as **Annex B**; and

(c) the Existing Credit Agreement is hereby amended by replacing Exhibit B thereto with Exhibit B attached hereto as **Annex C**.

The parties hereto acknowledge and agree that this Amendment is not a novation of the Existing Credit Agreement, any other Credit Document or of any credit facility or guaranty provided thereunder or in respect thereof. As used in the Credit Agreement, the terms "Agreement", "this Agreement", "herein", "hereinafter", "hereto", "hereof" and words of similar import shall, unless the context otherwise requires, from and after the First Amendment Effective Date, mean or refer to the Credit Agreement, as further amended, supplemented or modified from time to time in accordance with its terms. As used in any other

Credit Document, from and after the First Amendment Effective Date, all references to the "Credit Agreement" in such Credit Documents shall, unless the context otherwise requires, mean or refer to the Credit Agreement, as further amended, supplemented or modified from time to time in accordance with its terms.

SECTION 3. **Consent.** Subject to the terms and conditions set forth herein, effective upon the occurrence of the First Amendment Effective Date, the parties hereto agree that, notwithstanding anything else in the Credit Agreement to the contrary, the Loan Parties shall not have to comply with the (a) Total Net Leverage Ratio test set forth in Section 6.12 of the Credit Agreement (as in effect prior to this Amendment) for the Measurement Period ending December 31, 2023 and (b) the Consolidated Current Ratio test set forth in Section 6.14 of the Credit Agreement (as in effect prior to this Amendment) for the Measurement Period ending December 31, 2023. Each Loan Party acknowledges and agrees that the consent contained in the foregoing shall not waive or amend (or be deemed to be or constitute an amendment to or waiver of) any other covenant, term or provision in the Credit Agreement or hinder, restrict or otherwise modify the rights and remedies of the Lenders and the Administrative Agent following the occurrence of any other present or future Default or Event of Default under the Credit Agreement or any other Credit Document.

SECTION 4. **Conditions Precedent.** This Amendment shall become effective as of the date on which the following conditions precedent are satisfied (such date, the "First Amendment Effective Date"):

(a) The Administrative Agent (or its counsel) shall have received from each Borrower, each other Loan Party and the Required Lenders a copy of the counterpart of this Amendment duly executed and delivered on behalf of such party;

(b) The Administrative Agent shall have received a landlord's waiver and consent executed by Coliseum with respect to the real property mortgaged in connection with the Coliseum Agreement and with respect to which any Loan Party has a leasehold interest on terms and conditions satisfactory to the Administrative Agent;

(c) The Administrative Agent shall have received all fees and other amounts due and payable on or prior to the First Amendment Effective Date and reimbursement or payment of all reasonable and documented out-of-pocket expenses (including reasonable and documented fees, charges and disbursements of counsel) required to be reimbursed or paid by any Loan Party pursuant to the terms of the Credit Agreement;

(d) The Administrative Agent shall have received all documentation and other information required by any Lenders or the Issuing Bank to evidence or facilitate both the Borrowers' and each Lender's compliance with all applicable Laws and regulations, including, all "know your customer" rules in effect from time to time pursuant to the Bank Secrecy Act, the USA Patriot Act and other applicable Laws on or prior to the date which is five (5) Business Days prior to the First Amendment Effective Date; and

(e) The Administrative Agent shall have received a certificate of a Responsible Officer of the Borrower Representative either (i) certifying that a shareholder and corporate consents and approvals, material governmental and third party consents and approvals required in connection with the execution and delivery of this Amendment (all of which shall be final with no waiting period to expire or ongoing governmental inquiry or investigation) shall have been duly given or recorded, and that any such consents, licenses, approvals and agreements shall be in full force and effect, or (ii) stating that no such consents, licenses or approvals are so required upon giving effect to this Amendment.

The Administrative Agent shall notify the Borrowers and the Lenders of the First Amendment Effective Date, and such notice shall be conclusive and binding.

SECTION 5. **Representations and Warranties.** In order to induce the Lenders and the Administrative Agent to enter into this Amendment, each Loan Party hereby represents and warrants to the Lenders and the Administrative Agent on and as of the First Amendment Effective Date that:

(a) **Authorization; No Contravention.** The execution and delivery by each Loan Party of this Amendment and performance by each Loan Party of this Amendment and the Credit Agreement 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 Loan Party's Organization Documents; (b) conflict with or result in any breach or contravention of, or the creation of any Lien (except pursuant to the Security Documents) under, or require any payment to be made under (i) any Material Contract to which such Person is a party or affecting such Person or the properties of such Person or any Loan Party, or (ii) any order, injunction, writ or decree of any Governmental Authority or any arbitral award to which such Person or its property is subject; or (c) violate any Law; except, in the case of clause (b) or (c), to the extent such contravention conflict or violation would not reasonably be expected to have Material Adverse Change. No Default or Event of Default has occurred and is continuing.

(b) **Binding Effect.** This Amendment has been duly executed and delivered by each Loan Party which is a party hereto, and each of this Amendment and the Existing Credit Agreement as amended by this Amendment constitute the legal, valid and binding obligation of each Loan Party party thereto, enforceable in accordance with its respective terms, subject to applicable bankruptcy, reorganization, insolvency, moratorium and similar Laws affecting creditors' rights generally and general principles of equity.

(c) **Representations and Warranties.** The representations and warranties of the Loan Parties contained in this Amendment and each other Credit Document are true and correct in all material respects (and, in the case of any representation or warranty that is qualified by materiality or Material Adverse Change, are true and correct in all respects) on and as of the date hereof, except to the extent that such representations and warranties specifically refer to an earlier date, in which case they are true and correct in all material respects (and, in the case of any representation or warranty that is qualified by materiality or Material Adverse Change, are true and correct in all respects) as of such earlier date.

SECTION 6. **Reaffirmation of Guaranty Agreements and Security Interests.** Each Loan Party hereby acknowledges its receipt of a copy of this Amendment and its review of the terms and conditions hereof and consents to the terms and conditions of this Amendment and the transactions contemplated hereby. Except as provided in this Amendment, including as it relates to the scope of Obligations secured by the Collateral on and after the First Amendment Effective Date, each Loan Party hereby (a) affirms and confirms its guarantees, pledges, grants and other undertakings under the Existing Credit Agreement, the Guaranty Agreements and the other Credit Documents to which it is a party, and (b) agrees that (i) each Credit Document to which it is a party shall continue to be in full force and effect and (ii) all guarantees, pledges, grants and other undertakings thereunder shall continue to be in full force and effect and shall accrue to the benefit of the Secured Parties. In furtherance of the foregoing, each Loan Party party hereto affirms and confirms its guarantee of the Obligations as a "Guarantor" party to the Guaranty Agreements.

SECTION 7. **Miscellaneous.**

(a) **No Waiver.** Nothing contained herein shall be deemed to constitute a waiver of compliance with, or consent to any deviation from, any term or condition contained in the Credit Agreement or any of the other Credit Documents except as expressly stated herein, or constitute a course of conduct or dealing among the parties. The Administrative Agent and the Lenders reserve all rights, privileges and remedies under the Credit Documents.

(b) **Fees and Expenses.** The Borrowers shall reimburse the Administrative Agent for all reasonable and documented out-of-pocket costs and expenses (including all outstanding reasonable and documented attorneys' fees of counsel to the Administrative Agent) incurred by the Administrative Agent in connection with the preparation, negotiation, and execution of this

Amendment and the other agreements and documents executed and delivered in connection herewith in addition to any other outstanding fees and expenses owing, in each case, in accordance with the terms of the Credit Agreement and incurred prior to the date hereof.

(c) **Governing Law.** This Amendment and any claims, disputes or causes of action (whether in contract or tort) arising out of or related to this Amendment and the transaction contemplated hereby shall be governed by, and construed in accordance with, the laws of the Governing State.

(d) **JURISDICTION.** EACH LOAN PARTY IRREVOCABLY AND UNCONDITIONALLY AGREES THAT IT WILL NOT COMMENCE ANY ACTION, LITIGATION OR PROCEEDING OF ANY KIND OR DESCRIPTION, WHETHER IN LAW OR EQUITY, WHETHER IN CONTRACT OR IN TORT OR OTHERWISE, AGAINST THE ADMINISTRATIVE AGENT, ANY LENDER, OR ANY RELATED PARTY OF THE FORECLOSURE OR ANY WAY RELATING TO THIS AMENDMENT OR ANY OTHER CREDIT DOCUMENT OR THE TRANSACTIONS RELATING HERETO, IN ANY FORUM OTHER THAN THE COURTS OF THE STATE OF NEW YORK SITTING IN NEW YORK COUNTY AND UNITED STATES DISTRICT COURT OF THE SOUTHERN DISTRICT OF NEW YORK, AND ANY APPELLATE COURT FROM ANY STATE AND EACH OF THE PARTIES HERETO IRREVOCABLY AND UNCONDITIONALLY SUBMITS TO THE NON-EXCLUSIVE JURISDICTION OF SUCH COURTS AND AGREES THAT ALL CLAIMS IN RESPECT OF ANY SUCH ACTION, LITIGATION OR PROCEEDING, OR AN ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AMENDMENT OR ANY OTHER CREDIT DOCUMENT, RECOGNITION OR ENFORCEMENT OF ANY JUDGMENT, MAY BE HEARD AND DETERMINED IN SUCH NEW YORK STATE COURT TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, IN SUCH FEDERAL COURT. EACH OF THE PARTIES HERETO AGREE THAT FINAL JUDGMENT IN ANY SUCH ACTION OR PROCEEDING SHALL BE CONCLUSIVE AND MAY BE ENFORCED IN ANY JURISDICTIONS BY SUIT ON THE JUDGMENT OR IN ANY OTHER MANNER PROVIDED BY LAW. NOTHING IN THIS AMENDMENT OR ANY OTHER CREDIT DOCUMENT SHALL AFFECT ANY RIGHT THAT THE ADMINISTRATIVE AGENT OR ANY LENDER MAY OTHERWISE HAVE TO BRING ANY ACTION OR PROCEEDING RELATING TO THIS AMENDMENT OR ANY OTHER CREDIT DOCUMENT AGAINST ANY LOAN PARTY OR ITS PROPERTIES IN THE COURTS OF ANY JURISDICTION.

(e) **VENUE.** EACH LOAN PARTY 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 AMENDMENT OR ANY OTHER CREDIT DOCUMENT IN ANY COURT OR IN SECTION 10.21 OF THE CREDIT AGREEMENT. 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.

(f) **SERVICE OF PROCESS.** EACH LOAN PARTY IRREVOCABLY CONSENTS TO SERVICE OF PROCESS IN THE MANNER PROVIDED FOR NOTICES IN SECTION 10.10 OF THE CREDIT AGREEMENT. NOTHING IN THIS AMENDMENT WILL AFFECT THE RIGHT OF ANY PARTY HERETO TO SERVE PROCESS IN ANY OTHER MANNER PERMITTED BY APPLICABLE LAW.

(g) **WAIVER OF JURY TRIAL.** EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AMENDMENT OR ANY OTHER CREDIT DOCUMENT OR ANY TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY (WHETHER BASED

ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PERSON HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PERSON IS NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AMENDMENT AND THE OTHER DOCUMENTS BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

(h) **Benefits.** This Amendment shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns.

(i) **Release.** In consideration of the agreements of Administrative Agent and each Lender contained in this Amendment and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, each of the Loan Parties (collectively, the "Releasors"), on behalf of itself and its successors, assigns, and other legal representatives, hereby absolutely, unconditionally and irrevocably releases, remises and forever discharges Administrative Agent and each Lender, each of their successors and assigns, each of their respective affiliates, and their respective affiliates' present and former shareholders, members, subsidiaries, divisions, predecessors, directors, officers, attorneys, employees, agents and other representatives (the Administrative Agent, Lenders and all such other Persons being hereinafter referred to collectively as the "Releasees," and individually as a "Releasee"), of and from all demands, actions, causes of action, suits, covenants, contracts, controversies, agreements, promises, sums of money, accounts, bills, reckonings, damages and any and all other claims, counterclaims, defenses, rights of set-off, demands and liabilities whatsoever (individually a "Claim" and collectively, "Claims") of every name and nature, either known or unknown, both at law and in equity, which Releasors, or any of them, or any of their successors, assigns or other legal representatives may now or hereafter own, hold, have or claim to have against the Releasees or any of them for, upon, or by reason of any circumstance, action, cause or thing whatsoever which arises at any time on or prior to the date hereof, including, without limitation, for or on the account of, or in relation to, or in any way in connection with the Credit Agreement, or any of the other Credit Documents or transactions thereunder or related thereto.

(j) **Counterparts and Integration.** This Amendment may be executed in counterparts (and by different parties hereto in different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. This Amendment and the other Credit Documents constitute the entire contract among the parties party hereto relating to the subject matter hereof and supersede any and all previous agreements and understandings, oral or written, relating to the subject matter hereof. This Amendment shall become effective when it shall have been executed by the Administrative Agent and when the Administrative Agent shall have received counterparts hereof that, when taken together, bear the signatures of each of the other parties hereto. Delivery of an executed counterpart of a signature page of this Amendment by facsimile or in electronic (i.e., "pdf" or "tif") format shall be just as effective as the delivery of a manually executed counterpart of this Amendment.

[Remainder of this page intentionally left blank]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed by their respective authorized officers as of the day and year first above written.

BORROWER REPRESENTATIVE AND BORROWERS:

LDRV HOLDINGS CORP.

By: /s/ John North
Name: John North
Title: CEO

**LAZYDAYS RV AMERICA, LLC
LAZYDAYS RV DISCOUNT, LLC
LAZYDAYS MILE HI RV, LLC**

**LAZYDAYS OF MINNEAPOLIS LLC
LDRV OF TENNESSEE LLC
LDRV OF NASHVILLE, LLC
LAZYDAYS RV OF CHICAGOLAND, LLC
LAZYDAYS OF CENTRAL FLORIDA, LLC
LONE STAR DIVERSIFIED, LLC
LAZYDAYS RV OF PHOENIX, LLC
LAZYDAYS RV OF ELKHART, LLC
LAZYDAYS RV OF OREGON, LLC
LAZYDAYS RV OF WISCONSIN, LLC
LAZYDAYS RV OF IOWA, LLC
LAZYDAYS RV OF OKLAHOMA, LLC
LD OF LAS VEGAS, LLC
LAZYDAYS RV OF KNOXVILLE, LLC
LAZYDAYS RV OF WILMINGTON, LLC
LAZYDAYS RV OF LONGMONT, LLC
LDL OF FORT PIERCE, LLC
LAZYDAYS RV OF ST. GEORGE, LLC
LAZYDAYS RV OF SURPRISE, LLC**

By: LDRV Holdings Corp.,
its Manager

By: /s/ John North
Name: John North
Title: CEO

GUARANTORS:

**LAZYDAYS HOLDINGS, INC.
LAZYDAYS' R.V. CENTER, INC.**

By: /s/ John North
Name: John North
Title: CEO

**LAZYDAYS RV OF MARYVILLE, LLC
LAZYDAYS RV OF RENO, LLC
LAZYDAYS SUPPORT SERVICES, LLC**

By: /s/ John North
Name: John North
Title: CEO

ADMINISTRATIVE AGENT:

MANUFACTURERS AND TRADERS TRUST COMPANY

By: /s/ Michael A. Gollnitz
Name: Michael A. Gollnitz
Title: Senior Vice President

LENDER:

MANUFACTURERS AND TRADERS TRUST COMPANY

By: /s/ Michael A. Gollnitz
Name: Michael A. Gollnitz
Title: Senior Vice President

LENDER:

ROCKLAND TRUST COMPANY

By: /s/ Steven J. Ingalls
Name: Steven J. Ingalls
Title: Vice President

LENDER:

**FLAGSTAR SPECIALTY FINANCE COMPANY, LLC as successor-in-interest to NYCB SPECIALTY
FINANCE COMPANY, LLC**

By: /s/ Mark C. Mazmanian
Name: Mark C. Mazmanian
Title: First Senior Vice President

LENDER:
WELLS FARGO COMMERCIAL DISTRIBUTION FINANCE, LLC

By: /s/ Thomas M. Adamski
Name: Thomas M. Adamski
Title: Managing Director

Annex A
Credit Agreement
See attached.

SECOND AMENDED AND RESTATED CREDIT AGREEMENT

Among

**LDRV HOLDINGS CORP.,
a Delaware Corporation, and
LAZYDAYS RV AMERICA, LLC, LAZYDAYS RV DISCOUNT, LLC, AND LAZYDAYS MILE HI RV, LLC,
Each a Delaware Limited Liability Company**

And

VARIOUS OTHER AFFILIATED ENTITIES HEREAFTER PARTIES HERETO,

as Borrowers

and

MANUFACTURERS AND TRADERS TRUST COMPANY,

as Administrative Agent, Swingline Lender and Issuing Bank

and

MANUFACTURERS AND TRADERS TRUST COMPANY,

**AND VARIOUS OTHER FINANCIAL INSTITUTIONS
NOW OR HEREAFTER PARTIES HERETO**

as Lenders

Dated: To Be Effective As Of February 21, 2023

TABLE OF CONTENTS

ARTICLE 1 CERTAIN DEFINITIONS; RULES OF CONSTRUCTION 1

Section 1.01. Certain Definitions..... 1
Section 1.02. Terms Generally..... ~~54~~55
Section 1.03. [Reserved]..... ~~55~~56
Section 1.04. Accounting Principles..... ~~55~~56
Section 1.05. Proforma Calculations..... ~~55~~56
Section 1.06. Divisions..... 56
Section 1.07. Reallocation; Effect of Amendment and Restatement..... ~~56~~57
Section 1.08. SOFR Rate..... ~~57~~58

ARTICLE 2 CREDIT FACILITIES..... ~~57~~58

Section 2.01. Floor Plan Loans..... 58
2.01.1. Floor Plan Loan Promissory Notes..... ~~58~~59
2.01.2. Procedure For Floor Plan Loan Borrowings..... ~~59~~60
2.01.3. Overadvances..... ~~59~~60
2.01.4. Settlement Of Floor Plan Loans Among Floor Plan Lenders... ~~60~~61
2.01.5. Repayment Of Floor Plan Loans..... ~~60~~61
2.01.6. Payments Due Upon Sale or Ineligibility Of Floor Plan Vehicles or Units ~~60~~61
2.01.7. Eligible New Floor Plan Unit Curtailment..... ~~60~~61
2.01.8. Eligible Used Floor Plan Unit Curtailment..... ~~61~~62
2.01.9. Permitted Company Vehicle Curtailment..... ~~61~~62
2.01.10. Out Of Balance Floor Plan Vehicles or Units..... ~~61~~62
2.01.11. Deposit And Application Of Payment..... ~~61~~62
2.01.12. Permitted Purposes Of Floor Plan Loans..... ~~61~~62
2.01.13. Title Documents..... ~~61~~62
2.01.14. Power of Attorney..... ~~62~~63
2.01.15. Floor Plan Unused Commitment Fees..... ~~62~~63
2.01.16. Permanent Reduction Of Floor Plan Line of Credit Dollar Cap ~~62~~63
2.01.17. Floor Plan Interest Reduction Arrangement..... ~~63~~64
2.01.18. Payments Due Upon Casualty Event..... ~~64~~65
Section 2.02. M&T Advances..... ~~64~~65
2.02.1. Advances..... ~~64~~65
2.02.2. Automated Sweep Program..... ~~65~~66
2.02.3. Repayment Obligations of Borrowers..... ~~65~~66
Section 2.03. Revolving Credit Loans..... ~~65~~66
2.03.1. Revolving Credit Loan Promissory Notes..... ~~65~~67
2.03.2. Procedure For Revolving Credit Loan Borrowings..... ~~66~~67
2.03.3. Repayment Of Revolving Credit Loans..... ~~66~~67
2.03.4. Permitted Purposes Of Revolving Credit Loans..... ~~66~~67
2.03.5. Revolving Credit Unused Commitment Fees..... ~~66~~68
2.03.6. Permanent Reduction Of Revolving Credit Dollar Cap..... ~~67~~68
2.03.7. Borrowing Base Overadvance..... ~~67~~68
Section 2.04. Swingline Loan Subfacility..... ~~67~~68
2.04.1. Advances..... ~~68~~69
2.04.2. Repayment of Swingline Loans Upon Swingline Conversion Event ~~68~~69
2.04.3. Participations..... ~~68~~70

2.04.3. Obligations Absolute.....	69 <u>70</u>
Section 2.05. Letter of Credit Subfacility.....	69 <u>71</u>
2.05.1. Request for Issuance; Amendment; Renewal; Extension; Certain Conditions	70 <u>71</u>
2.05.2. Expiration Date.....	70 <u>72</u>
2.05.3. Agreement of Lenders To Purchase Proportionate Share of Letters of Credit	70 <u>72</u>
2.05.4. Reimbursement Obligations of the Borrower.....	71 <u>72</u>
2.05.5. Borrowers' Reimbursement Obligations Are Absolute.....	71 <u>73</u>
2.05.6. Applicability of ISP98.....	72 <u>73</u>
2.05.7. Interim Interest.....	72 <u>73</u>
2.05.8. Cash Collateralization.....	72 <u>73</u>
2.05.9. Letter of Credit Fees.....	72 <u>74</u>
2.05.10. Letters of Credit Issued for Other Loan Parties or Subsidiaries	73 <u>74</u>
Section 2.06. Reserved.....	73 <u>74</u>
Section 2.07. Interest Terms Applicable To The Loans.....	73 <u>74</u>
2.07.1. Adjusted Base Rate.....	73 <u>74</u>
2.07.2. SOFR Borrowing Option.....	73 <u>74</u>
2.07.3. Breakage Costs.....	75 <u>76</u>
2.07.4. Illegality.....	75 <u>77</u>
2.07.5. Termination Of Right to Elect SOFR Borrowings.....	76 <u>77</u>
2.07.6. Calculation Of Interest.....	76 <u>77</u>
2.07.7. Default Interest.....	76 <u>77</u>
2.07.8. Maximum Rate Of Interest.....	76 <u>78</u>
2.07.9. Late Payment Charges.....	77 <u>78</u>
2.07.10. Effect of Benchmark Transition Event.....	77 <u>78</u>
2.07.11. Adjusted Term SOFR Conforming Changes.....	78 <u>80</u>
Section 2.08. Pro Rata Treatment And Payments.....	79 <u>80</u>
2.08.1. Distribution Of Payments To Lenders.....	79 <u>80</u>
2.08.2. Funding Of Loans.....	79 <u>81</u>
2.08.3. Ratable Sharing.....	80 <u>81</u>
2.08.4. Setoffs, Counterclaims, Other Payments.....	80 <u>82</u>
Section 2.09. Application Of Payments.....	81 <u>82</u>
Section 2.10. Increased Costs.....	81 <u>82</u>
2.10.1. Increased Costs Generally.....	81 <u>83</u>
2.10.2. Capital Requirements.....	82 <u>83</u>
2.10.3. Certificate for Reimbursement.....	82 <u>83</u>
2.10.4. Delay in Requests.....	82 <u>83</u>
Section 2.11. Taxes.....	82 <u>84</u>
2.11.1. Defined Terms.....	82 <u>84</u>
2.11.2. Payments Free of Taxes.....	82 <u>84</u>
2.11.3. Payment of Other Taxes by the Loan Parties.....	83 <u>84</u>
2.11.4. Indemnification.....	83 <u>84</u>
2.11.5 Indemnification by Lenders.....	83 <u>84</u>
2.11.6 Evidence of Payments.....	83 <u>85</u>
2.11.7 Status of Lenders.....	83 <u>85</u>
2.11.8 Treatment of Certain Refunds.....	85 <u>86</u>
2.11.9 Survival.....	85 <u>87</u>
Section 2.12 Mitigation, Obligations; Replacement of Lenders.....	86 <u>87</u>
2.12.1 Designation of a Different Lending Office.....	86 <u>87</u>

2.12.2 Replacement of Lenders.....	86 <u>87</u>
Section 2.13 Certain Credit Support Events.....	86 <u>88</u>
Section 2.14 Defaulting Lenders.....	87 <u>88</u>
2.14.1 Defaulting Lender Adjustments.....	87 <u>88</u>
2.14.2 Defaulting Lender Cure.....	90 <u>91</u>
2.14.3 New Swingline Loans/Letters of Credit/M&T Advances.....	90 <u>92</u>
Section 2.15 Fees.....	90 <u>92</u>
Section 2.16 Payments.....	90 <u>92</u>
Section 2.17 Advancements.....	90 <u>92</u>
Section 2.18 Co-Borrower Provisions.....	91 <u>92</u>
2.18.1 Borrower Representative.....	91 <u>92</u>
2.18.2 Subordination.....	91 <u>93</u>
2.18.3 Postponement of Subrogation.....	91 <u>93</u>
2.18.4 No Discharge.....	92 <u>93</u>
2.18.5 Waivers.....	92 <u>94</u>
2.18.6 Cross-Guaranty, Joint and Several Liability of Co-Borrowers.....	92 <u>94</u>
2.18.7 Obligations Among Loan Parties.....	93 <u>95</u>
Section 2.19 Swap Obligations; Keepwell.....	94 <u>95</u>
Section 2.20 Acknowledgment and Consent to Bail-In of Affected Financial Institutions.....	94 <u>96</u>
Section 2.21 Reserves.....	95 <u>96</u>
Section 2.22 Increase in Commitments.....	95 <u>97</u>
ARTICLE 3 REPRESENTATIONS AND WARRANTIES.....	97 <u>99</u>
Section 3.01 Organization and Qualification.....	97 <u>99</u>
Section 3.02 Capitalization and Ownership.....	97 <u>99</u>
Section 3.03 Subsidiaries.....	98 <u>99</u>
Section 3.04 Power and Authority.....	98 <u>100</u>
Section 3.05 Validity and Binding Effect.....	98 <u>100</u>
Section 3.06 No Conflict.....	98 <u>100</u>
Section 3.07 Litigation.....	98 <u>100</u>
Section 3.08 Financial Statements; Financial Projections.....	99 <u>100</u>
3.08.1 Financial Statements.....	99 <u>100</u>
3.08.2 Books and Records.....	99 <u>100</u>
3.08.3 Absence of Material Liability.....	99 <u>101</u>
3.08.4 Financial Projections.....	99 <u>101</u>
Section 3.09 Margin Stock.....	99 <u>101</u>
Section 3.10 Full Disclosure.....	99 <u>101</u>
Section 3.11 Tax Returns and Payments.....	100 <u>101</u>
Section 3.12 Consents and Approvals.....	100 <u>102</u>
Section 3.13 No Event of Default; Compliance with Instruments.....	100 <u>102</u>
Section 3.14 Compliance with Laws.....	100 <u>102</u>
Section 3.15 ERISA Compliance.....	100 <u>102</u>
3.15.1 Plans and Contributions.....	100 <u>102</u>
3.15.2 Pending Claims.....	100 <u>102</u>
3.15.3 ERISA Events.....	101 <u>102</u>
Section 3.16 Title to Properties.....	101 <u>102</u>
Section 3.17 Insurance.....	101 <u>103</u>
Section 3.18 Employment Matters.....	101 <u>103</u>

Section 3.19. Solvency.....	+01 103
Section 3.20 Material Contracts; Burdensome Restrictions.....	+01 103
Section 3.21 Patents, Trademarks, Copyrights, Licenses, Etc.....	+02 103
Section 3.22 Liens.....	+02 104
Section 3.23. Environmental Compliance.....	+02 104
Section 3.24. Anti-Corruption; Anti-Terrorism.....	+03 105
Section 3.25. Affected Financial Institution.....	+03 105
Section 3.26. Beneficial Ownership.....	+03 105
Section 3.27. Covered Entities.....	+03 105
ARTICLE 4 CONDITIONS PRECEDENT.....	+03 105
Section 4.01. Conditions to Closing.....	+03 105
4.01.1. Closing Submissions.....	+03 105
4.01.2. Fees.....	+05 107
4.01.3. Credit Party Expenses.....	+05 107
4.01.4 No Material Adverse Change.....	+05 107
Section 4.02. Conditions To Advances Of Proceeds Of Loans And Issuance Of Letters Of Credit After Closing Date..	+06 108
4.02.1. Representations And Warranties.....	+06 108
4.02.2. Absence Of Defaults And Events Of Default.....	+06 108
4.02.3. No Material Adverse Changes.....	+06 108
4.02.3. Loan Request.....	+06 108
ARTICLE 5 AFFIRMATIVE COVENANTS.....	+06 108
Section 5.01. Payment and Performance.....	+07 108
Section 5.02. Insurance.....	+07 108
Section 5.03. Collection Of Accounts; Sale Of Inventory.....	+07 109
Section 5.04. Notice Of Litigation And Proceedings.....	+07 109
Section 5.05. Payment Of Liabilities To Third Persons.....	+07 109
Section 5.06. Notice Of Change Of Business Location Or Of Jurisdiction of Organization; Notice of Name Change.....	+07 109
Section 5.07. Payment Of Taxes.....	+08 109
Section 5.08. Notice Of Events Affecting Collateral; Compromise Of Receivables; Returned Or Repossessed Goods.....	+08 110
Section 5.09. Reporting Requirements.....	+08 110
5.09.1 [Reserved] +08 Monthly Liquidity Certificate.....	110
5.09.2. Monthly Financial Statements.....	+08 110
5.09.3. Annual Financial Statements.....	+08 110
5.09.4. Management Letters.....	+09 111
5.09.5. Compliance Certificate.....	+09 111
5.09.6. Reports To Other Creditors.....	+09 111
5.09.7. Management Changes.....	+09 111
5.09.8. Projections.....	+09 111
5.09.9. Notice of Defaults and Events of Default.....	+09 111
5.09.10. ERISA Event.....	+09 111
5.09.11. SEC Filings.....	+09 111
5.09.12. Beneficial Ownership.....	+10 112
5.09.13. General Information.....	+10 112
5.09.14. Borrowing Base Certificates.....	+10 112
5.09.14. Notice and Consent Coliseum.....	112

Section 5.10. Preservation of Existence, Etc.....	110 113
Section 5.11. Maintenance of Assets and Properties.....	111 113
Section 5.12. Compliance with Laws.....	111 113
Section 5.13. Inspection Rights.....	111 113
Section 5.14. Environmental Matters.....	111 113
Section 5.15. Additional Subsidiaries.....	111 114
5.15.1. Subsidiaries.....	111 114
5.15.2. [Reserved].....	112 114
5.15.3. Joinder of Additional Borrowers.....	112 114
Section 5.16. Deposit and Operating Accounts.....	112 115
Section 5.17. Landlord Waivers.....	112 115
Section 5.18. Post-Closing Deliverables.....	113 115
Section 5.05. UCC and Floor Plan Units; Repurchase Agreements.....	113 115
Section 5.19. Further Assurances.....	113 115
Section 5.20. Delivery of Floor Plan Unit Titles and Vehicle Title Documentation.....	113 115
Section 5.22. Designation of Subsidiaries.....	114 116
ARTICLE 6 NEGATIVE COVENANTS.....	114 117
Section 6.01. Liens.....	115 117
Section 6.02. Investments And Loans.....	115 117
Section 6.03. Indebtedness.....	116 118
Section 6.04. Fundamental Changes.....	117 119
Section 6.05. Dispositions.....	118 120
Section 6.06. Restricted Payments.....	118 121
Section 6.07. Change in Nature Of Business.....	119 122
Section 6.08. Transactions With Affiliates.....	119 122
Section 6.09. Burdensome Agreements; Negative Pledges.....	120 122
Section 6.10. Use Of Proceeds.....	120 122
Section 6.10. Tax Consolidation.....	120 122
Section 6.12. Maximum Total Net Leverage Ratio.....	120 122
Section 6.13. Minimum Consolidated Fixed Charge Coverage Ratio.....	120 123
Section 6.14. Minimum Consolidated Current Ratio.....	120 123
Section 6.15. Anti-Money Laundering/International Trade Law Compliance.....	120 123
Section 6.16. Amendments to Amended Charter, Securities Purchase Agreement, or Certificate of Designations.....	121 123
Section 6.17. Capital Expenditures.....	121 124
Section 6.18. Minimum Consolidated EBITDA.....	124
Section 6.19. Minimum Liquidity.....	124
Section 6.20. Ratio Adjustment Period.....	125
ARTICLE 7 EVENTS OF DEFAULT.....	121 125
Section 7.01. Failure To Pay.....	121 125
Section 7.02. Violation Of Covenants.....	121 125
Section 7.03. Representation Or Warranty.....	121 125

Section 7.04. Cross Default.....	122 126
Section 7.05. Judgments.....	122 126
Section 7.06. Levy By Judgment Creditor.....	122 126
Section 7.07. Involuntary Insolvency Proceedings.....	122 126
Section 7.08. Voluntary Insolvency Proceedings.....	122 126
Section 7.09. Attempt To Terminate Or Limit Guaranties.....	122 126
Section 7.10. ERISA.....	122 127
Section 7.11. Injunction.....	123 127
Section 7.12. Invalidity of Credit Documents.....	123 127
Section 7.13. Invalidity of Security Documents.....	123 127
Section 7.14. Licenses and Agreements.....	123 127
Section 7.15. Change In Control.....	123 127
ARTICLE 8 RIGHTS AND REMEDIES OF CREDIT PARTIES ON THE OCCURRENCE OF AN EVENT OF DEFAULT.....	123 127
Section 8.01. Credit Parties' Specific Rights And Remedies.....	123 127
Section 8.02. Automatic Acceleration.....	124 128
Section 8.03. Consent To Appointment Of Receiver.....	124 128
Section 8.04. Remedies Cumulative.....	124 128
Section 8.05. Application Of Funds.....	124 128
Section 8.06. Cash Collateral Account.....	125 129
ARTICLE 9 THE ADMINISTRATIVE AGENT.....	126 130
Section 9.01. Appointment.....	126 130
Section 9.02. Exculpatory Provisions.....	126 130
9.02.1. No Fiduciary, Discretionary or Implied Duties.....	126 130
9.02.2. No Liability for Certain Actions.....	127 131
9.02.3. Knowledge.....	127 131
9.02.4. No Duty to Inquire.....	127 131
Section 9.03. Reliance by Administrative Agent.....	127 131
Section 9.04. Delegation of Duties.....	127 131
Section 9.05. Resignation of Administrative Agent.....	128 132
Section 9.06. Non-Reliance on Administrative Agent and Other Lenders.....	128 132
Section 9.07. Administrative Agent May Hold Collateral For Lenders and Others.....	128 133
Section 9.08. The Administrative Agent In Its Individual Capacity.....	129 133
Section 9.09. Administrative Agent May File Proofs of Claim.....	129 133
Section 9.10. Collateral and Guaranty Matters.....	129 134
Section 9.11. No Reliance on Administrative Agent's Customer Identification Program.....	130 134
Section 9.12. No Other Duties, Etc.....	130 134
Section 9.13. Erroneous Payments.....	130 134
Section 9.14. Indemnification of Administrative Agent.....	132 136
ARTICLE 10 MISCELLANEOUS.....	133 137
Section 10.01. Waivers and Amendments.....	133 137
Section 10.02. Successors and Assigns.....	135 139
10.02.1. Successors and Assigns Generally.....	135 139
10.02.2. Assignments By Lenders.....	135 139
10.02.3. Certain Additional Payments.....	136 140
10.02.4. Register.....	136 140

10.02.5. Procedures for Implementing Lender Assignments.....	136 141
10.02.6. Cashless Settlements.....	137 141
Section 10.03. Participations.....	137 141
Section 10.04. Pledges.....	138 142
Section 10.05. Resignation Of Issuing Bank And Swingline Lender...	138 142
Section 10.06. No Advisory or Fiduciary Responsibility.....	138 142
Section 10.07. Right of Setoff.....	139 143
Section 10.08. Expenses; Indemnity; Damage Waiver.....	139 143
10.08.1. Costs and Expenses.....	139 143
10.08.2. Indemnification by the Borrowers.....	139 144
10.08.3. Reimbursement by Lenders.....	140 144
10.08.4. Waiver of Consequential Damages, Etc.....	140 145
10.08.5. Payments.....	141 145
10.08.6. Survival.....	141 145
Section 10.09. Course of Conduct.....	141 145
Section 10.10. Notices; Effectiveness; Electronic Communication.	141 146
10.10.1. Notices Generally.....	141 146
10.10.2. Electronic Communications.....	142 146
10.10.3. Change of Address, etc.....	142 147
10.10.4. Platform.....	142 147
Section 10.11. Treatment of Certain Information; Confidentiality	143 147
Section 10.12. Counterparts And Integration.....	143 148
Section 10.13. Electronic Execution.....	144 148
Section 10.14. Severability.....	144 148
Section 10.15. Survival.....	144 148
Section 10.16. Time.....	144 149
Section 10.17. Advertisement.....	144 149
Section 10.18. Acknowledgments.....	145 149
Section 10.19. Governing Law.....	145 149
Section 10.20. Jurisdiction.....	145 149
Section 10.21. Venue.....	145 150
Section 10.22. Service Of Process.....	145 150
Section 10.23. Waiver of Jury Trial.....	145 150
Section 10.24. USA Patriot Act Notice.....	146 150

Section 10.25.

Section 10.25.

Acknowledgement Regarding Any Supported QFCs

Acknowledgement Regarding Any Supported QFCs

~~146~~[150](#)

SCHEDULES

Schedule 1.01 Lenders and Commitments
Schedule 1.01(a) Borrowers
Schedule 1.01(b) Concentrated Customers
Schedule 1.02 Existing Letters of Credit
Schedule 1.03 Preferred Stockholders
Schedule 1.04 Facilities
Schedule 1.05 Liens
Schedule 3.20 Material Contracts
Schedule 5.18 Post-Closing Deliverables
Schedule 5.22 Designated Real Estate Subsidiaries
Schedule 6.02(b) Investments
Schedule 6.02(h) Real Estate Investments
Schedule 6.03 Indebtedness

EXHIBITS

Exhibit A Form of Assignment And Assumption
Exhibit B Form of Compliance Certificate
Exhibit C Form of Floor Plan Loan Note
Exhibit D Form of Lender Addendum
Exhibit E Form of Revolving Credit Note
Exhibit F Form of Swingline Note
Exhibit G ~~Reserved~~ [Form of Liquidity Certificate](#)
Exhibit H Form of Loan Request
Exhibit IA [Reserved]
Exhibit IB Form of Notice of Election (Revolving Credit Loans)
Exhibit IC Form of Notice of Election (Floor Plan Loans)
Exhibit J-1 Form of Certificate pursuant to §881(c)
Exhibit J-2 Form of U.S. Tax Compliance Certificate
Exhibit J-3 Form of U.S. Tax Compliance Certificate
Exhibit J-4 Form of U.S. Tax Compliance Certificate
Exhibit K Form of Joinder Agreement and Counterpart
Exhibit L Form of Borrowing Base Certificate

SECOND AMENDED AND RESTATED CREDIT AGREEMENT

THIS SECOND AMENDED AND RESTATED CREDIT AGREEMENT is dated to be effective as of February 21, 2023, by and between LDRV HOLDING CORP., a Delaware corporation ("LDRV"), LAZYDAYS RV AMERICA, LLC, LAZYDAYS RV DISCOUNT, LLC, and LAZYDAYS MILE HI RV, LLC, each a Delaware limited liability company (together with LDRV and each Subsidiary of LDRV identified on the signature pages hereto as a "Borrower", each a "Borrower" and, collectively, the "Borrowers"), each lender from time to time that is a party hereto (each a "Lender" and collectively, the "Lenders"), and MANUFACTURERS AND TRADERS TRUST COMPANY, a New York banking corporation, as Administrative Agent, Swingline Lender and Issuing Bank.

RECITALS:

The Borrowers, certain of the Lenders (the "Existing Lenders") and Manufacturers and Traders Trust Company, as administrative agent, are parties to that certain Amended and Restated Credit Agreement, dated as of July 14, 2021, (as amended, modified or supplemented from time to time through the date hereof, the "Existing Credit Agreement").

The Borrowers have requested that the Existing Lenders and the Administrative Agent amend and restate the Existing Credit Agreement and the Lender establish (a) a floor plan line of credit facility in an aggregate amount of up to \$525,000,000.00 and (b) a revolving credit facility in an aggregate amount of up to \$50,000,000.00 in favor of the applicable Borrowers, in each case on the terms and conditions of this Agreement.

Subject to the terms and conditions of this Agreement, the Existing Lenders and the Administrative Agent are willing to amend and restate the Existing Credit Agreement, and the Lenders, to the extent of their respective Commitments as defined herein, are willing severally to establish the requested floor plan line of credit facility and revolving credit facility, in favor of the applicable Borrowers, in each case on the terms and conditions of this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and agreements hereinafter set forth, and other valuable consideration, and intending to be legal bound hereby, the parties hereby covenant and agree as follows:

ARTICLE 1 CERTAIN DEFINITIONS; RULES OF CONSTRUCTION

Section 1.01. *Certain Definitions.* In addition to the terms defined elsewhere in this Agreement, the following terms shall have the following meanings, respectively, unless the context hereof clearly requires otherwise:

"Account" means any "account" within the meaning of that term under the Uniform Commercial Code.

"Account Debtor" means any "account debtor" within the meaning of that term under the Uniform Commercial Code, including any Person who is obligated to pay an Account.

"Additional Lender" means, at any time, any Person that, in any case, is not an existing Lender but, in any event, is an "Eligible Assignee" and agrees to provide any portion of any Facility Increase in accordance with Section 2.22.

"Adjusted Base Rate" means that rate of interest equal to the Base Rate plus the Applicable Margin.

"Adjusted Base Rate Borrowing" means each amount of the unpaid principal balance of a Loan which accrues interest at the Adjusted Base Rate.

"Adjusted Daily SOFR Borrowing" means each unpaid principal balance of a Loan which accrues interest at the Adjusted Daily SOFR Rate.

"Adjusted Daily SOFR Rate" means with respect to the unpaid principal balances of the Floor Plan Loans, that rate per annum that is equal to the sum of: (a) the Daily SOFR Rate; plus (b) the Applicable Margin.

"Adjusted SOFR Rate" means for any SOFR Borrowing for any Interest Period, an interest rate per annum that is equal to the sum of the SOFR Rate for such Interest Period plus the Applicable Margin.

"Adjusted SOFR Rate Borrowing" means each unpaid principal balance of a Loan which accrues interest at the Adjusted SOFR Rate.

"Adjusted Term SOFR" means, for purposes of any calculation, the rate per annum equal to (a) Term SOFR for such calculation plus (b) the SOFR Spread Adjustment; provided that if Adjusted Term SOFR as so determined shall ever be less than the Floor, then Adjusted Term SOFR shall be deemed to be the Floor.

"Administrative Agent" means M&T Bank, in its capacity as Administrative Agent for the Lenders in accordance with this Agreement, and its successors and assigns in such capacity as authorized by the terms of this Agreement.

"Affected Financial Institution" means (a) any EEA Financial Institution or (b) any UK Financial Institution.

"Affiliate" means, with respect to a specified 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.

"Agent Parties" has the meaning provided to such term in Section 10.10.4 of this Agreement.

"Agreement" means this Credit Agreement, as it may be amended or modified from time to time, together with all schedules and exhibits hereto.

"Amended Charter" means (i) the Amended and Restated Certificate of Incorporation attached as Exhibit A to the Certificate of Merger of Andina Acquisition Corp. II and Andina II Holdco Corp. dated March 15, 2018, and filed with the office of the Secretary of State for the State of Delaware on March 15, 2018, and including the Certificate of Designations, and (ii) the Amended and Restated Certificate of Incorporation attached as Exhibit A to the Certificate of Merger of Laz Days' R.V. Center, Inc. and Andina II Merger Sub, Inc. dated March 15, 2018 and as filed with the office of the Secretary of State for the State of Delaware on March 15, 2018.

"Anti-Corruption Laws" means all applicable Laws of any jurisdiction concerning or relating to bribery or corruption, including without limitation, the Foreign Corrupt Practices Act of 1977.

"Anti-Terrorism Laws" means any Laws of the United States relating to terrorism or money laundering (including the U.S. Foreign Corrupt Practices Act of 1977) and any regulation, order (including executive orders), or directive promulgated, issued or enforced pursuant to such Laws.

"Applicable Credit Facility" means the Floor Plan Facility and the Revolving Credit Facility, as the context may require.

"Applicable Curtailment Date" means, with respect to any Floor Plan Vehicle or Unit and a Floor Plan Loan relating to such Floor Plan Vehicle or Unit, the date that a curtailment payment is due based on the following methodology: The phrase "Applicable Curtailment Date" is typically followed by

a numeral, which represents the number of days after the Applicable Starting Date for the Floor Plan Vehicle or Unit. For example, "Applicable Curtailment Date 365" refers initially to a date (a "Target Date") that is 365 days after the date of the Applicable Starting Date for the Floor Plan Vehicle or Unit. However, the Target Date is not necessarily the actual payment date. The actual curtailment payment date is the tenth (10th) day of the month following the calendar month that contains the Target Date. Again, as an example, if the Applicable Starting Date for a Floor Plan Vehicle or Unit was January 20, 2023, then "Applicable Curtailment Date 365" for that unit would be the tenth (10th) day in February 2024.

"Applicable Margin" has the following meanings with respect to the Applicable Credit Facility:

(a) with respect to the Revolving Credit Facility, Applicable Margin means, from time to time, the following percentages corresponding to the Total Net Leverage Ratio in effect as of the most recent Calculation Date:

<u>Tier Level</u>	<u>Total Net Leverage Ratio</u>	<u>Applicable Rate For SOFR Borrowings</u>	<u>Applicable Rate For Base Rate Borrowings</u>
<u>1</u>	<u>$3.00 < X$</u>	<u>3.25%</u>	<u>2.25%</u>
2	$2.50 \leq X < 3.00$	2.90%	1.90%
3	$2.00 \leq X < 2.50$	2.65%	1.65%
4	$1.50 \leq X < 2.00$	2.40%	1.40%
5	$X < 1.50$	2.15%	1.15%

(b) with respect to the Floor Plan facility, Applicable Margin means, from time to time, the following percentages corresponding to the Total Net Leverage Ratio in effect as of the most recent Calculation Date:

<u>Tier Level</u>	<u>Total Net Leverage Ratio</u>	<u>Applicable Rate For SOFR Borrowings</u>	<u>Applicable Rate For Base Rate Borrowings</u>
<u>1</u>	<u>$3.00 < X$</u>	<u>2.40%</u>	<u>1.40%</u>
2	$2.00 \leq X < 3.00$	2.05%	1.05%
3	$1.50 \leq X < 2.00$	2.00%	1.00%
4	$X < 1.50$	1.90%	0.90%

For the Floor Plan Facility, the ~~initial~~ Applicable Margin commencing on the First Amendment Effective Date shall be based on Tier Level ~~3~~1. For the Revolving Credit Facility, the ~~initial~~ Applicable Margin commencing on the First Amendment Effective Date shall be based on Tier Level ~~4~~1. Beginning with the Calculation Date immediately following the Fiscal Quarter of the Borrowers ending on March 31, ~~2023~~2024 and after each consecutive Fiscal Quarter thereafter, the Applicable Margin shall be determined and adjusted by the then current Total Net Leverage Ratio as determined in accordance with the quarterly Compliance Certificates to be provided by the Borrowers in accordance with this Agreement. If the Borrowers fail to timely provide a Compliance Certificate for any Fiscal Quarter of the Borrowers as required by and within the time limitations set forth in this Agreement, the Applicable Margin from the applicable date of such failure shall be based on Tier Level 1 until five (5) Business Days after a Compliance Certificate has been provided, whereupon the applicable Tier Level shall be determined by the Total Net Leverage Ratio set forth in such Compliance Certificate. Except as set forth above, each Applicable Margin shall be effective from a Calculation Date until the next Calculation Date. If, as a result of any restatement of or other adjustment to the financial statements of the Borrowers and their Subsidiaries or for any other reason, the Borrowers or the Lender determine that (a) the Total Net Leverage Ratio (or any component thereof) as calculated by the Borrowers as of any applicable date was inaccurate, and (b) a proper calculation would have resulted in higher pricing for such period, the Borrowers shall immediately and retroactively be obligated to pay to the Administrative Agent for the

account of the applicable Lenders or the Issuing Bank promptly on demand by Administrative Agent (or, after the occurrence of an actual or deemed entry of an order for relief with respect to the Borrowers under the Bankruptcy Code, automatically and without further action by Administrative Agent, any Lender or the Issuing Bank), an amount equal to the excess of the amount of interest and fees that should have been paid for such period over the amount of interest and fees actually paid for such period. The obligations of the Borrowers to make such payment shall survive the termination of the Commitments and the repayment of all other Obligations hereunder.

"Applicable Starting Date" means, with respect to any Eligible New Floor Plan Unit, Permitted Company Vehicle, or Eligible Used Floor Plan Unit, the date of the original borrowing of Floor Plan Loans for such Floor Plan Vehicle or Unit. For the avoidance of doubt, if an M&T Advance is made with respect to any such Floor Plan Vehicle or Unit, the Applicable Starting Date shall be the date of such M&T Advance.

"Approved Fund" means a Fund that is administered or managed by (a) a Lender, (b) an Affiliate of a Lender, or (c) an entity or an Affiliate of an entity that administers or manages a Lender.

"Arranger" means M&T Bank, in its capacity as arranger.

"Assignment And Assumption" means an Assignment And Assumption entered into by a Lender and an Eligible Assignee, and accepted by the Administrative Agent, substantially in the form of Exhibit A or any other form approved by the Administrative Agent.

"Attributable Indebtedness" means, on any date, (a) in respect of any Capital Lease of any Person, the capitalized amount thereof that would appear on a balance sheet of such Person prepared as of such date in accordance with GAAP, and (b) in respect of any Synthetic Lease Obligation, the capitalized amount of the remaining lease payments under the relevant lease that would appear on a balance sheet of such Person prepared as of such date in accordance with GAAP if such lease were accounted for as a Capital Lease.

"Authorized Officer" means, with respect to any Person (other than a natural Person), any officer, partner, member, manager or other representative authorized to act on behalf of such Person and shall include, with respect to any Loan Party, those Persons duly designated as such in any incumbency certificates delivered to the Administrative Agent from time to time.

"Available Tenor" means, as of any date of determination and with respect to the then-current Benchmark, as applicable, (x) if such Benchmark is a term rate, any tenor for such Benchmark (or component thereof) that is or may be used for determining the length of an interest period pursuant to this Agreement or (y) otherwise, any payment period for interest calculated with reference to such Benchmark (or component thereof) that is or may be used for determining any frequency of making payments of interest calculated with reference to such Benchmark, in each case, as of such date.

"Availability" means, as of any applicable date, the amount by which the Line Cap at such time exceeds the aggregate amount of the Revolving Credit Exposure on such date.

"Availability Period" means:

- (a) in the case of the Floor Plan Facility, the period from and including the Closing Date to the earliest of (i) the Floor Plan Line of Credit Termination Date, (ii) the date of termination of all of the Floor Plan Commitments pursuant to Section 2.01.16, and (iii) the date of termination of the Floor Plan Commitments pursuant to Section 8.01; or
- (b) in the case of the Revolving Credit Facility, the period from and including the Closing Date to the earliest of (i) the Revolving Credit Termination Date, (ii) the date of termination of all Revolving Credit Commitments pursuant to Section 2.03.6, and (iii) the date of termination of the Revolving Credit Commitments pursuant to Section 8.01.

"Bail-In Action" means the exercise of any Write-Down and Conversion Powers by the applicable Resolution Authority in respect of any liability of an Affected Financial Institution.

"Bail-In Legislation" means, (a) with respect to any EEA Member Country implementing Article 55 of Directive 2014/59/EU of the European Parliament and of the Council of the European Union, the implementing law for such EEA Member Country from time to time which is described in the EU Bail-In Legislation Schedule and (b) with respect to the United Kingdom, Part I of the United Kingdom Banking Act 2009 (as amended from time to time) and any other law regulation or rule applicable in the United Kingdom relating to the resolution of unsound or failing banks, investment firms or other financial institutions or their affiliates (other than through liquidation, administration or other insolvency proceedings).

"Bank Products" means any one or more of the following types of services or facilities extended to any of the Loan Parties by any Credit Party or Affiliate of a Credit Party: (a) Automated Clearing House (ACH) transactions and other similar money transfer services; (b) cash management, lockbox service; controlled disbursement accounts, treasury management arrangements, and other similar services; (c) the establishment and maintenance of depository accounts; (d) credit cards, debit cards, purchase cards, or stored value cards; (e) merchant services; (f) foreign currency exchange; and (g) other similar or related bank products and services.

"Bankruptcy Code" means the bankruptcy code of the United States of America codified in Title 11 of the United States Code, as from time to time amended or supplemented.

"Base Rate" means, for any day, the fluctuating rate per annum equal to the highest of (a) the Prime Rate for such day, (b) the Federal Funds Rate in effect on such day plus fifty (50) Basis Points, and (c) the one-month Adjusted Term SOFR Rate, determined on a daily basis, plus one hundred (100) Basis Points provided that to the extent such highest rate as calculated above shall, at any time, be less than zero percent (0.00%), such rate shall be deemed to be zero percent (0.00%) for all purposes herein. Any change in the Base Rate shall be effective on the opening of business on the day of such change.

"Base Rate Loan" means a Loan that bears interest based on the Base Rate.

"Basis Point" means one one-hundredth (.01) of one percent.

"Benchmark" means the Term SOFR Reference Rate or any subsequent Benchmark Replacement that has become effective hereunder.

"Benchmark Replacement" means the first alternative set forth in the order below that is applicable (based on the applicability restrictions below) and can be determined by the Administrative Agent for the applicable Benchmark Replacement Date:

- (1) the sum of: (a) Daily Simple SOFR and (b) the related Benchmark Replacement Adjustment;
- (2) the sum of: (a) the alternate benchmark rate that has been selected by the Administrative Agent and the Borrower Representative as the replacement for the then-current Benchmark giving due consideration to (i) any selection or recommendation of a replacement rate or the mechanism for determining such a rate by the Relevant Governmental Body or (ii) any evolving or then-prevailing market convention for determining a rate of interest as a replacement for the then-current Benchmark for U.S. dollar-denominated syndicated credit facilities at such time and (b) the related Benchmark Replacement Adjustment;

provided that, if the Benchmark Replacement as so determined would be less than the Floor, such Benchmark Replacement will be deemed to be the Floor for the purposes hereof.

"Benchmark Replacement Adjustment" means with respect to any replacement of the then-current Benchmark with an Unadjusted Benchmark Replacement for any applicable Available Tenor, the spread adjustment, or method for calculating or determining such spread adjustment, (which

may be a positive or negative value or zero) that has been selected by the Administrative Agent in consultation with the Borrower Representative, giving due consideration to (i) any selection or recommendation of a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement by the Relevant Governmental Body or (ii) any evolving or then-prevailing market convention for determining spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement for U.S. dollar-denominated syndicated credit facilities at such time.

"Benchmark Replacement Conforming Changes" means with respect to any Benchmark Replacement, any technical, administrative or operational changes (including changes to the definition of "Base Rate," the definition of "Business Day," the definition of "Interest Period" or any similar or analogous definition (or the addition of a concept of "interest period"), the definition of "U.S. Government Securities Business Day," timing and frequency of determining rates and making payments of interest, timing of borrowing requests or prepayment, conversion or continuation notices, length of lookback periods, the applicability of breakage provisions and other technical, administrative or operational matters) that the Administrative Agent decides in its reasonable discretion may be appropriate to reflect the adoption and implementation of such Benchmark Replacement and to permit the administration thereof by the Administrative Agent in a manner substantially consistent with market practice (or, if the Administrative Agent decides that adoption of any portion of such market practice is not administratively feasible or if the Administrative Agent determines that no market practice for the administration of such Benchmark Replacement exists, in such other manner of administration as the Administrative Agent decides is reasonably necessary in connection with the administration of this Agreement and the other Credit Documents).

"Benchmark Replacement Date" means the earlier to occur of the following events with respect to the then-current Benchmark:

(I) in the case of clause (a) of the definition of "Benchmark Transition Event," the later of (i) the date of the public statement or publication of information referenced therein and (ii) the date on which the administrator of the Benchmark permanently or indefinitely ceases to provide the Benchmark; or

(b) in the case of clause (b) of the definition of "Benchmark Transition Event," the later of (i) the date of the public statement or publication of information referenced therein, and (ii) the announced or stated date as of which all applicable tenors of such Benchmark will no longer be representative.

"Benchmark Transition Event" means, with respect to any then-current Benchmark, the occurrence of a public statement or publication of information by or on behalf of the administrator of the then-current Benchmark, the regulatory supervisor for the administrator of such Benchmark, the Board of Governors of the Federal Reserve System, the Federal Reserve Bank of New York, an insolvency official with jurisdiction over the administrator for such Benchmark, a resolution authority with jurisdiction over the administrator for such Benchmark or a court or an entity with similar insolvency or resolution authority over the administrator for such Benchmark, announcing or stating that (a) such administrator has ceased, or will cease on a specified date, to provide such Benchmark (or all tenors of such Benchmark applicable to the loan evidenced hereby), permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any applicable tenors of such Benchmark or (b) all applicable tenors of such Benchmark are or as of a specified date will no longer be representative of the underlying market and economic reality that such Benchmark is intended to measure and indicating that representativeness will not be restored.

"Benchmark Unavailability Period" means the period (if any) (x) beginning at the time that a Benchmark Replacement Date has occurred if, at such time, no Benchmark Replacement has replaced the then-current Benchmark for all purposes hereunder and under any Credit Documents in accordance with Section 2.07.10 and (y) ending at the time that a Benchmark Replacement has replaced the then-current Benchmark for all purposes hereunder and under any Credit Document in accordance with Section 2.07.10.

"*Beneficial Ownership Certification*" means a certification regarding beneficial ownership as required by the Beneficial Ownership Regulation.

"*Beneficial Ownership Regulation*" means 31 C.F.R. § 1010.230.

"*Borrower*" means each of the entities set forth in the preamble to this Agreement and identified as a Borrower and "*Borrowers*" means all of such entities.

"*Borrower Pro Rata Share*" means the amount of proceeds of the Loans advanced to or for the benefit of a Borrower, including without limitation the refinancing of existing Indebtedness for which such Borrower is an obligor.

"*Borrower Representative*" means LDRV, and any successor thereto as appointed by all of the Borrowers.

"*Borrowing*" means, as the context requires, a (a) Floor Plan Borrowing, (b) M&T Advance or (c) a Revolving Borrowing.

"*Borrowing Base*" means an amount equal to:

- (1) 100% of the New Unit Invoiced Amount of all Eligible New Floor Plan Units and Permitted Company Vehicles; plus
- (2) 85% of the Used Unit Book Value of all Eligible Used Floor Plan Units that are the then-current model year or any of the previous seven model years; plus
- (3) 65% of the Used Unit Book Value of all Eligible Used Floor Plan Units that are any of the previous eighth, ninth or tenth model years; plus
- (4) 40% of the Used Unit Book Value of all Eligible Used Floor Plan Units that are any of the previous eleventh and twelfth model years; plus
- (5) the face amount of Eligible Contracts in Transit multiplied by 100%; plus
- (6) the face amount of Eligible Accounts multiplied by 80%;
- (7) the Value of Eligible Inventory multiplied by 50%;
- (8) the net book value of the Eligible Equipment multiplied by 40%; plus
- (9) 50% of Unrestricted Cash and Equivalents; minus
- (10) the then-amount of all Reserves.

"*Borrowing Base Certificate*" has the meaning provided to such term in Section 5.09.14.

"*Borrowing Base Test Date*" means (i) the last day of each calendar month for which a Borrowing Base Certificate has been delivered in accordance with Section 5.09.14, and (ii) if the Borrower Representative either (x) voluntarily has delivered a Borrowing Base Certificate (including in connection with a Permitted Acquisition) or (y) is requesting a Borrowing or an issuance of a Letter of Credit in accordance with Section 4.02.4, as of the last day of the calendar month ended at least fourteen (14) days (or such lesser number of days as the Borrower Representative may elect in its discretion) prior to the date on which such Borrowing Base Certificate was delivered.

"*Borrowing Date*" means any Business Day on which the Borrowers have requested that the Lenders advance proceeds of the Floor Plan Loans or Revolving Credit Loans, that M&T advances

proceeds of the M&T Advances, or that the Swingline Lender advances proceeds of the Swingline Loans, as the case may be, to or for the account of the Borrowers.

"*Business Day*" means any day other than a Saturday, Sunday or other day on which commercial banking institutions in New York, New York are authorized or required by law or other governmental action to remain closed for business.

"*Calculation Date*" means each of the dates upon which the Applicable Margins are to be determined and adjusted, which adjustments shall be made quarterly on the date occurring five (5) Business Days after the date on which the Administrative Agent receives the quarterly Compliance Certificate in accordance with the provisions of this Agreement, or otherwise as required by the terms of this Agreement.

"*Capital Expenditures*" means for any Person for any period of determination thereof, (a) all net expenses incurred during such period by such Person in connection with capital replacements, additions, renewals or improvements to any of the capital assets of such Person which are required to be capitalized on the books and accounts of such Person in accordance with GAAP, and (b) the amount of Capital Lease Obligations paid by such Person during such period; provided, however: Capital Expenditures shall not include (i) expenditures for fixed assets acquired in connection with a Permitted Acquisition, (ii) the acquisition of any Permitted Company Vehicles if such Permitted Company Vehicles are financed with Floor Plan Loans; (iii) amounts spent on property acquisition or development to be funded by lessors or real property leases, or (iv) amounts spent on acquired or developed assets which are in the process of being financed or are financed within nine (9) months of having been acquired or developed.

"*Capitalized Rents*" means, as of any date of determination, the total amount of all operating rents and leases due for the Measurement Period multiplied by a factor of eight (8).

"*Capital Lease*" means, with respect to any Person, any lease by that Person which requires such Person to concurrently recognize the acquisition of an asset and the incurrence of a liability in accordance with GAAP.

"*Capital Lease Obligations*" means, with respect to any Person and a Capital Lease, the amount of the obligations of such Person as the lessee under such Capital Lease that would, in accordance with GAAP, appear as a liability on a balance sheet of such Person.

"*Capital Stock*" means (a) in the case of a corporation, capital stock, (b) in the case of an association or business entity, any and all shares, interests, participations, rights or other equivalents (however designated) of capital stock, (c) in the case of a partnership, partnership interests (whether general or limited), (d) in the case of a limited liability company, membership interests, and (e) any other interest or participation that confers on a Person the right to receive a share of the profits and losses of, or distributions of assets of, the issuing Person.

"*Cash Collateral Account*" means a special deposit account maintained by the Administrative Agent, for the benefit of the Administrative Agent, the Issuing Bank and the Revolving Credit Lenders, and under the Administrative Agent's sole dominion and control.

"*Cash Collateralize*" means, to pledge and deposit with or deliver to the Administrative Agent, for the benefit of the M&T Bank, in its capacity as lender of the M&T Advances, the Issuing Bank and/or Lenders, as collateral for Obligations in respect of M&T Advances, L/C Obligations or obligations of Lenders to fund participations in respect of L/C Obligations, or as otherwise required under this Agreement with respect to other Obligations, cash or deposit account balances or, if M&T Bank, the Administrative Agent and the Issuing Bank shall agree in their sole discretion, other credit support, in each case pursuant to documentation in form and substance satisfactory to M&T Bank, the Administrative Agent and the Issuing Bank. "*Cash Collateral*" shall have a meaning correlative to the foregoing and shall include the proceeds of such cash collateral and other credit support.

"Cash Equivalents" means (a) securities issued or directly and fully guaranteed or insured by the United States Government or any agency or instrumentality thereof having maturities of not more than one year from the date of acquisition, (b) time deposits, certificates of deposit and Eurodollar time deposits with maturities of not more than six months from the date of acquisition, bankers' acceptances with maturities not exceeding six months from the date of acquisition and overnight bank deposits, in each case with the Administrative Agent or any Lender or with any domestic commercial bank having capital and surplus in excess of Five Hundred Million Dollars (\$500,000,000.00), (c) repurchase obligations with a term of not more than thirty (30) days for underlying securities of any of the types described in clause (a) or (b) and entered into with any bank meeting the qualifications specified in clause (b) above, (d) commercial paper maturing in one hundred eighty (180) days or less rated not lower than A-1 or A-2 by Standard & Poor's Ratings Group or P-1 or P-2 by Moody's Investors Service, Inc. on the date of acquisition, and (e) interests in pooled investment funds (including mutual funds and money market funds) the assets of which are invested in investments referred to in items (a) through (d) above.

"Cash Taxes" means, with respect to any referenced Person, for any applicable period, the taxes paid in cash by such Person during such period.

"Casualty Event" means any loss of or damage to, or any condemnation or other taking of, any of the Collateral for which any Loan Party receives insurance proceeds, or proceeds of a condemnation award or other compensation.

"CEA" means the Commodity Exchange Act (7 U.S.C. §1 et seq.), as amended from time to time, and any successor statute.

"CFTC" means the Commodity Futures Trading Commission.

"Certificate of Designations" means the Certificate of Designations of Series A Convertible Preferred Stock Par Value \$0.0001 Per Share of Lazyday Holdings, Inc. pursuant to Section 151 of the General Corporation Law of the State of Delaware duly adopted by the Board of Directors of Lazydays Holdings, Inc., Delaware corporation (Pubco Guarantor hereunder and under the Credit Documents), which has not been amended, restated, supplemented or otherwise modified since the date of the Existing Credit Agreement.

"CFC" means a "controlled foreign corporation" within the meaning of Section 957(a) of the Code.

"CFC Holdco" means a Subsidiary that has no material assets other than (i) the Capital Stock and Indebtedness, if any, of one or more Subsidiaries that are CFCs or (ii) the Capital Stock and Indebtedness, if any, of one or more Subsidiaries that hold no material assets other than the assets described in the immediate preceding clause (i).

"Change in Control" means an event or series of events by which:

(a) (i) Pubco Guarantor does not own legally and beneficially, directly or indirectly, 100% of the Equity Interests of Parent Guarantor, free and clear of all Liens, except Liens in favor of the Credit Parties; or

(ii) Parent Guarantor does not own legally and beneficially, directly or indirectly, 100% of the Equity Interests of LDRV, free and clear of all Liens except Liens in favor of the Credit Parties;

(iii) LDRV does not own legally and beneficially, directly or indirectly 100% of the Equity Interests of Lazydays RV America, LLC, Lazydays RV Discount, LLC, and Lazydays Mile Hi RV, LLC free and clear of all Liens, except Liens in favor of the Credit Parties; or

(b) any "person" or "group" (as such terms are used in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934, but excluding any employee benefit plan of such person or its

subsidiaries, and any person or entity acting in its capacity as trustee, agent or other fiduciary or administrator of any such plan), other than Coliseum, becomes the "beneficial owner" (as defined in Rules 13d-3 and 13d-5 under the Securities Exchange Act of 1934, except that a person or group shall be deemed to have "beneficial ownership" of all securities that such person or group has the right to acquire, whether such right is exercisable immediately or only after the passage of time (such right, an "option right")), directly or indirectly, of, in the case of Permitted Holders, forty percent (40%) or more, or, in any other case, twenty-five percent (25%) or more, of the Capital Stock of Pubco Guarantor entitled to vote for members of the board of directors or equivalent governing body of Pubco Guarantor on a fully-diluted basis (and taking into account all such securities that such person or group has the right to acquire pursuant to any option right); or

(c) during any period of twelve (12) consecutive months, a majority of the members of the board of directors or other equivalent governing body of Pubco Guarantor, Parent Guarantor, or LDRV cease to be composed of individuals (i) who were members of that board or equivalent governing body on the first day of such period, (ii) whose election or nomination to that board or equivalent governing body was approved by individuals referred to in clause (i) above constituting at the time of such election or nomination at least a majority of that board or equivalent governing body or (iii) whose election or nomination to that board or other equivalent governing body was approved by individuals referred to in clauses (i) and (ii) above constituting at the time of such election or nomination at least a majority of that board or equivalent governing body; or

(d) any Person or two or more Persons, other than Coliseum, acting in concert shall have acquired by contract or otherwise, or shall have entered into a contract or arrangement that, upon consummation thereof, will result in its or their acquisition of the power to exercise, directly or indirectly, a controlling influence over the management or policies of Pubco Guarantor, or control over the equity securities of Pubco Guarantor entitled to vote for members of the board of directors or equivalent governing body of Pubco Guarantor on a fully-diluted basis (and taking into account all such securities that such Person or group has the right to acquire pursuant to any option right) representing, in the case of Permitted Holders, forty percent (40%) or more, or, in any other case, twenty-five percent (25%) or more, or more of the combined voting power of such securities; or

(e) there is consummated any sale, lease, exchange or other transfer (in one transaction or a series of related transactions) of all or substantially all of the assets of any of the Loan Parties to any Person or group of Persons, together with any Affiliates thereof; or

(f) the direct or indirect holders of Equity Interests of the Borrower Representative or Parent Guarantor approve any plan or proposal for the liquidation or dissolution of the Parent Guarantor, LDRV or any of the other Borrowers; or

(f) the Administrative Agent ceases to hold for the ratable benefit of the Secured Parties a perfected, first priority Lien in all issued and outstanding Capital Stock of all of the Parent Guarantor, the Borrowers and their Subsidiaries.

"Change in Law" means the occurrence, after the date of this Agreement, of any of the following: (a) the adoption or taking effect of any Law, rule, regulation or treaty, (b) any change in any Law, rule, regulation or treaty or in the administration, interpretation, implementation or application thereof by any Governmental Authority or (c) the making or issuance of any request, rule, guideline or directive (whether or not having the force of Law) by any Governmental Authority; provided that notwithstanding anything herein to the contrary, (x) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines or directives thereunder or issued in connection therewith 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", regardless of the date enacted, adopted or issued.

"Class" means, (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 Floor Plan Commitments or

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 Floor Plan Loans or 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 identical terms and conditions shall be construed to be in the same Class.

"Closing" means the execution and delivery of this Agreement by the parties hereto.

"Closing Date" means the above stated effective date of this Agreement.

"Closing Date Transactions" means, collectively, (a) the execution of this Agreement and the other Credit Documents, (b) the funding of the initial Floor Plan Loans, and any Revolving Credit Loans, (c) the repayment of the Term Loans and the Mortgage Loans under and as defined in the Existing Credit Agreement, in each case on the Closing Date, (d) the consummation of any other transactions in connection with the foregoing and (e) the payment of fees and expenses incurred in connection with any of the foregoing.

"CME" means CME Group Benchmark Administration Ltd.

"Code" means the Internal Revenue Code of 1986, as the same may be amended or supplemented from time to time, and any successor statute of similar import, and the rules and regulations thereunder, as from time to time in effect.

"Coliseum" means Coliseum Capital Management, LLC, any affiliate thereof, or any successor thereto which is the "Coliseum Purchaser" under the Securities Purchase Agreement or otherwise a holder of Preferred Stock under a Securities Purchase Agreement.

["Coliseum Agreement" has the meaning given to such term in Section 5.09.15 of this Agreement.](#)

"Collateral" means all of the assets, rights, and interests in property, including tangible and intangible assets and personal property, in which the Administrative Agent on behalf of the Credit Parties is from time to time granted a Lien under any Security Document as security for all or any portion of the Obligations provided, however, that Collateral shall not include any Excluded Property.

"Collateral Information Certificate" means each of the Collateral Information Certificates prepared, executed and delivered to the Administrative Agent by an Authorized Officer of a Loan Party.

"Commercial Account" means the commercial checking account to be established and maintained with the Administrative Agent by the Borrowers and which may be utilized as the means of advancing funds under the Loans.

"Commitment Percentages" means, with respect to any Lender, such Lender's Floor Plan Loan Commitment Percentage and Revolving Credit Commitment Percentage, and with respect to all Lenders, all of the Floor Plan Loan Commitment Percentages and all of the Revolving Credit Commitment Percentages.

"Commitments" means, with respect to any Lender, such Lender's Floor Plan Loan Commitment, obligations hereunder to purchase participations in M&T Advances, Revolving Credit Commitment, and obligations hereunder to purchase participations in L/C Obligations and Swingline Loans, and with respect to all Lenders, all of the Floor Plan Loan Commitments, obligations of all Lenders hereunder to purchase participations in M&T Advances, Revolving Credit Commitments, and obligations of all Lenders hereunder to purchase participations in L/C Obligations and Swingline Loans.

"*Communications*" has the meaning provided to such term in Section 10.10.4 of this Agreement.

"*Compliance Certificate*" means a certificate provided by the Chief Financial Officer, Chief Executive Officer or President of the Borrower Representative in accordance with the requirements of Section 5.09.5 of this Agreement in form and substance as Exhibit B attached hereto.

"*Concentrated Customer*" means each of the Loan Party customers identified on the attached Schedule 1.01(b), as may be revised from time to time upon a Loan Party's request, subject to approval by Administrative Agent in its Permitted Discretion.

"*Connection Income Taxes*" means Other Connection Taxes that are imposed on or measured by net income (however denominated) or that are franchise Taxes or branch profits Taxes.

"*Consolidated Current Assets*" means, at any date, all unrestricted amounts 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 Pubco Guarantor and its Subsidiaries at such date, but excluding such amounts to the extent included as deferred tax assets and excluding the LIFO Reserve as of such date.

"*Consolidated Current Liabilities*" means, at any date, 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 Pubco Guarantor and its Subsidiaries at such date (including any Floor Plan Loans), but excluding, to the extent included in current liabilities (i) liabilities relating to earnouts or deferred Taxes based on income or profits, (ii) accruals of any costs or expenses related to restructuring reserves or severance, (iii) to the extent included on Pubco Guarantor's consolidated balance sheet as liabilities, amounts under clauses (a)(iv) through (vii) of the definition of Consolidated EBITDA, (iv) [reserved] and (v) liabilities related to real estate lease payments in respect of dealership locations.

"*Consolidated Current Ratio*" means, as of any date of determination, the ratio of Consolidated Current Assets to Consolidated Current Liabilities.

"*Consolidated EBITDA*" means, for any Measurement Period, for Pubco Guarantor and its Subsidiaries on a consolidated basis, without duplication, an amount equal to:

(a) Consolidated Net Income for the most recently completed Measurement Period plus

(b) the following to the extent deducted in accordance with GAAP in calculating such Consolidated Net Income (without duplication):

- (1) Consolidated Interest Expense for such period (other than Consolidated Interest Expense with respect to the Floor Plan Loans),
- (2) the provision for Federal, state, local and foreign income taxes payable by Pubco Guarantor and its Subsidiaries for such period,
- (3) depreciation and amortization expense for such period,
- (4) non-recurring cash fees, costs and expenses incurred in connection with the Closing Date Transactions, in an aggregate amount not to exceed Two Million Dollars (\$2,000,000.00) for such period,
- (5) non-cash charges for such period (including, without limitation, stock-based compensation expense, non-cash expenses related to the recognition of a change in the fair market value of warrants issued by Pubco Guarantor, currency translations, impairment charges, gains or losses on asset dispositions, and the net change in the LIFO Reserve, but excluding noncash charges related to receivables) which do not represent a cash item in such period or any future period,

- (6) non-recurring cash fees, costs and expenses incurred in connection with Permitted Acquisitions and other permitted Investments, in each case, whether or not consummated, for such period in an aggregate amount not to exceed (Seven Hundred Fifty Thousand Dollars (\$750,000.00) in any Measurement Period and
- (7) reasonable out of pocket general administrative fees, costs and expenses of Pubco Guarantor or Parent Guarantor for such period (which may include out of pocket legal, accounting and filing costs, director fees and other reasonable and customary corporate overhead expenses incurred in the ordinary course of business), and other extraordinary or non-recurring cash fees, costs, expenses and losses for such period, in an aggregate amount not to exceed, in any Measurement Period, five percent (5%) of Consolidated EBITDA for such Measurement Period (before giving effect to such addback) and minus

(c) the following to the extent included in calculating such Consolidated Net Income:

(i) Federal, state, local and foreign income tax credits of Pubco Guarantor or any of its Subsidiaries for such period; and

(ii) all non-cash items increasing Consolidated Net Income for such period (including non-cash gains related to the recognition of a change in the fair market value of warrants issued by Pubco Guarantor), excluding any non-cash gains that represent the reversal of any accrual of, or cash reserve for, anticipated cash items in any prior period.

"Consolidated EBITDAR" means, for any Measurement Period, for Pubco Guarantor and its Subsidiaries on a consolidated basis, without duplication, an amount equal to Consolidated Net Income for such period plus, (a) the following to the extent deducted in accordance with GAAP in calculating such Consolidated Net Income (without duplication): (i) items (b)(i) – (vii) in the definition of Consolidated EBITDA above plus (ii) net rents (excluding non-cash capitalized or deferred rents as required under FASB ASC 840-10, 840-20 and 420-10), and minus (b) the following to the extent included in calculating such Consolidated Net Income: (i) Federal, state local and foreign income tax credits of Pubco Guarantor or any of its Subsidiaries for such period and (ii) all non-cash items increasing Consolidated Net Income for such period, excluding any non-cash gains that represent the reversal of any accrual of, or cash reserve for, anticipated cash items in any prior period. For the avoidance of doubt, for the determination of "net rents" in clause (a)(ii) above in this definition, real property leases shall be deemed operating leases rather than capital leases regardless of their treatment under GAAP, as further set forth in Section 1.04 of this Agreement.

"Consolidated Fixed Charges" means, for any period of determination, for Pubco Guarantor and its Subsidiaries determined on a consolidated basis, the sum of (a) the sum of all scheduled principal payments upon Consolidated Funded Indebtedness made during such period (including the principal components of Capital Lease payments during such period), plus (b) Consolidated Interest Expense (other than Consolidated Interest Expense on account of the Floor Plan Loans), including Letter of Credit Fees and other fees paid in connection with Letters of Credit, including fronting, issuance, amendment and processing fees. For purposes of this definition, "scheduled principal payments" shall (a) be determined without giving effect to any reduction of such scheduled payments resulting from the application of any mandatory or voluntary prepayments made during the applicable period, (b) shall be deemed to include the Attributable Indebtedness in respect of Capital Lease Obligations and Synthetic Lease Obligations, and (c) shall not include any principal payment required to be made on the maturity date of any such Consolidated Funded Indebtedness.

"Consolidated Fixed Charge Coverage Ratio" means, as of the date of determination for any Measurement Period, the ratio for such Measurement Period of (a) Consolidated EBITDA of Pubco Guarantor and its Subsidiaries for such period minus (i) the aggregate amount of all Non-Financed Capital Expenditures Pubco Guarantor and its Subsidiaries for such period, (ii) Cash Taxes For Pubco Guarantor and its Subsidiaries on a consolidated basis paid during such period, (iii) a dividends, distributions, and other Restricted Payments paid in cash by Pubco Guarantor or any Subsidiary on a consolidated basis during such period, to (b) Consolidated Fixed Charges for such period.

"*Consolidated Funded Indebtedness*" means, as of any date of determination, all Indebtedness of Pubco Guarantor and its Subsidiaries on a consolidated basis, excluding Indebtedness of the type described in clauses (b) (unless drawn) and (c). For the avoidance of doubt, Consolidated Funded Indebtedness shall not include Indebtedness in the nature of the clause (g) of the definition of Indebtedness to preferred shareholders with respect to the Series A Convertible Preferred Stock of Pubco Guarantor under the Securities Purchase Agreement, the Certificate of Designation, or other related documents.

"*Consolidated Interest Expense*" means, for any period, for the Pubco Guarantor and its Subsidiaries on a consolidated basis, the sum of (a) all interest premium payments, debt discount, fees, charges and related expenses of Pubco Guarantor and its Subsidiaries in connection with Consolidated Funded Indebtedness, in each case to the extent treated as interest in accordance with GAAP, and (b) the portion of rent expense of Pubco Guarantor and its Subsidiaries with respect to such period under Capital Leases that is treated as interest in accordance with GAAP.

"*Consolidated Net Income*" means, for any period, for Pubco Guarantor and its Subsidiaries on a consolidated basis, the net income of Pubco Guarantor and its Subsidiaries (excluding extraordinary gains and extraordinary losses) for such period, determined in accordance with GAAP.

"*Consolidated Total Assets*" means, at any date, all amounts that would, in conformity with GAAP, be set forth opposite the caption "total assets" (or any like caption) on a consolidated balance sheet of Pubco Guarantor and its Subsidiaries as of the last day of the most recently ended Test Period.

"*Contamination*" means the presence of any Hazardous Substance at any real property owned or leased by any Loan Party which may require investigation, clean-up or remediation under any Environmental Law.

"*Contract In Transit*" means any right of any Loan Party in any written agreement with any finance company that is providing financing for, or that is paying all or any portion of the purchase price of, any Floor Plan Unit sold or leased by such Loan Party in the ordinary course of business.

"*Control*" means with respect to a Person (a) the direct or indirect ownership of, or power to vote twenty-five percent (25%) or more of the issued and outstanding Equity Interests of such Person, or (b) 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.

"*Credit Documents*" means collectively, this Agreement, the Notes, the Guaranty Agreement, all Borrowing Base Certificates, the Security Documents, the L/C Documents, and all agreements, instruments and documents evidencing or securing the Obligations, including without limitation each document listed as a "Credit Document" on a Closing Index dated as of the Closing Date, and all amendments and modifications thereto, provided, however, that the definition of "Credit Documents" is not intended to include Swap Agreements.

"*Credit Parties*" means the Administrative Agent, the Lenders (including but not limited to M&T in connection with the M&T Advances), the Swingline Lender, and the Issuing Bank, and their respective successors and assigns as permitted by the terms of this Agreement.

"*Credit Party Expenses*" means, without duplication (a) all costs and expenses incurred by the Administrative Agent, the Arranger, and their Affiliates, including the reasonable fees, charges, and disbursements of counsel for the Administrative Agent arising out of, pertaining to, or in any way connected with this Agreement, any of the other Credit Documents or the Obligations, the administration thereof, the due diligence performed in connection with the transactions contemplated hereby, the syndication of the credit facilities provided for herein, or otherwise in connection with such credit facilities, (b) all costs and reimbursements required to be paid by the Borrowers to the Administrative Agent by the terms of the Credit Documents, (c) all costs and expenses incurred by the Administrative Agent and the Arranger relating to the Platform or to Intralinks, SyndTrak or to any other dedicated agency web page on the internet to distribute to the Lenders and to other investors or potential investors

any required documentation and financial information regarding the Credit Documents and the Loans, (d) taxes and insurance premiums advanced or otherwise paid by the Administrative Agent or any other Credit Party in connection with the Collateral or on behalf of any of the Loan Parties, (e) filing and recording costs, title insurance premiums, environmental and consulting fees, audit fees, search fees, appraisal fees, and other expenses paid or incurred by the Administrative Agent, (f) reasonable costs and expenses incurred by the Administrative Agent in the collection of the accounts (with or without the institution of legal action), or to enforce any provision of this Agreement or any other Credit Document on behalf of the Credit Parties, or in gaining possession of, maintaining, handling, evaluating, preserving, storing, shipping, selling, preparing for sale and/or advertising to sell or foreclose upon the Collateral or any other property of any of the Loan Parties whether or not a sale is consummated, (g) reasonable costs and expenses of litigation incurred by the Credit Parties, including reasonable attorney's fees, in enforcing or defending this Agreement or any portion hereof or any other Credit Document, or in collecting any of the Obligations after the occurrence and during the continuance of any Event of Default, (h) reasonable attorneys' fees and expenses incurred by the Administrative Agent in obtaining advice or the services of its attorneys with respect to the structuring, drafting, negotiating, reviewing, amending, terminating, waiving, enforcing or defending of this Agreement and the other Credit Documents, or any agreement or matter related hereto, whether or not litigation is instituted, (i) reasonable travel expenses of the Administrative Agent or its agents (including its counsel and consultants) related to any of the foregoing, and (j) all reasonable costs and expenses, including reasonable attorneys' fees and expenses, incurred by the Administrative Agent or the Issuing Bank in connection with the Letters of Credit and L/C Obligations.

"Daily Simple SOFR" means for any day (a "SOFR Rate Day"), a rate per annum equal to SOFR for the day (such day "T") that is three (3) U.S. Government Securities Business Days prior to (i) if such SOFR Rate Day is a U.S. Government Securities Business Day, such SOFR Rate Day, or (ii) if such SOFR Rate Day is not a U.S. Government Securities Business Day, the U.S. Government Securities Business Day immediately preceding such SOFR Rate Day, in each case, as such SOFR is published by the SOFR Administrator on the SOFR Administrator's Website by 5:00 pm (ET) on the second (2nd) U.S. Government Securities Business Day immediately following any day "T", the SOFR in respect of such day "T" has not been published on the SOFR Administrator's Website (and a Benchmark Replacement Date with respect to the Daily Simple SOFR has not occurred), then the SOFR for such day "T" will be the SOFR as published in respect of the first preceding U.S. Government Securities Business Day for which such SOFR was published on the SOFR Administrator's Website; provided that any SOFR determined pursuant to this sentence shall be utilized for purposes of calculation of Daily Simple SOFR for no more than three (3) consecutive SOFR Rate Days. Any change in Daily Simple SOFR due to a change in SOFR shall be effective from and including the effective date of such change in SOFR without notice to the Borrower Representative.

"Daily SOFR Rate" means, for any day, on any date in any month, Adjusted Term SOFR determined for a one-month Interest Period commencing the first day of that month, or if such day is not a U.S. Government Securities Business Day, then the immediately preceding U.S. Government Securities Business Day. The Daily SOFR Rate shall fluctuate and be adjusted with each change in such rate.

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

"Default" means any occurrence, event or condition which with notice, the passage of time, or both would constitute an Event of Default.

"Default Rate" means (a) with respect to Loans accruing interest by reference to Adjusted Term SOFR, such Loans shall bear interest at a rate per annum of 2% in excess of the rate otherwise then applicable thereto, (b) with respect to all other Loans and outstanding Obligations, including Loans accruing interest by reference to Adjusted Term SOFR as the Interest Periods for such Loans then in effect expire, such Loans and other Obligations shall bear interest at the Adjusted Base Rate plus two hundred (200) Basis Points per annum; or (c) with respect to the Letters of Credit, the Letter of Credit Fees otherwise payable under this Agreement plus two hundred (200) Basis Points per annum.

"*Defaulting Lender*" means, subject to Section 2.14.2, any Lender that (a) has failed to (i) fund all or any portion of its Loans within two (2) Business Days of the date such Loans were required to be funded hereunder unless such Lender notifies the Administrative Agent and the Borrowers in writing that such failure is the result of such Lender's determination that one or more conditions precedent to funding (each of which conditions precedent, together with any applicable default, shall be specifically identified in such writing) has not been satisfied, or (ii) pay to the Administrative Agent, M&T as the lender of the M&T Advances, any Issuing Bank, any Swingline Lender or any other Lender any other amount required to be paid by it hereunder (including in respect of its participation in M&T Advances, Letters of Credit or Swingline Loans) within two (2) Business Days of the date when due, (b) has notified the Borrowers, the Administrative Agent, M&T, the Issuing Bank, or the Swingline Lender in writing that it does not intend to comply with its funding obligations hereunder, or has made a public statement to that effect (unless such writing or public statement relates to such Lender's obligation to fund a Loan hereunder and states that such position is based on such Lender's determination that a condition precedent to funding (which condition precedent, together with any applicable default, shall be specifically identified in such writing or public statement) cannot be satisfied), (c) has failed, within three (3) Business Days after written request by the Administrative Agent or the Borrowers, to confirm in writing to the Administrative Agent and the Borrowers that it will comply with its prospective funding obligations hereunder (provided that such Lender shall cease to be a Defaulting Lender pursuant to this clause (c) upon receipt of such written confirmation by the Administrative Agent and the Borrowers), or (d) has, or has a direct or indirect parent company that has, (i) become the subject of a proceeding under any Debtor Relief Law, (ii) had appointed for it a receiver, custodian, conservator, trustee, administrator, assignee for the benefit of creditors or similar Person charged with reorganization or liquidation of its business or assets, including the Federal Deposit Insurance Corporation or any other state or federal regulatory authority acting in such a capacity, or (iii) become the subject of a Bail-In Action; provided that a Lender shall not be a Defaulting Lender solely by virtue of the ownership or acquisition of any equity interest in that Lender or any direct or indirect parent company thereof by a Governmental Authority so long as such ownership interest does not result in or provide such Lender with immunity from the jurisdiction of courts within the United States or from the enforcement of judgments or writs of attachment on its assets or permit such Lender (or such Governmental Authority) to reject, repudiate, disavow or disaffirm any contracts or agreements made with such Lender. Any determination by the Administrative Agent that a Lender is a Defaulting Lender under any one or more of clauses (a) through (d) above shall be conclusive and binding absent manifest error, and such Lender shall be deemed to be a Defaulting Lender (subject to Section 2.14.2) upon delivery of written notice of such determination to the Borrowers, the Issuing Bank, the Swingline Lender, and each Lender.

"*Designated Real Estate Subsidiary*" means any Subsidiary designated by the Borrower Representative as a Designated Real Estate Subsidiary hereunder by written notice to the Administrative Agent in accordance with Section 5.22.

"*Disposition*" means the sale, transfer, license, lease or other disposition (including any Sale and Leaseback Transaction) of any real or personal property by any Loan Party or any Subsidiary of a Loan Party, 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 the term Disposition shall not include the sale or lease of (a) Inventory in the ordinary course of business of any Loan Party or any Subsidiary of a Loan Party or (b) real estate by any Designated Real Estate Subsidiary.

"*Dollar*," "*Dollars*," "*U.S. Dollars*" and the symbol "\$" means lawful money of the United States of America.

"*EEA Financial Institution*" means (a) any credit institution or investment firm established in any EEA Member Country which is subject to the supervision of an EEA Resolution Authority, (b) any entity established in an EEA Member Country which is a parent of an institution described in clause (a) of this definition, or (c) any financial institution established in an EEA Member Country which is a subsidiary of an institution described in clauses (a) or (b) of this definition and is subject to consolidated supervision with its parent.

"*EEA Member Country*" means any of the member states of the European Union, Iceland, Liechtenstein, and Norway.

"*EEA Resolution Authority*" means any public administrative authority or any person entrusted with public administrative authority of any EEA Member Country (including any delegee) having responsibility for the resolution of any EEA Financial Institution.

"*Eligibility Date*" means, with respect to each Loan Party and each Swap, the date on which this Agreement or any other Credit Document become effective with respect to such Swap. For the avoidance of doubt, the Eligibility Date shall be the date such Swap becomes effective if this Agreement or any other Credit Document is then in effect with respect to such Loan Party; otherwise, it shall be the Closing Date of this Agreement with respect to a Borrower or with respect to any other Loan Party the date of execution and delivery of the applicable Credit Documents by such Loan Party unless such Credit Documents specify a subsequent effective date.

"*Eligible Accounts*" means all Accounts owned by each Loan Party and properly reflected as "Eligible Accounts" in the most recent Borrowing Base Certificate delivered by Borrower Representative to the Administrative Agent, except any Account to which any of the exclusionary criteria set forth below applies. Eligible Accounts shall not include the following Accounts of any Loan Party:

(a) any Account that is not paid within the earlier of sixty (60) days following its due date or, except with respect to manufacturer rebates, ninety (90) days following its original invoice date;

(b) Accounts that are the obligations of an Account Debtor if fifty percent (50%) or more of the Dollar amount of all Accounts owing by that Account Debtor are ineligible under the other criteria set forth in clause (a) of this definition;

(c) Accounts that are the obligations of an Account Debtor located in a foreign country unless payment thereof is assured by a letter of credit assigned and delivered to the Administrative Agent, satisfactory to the Administrative Agent in its Permitted Discretion as to form, amount and issuer;

(d) Accounts that are the obligation of an Account Debtor that is the United States government or a political subdivision thereof, or any state, county or municipality or department, agency or instrumentality thereof unless the Administrative Agent, in its sole discretion, has agreed to the contrary in writing, or the applicable Loan Party has complied with respect to such obligation with the Federal Assignment of Claims Act of 1940, or any applicable state, county or municipal law restricting the assignment thereof with respect to such obligation to the Administrative Agent's satisfaction at its Permitted Discretion;

(e) Accounts to the extent any Loan Party or any Subsidiary thereof is liable for goods sold or services rendered by the applicable Account Debtor to any Loan Party or any Subsidiary thereof but only to the extent of the potential offset;

(f) any Account to the extent that any defense, counterclaim, setoff or dispute is asserted as to such Account; provided that such Account shall be ineligible only to the extent of the amount of such defense, counterclaim, setoff or dispute;

(g) Accounts that arise from a sale to any Affiliate of any Loan Party;

(h) (i) Accounts owing by an Account Debtor (other than a Concentrated Customer) to the extent the aggregate amount of Accounts owing by such Account Debtor and its Affiliates as of any date of determination exceeds twenty percent (20%) of all Eligible Accounts of all Loan Parties, but only to the extent such Accounts exceed such limit; and (ii) with regard to Accounts owing by a Concentrated Customer, to the extent the aggregate amount of Accounts owing by such Concentrated Customer and its Affiliates as of any date of determination exceeds the percentage of all Eligible Accounts of all Loan Parties that is specified for such Concentrated Customer on the attached Schedule 1.01(b), but only to the extent such Accounts exceed such limit;

(i) Accounts with respect to which an invoice or electronic transmission constituting a request for payment (or, if acceptable to the Administrative Agent in its sole discretion, otherwise demonstrating an obligation to make payment) has not been sent to the applicable Account Debtor;

(j) Accounts where:

(i) the Account Debtor obligated upon such Account suspends business, makes a general assignment for the benefit of creditors or fails to pay its debts generally as they come due; or

(ii) a petition is filed by or against any Account Debtor obligated upon such Account under any bankruptcy law or any other federal, state or foreign (including any provincial) receivership, insolvency relief or other law or laws for the relief of debtors;

(k) Accounts that arise from a sale to any director, officer, other employee, or to any entity that has any common officer or director with any Loan Party;

(l) Accounts (i) as to which the applicable Loan Party is not able to bring suit or otherwise enforce its remedies against the Account Debtor through judicial process, or (ii) if the Account represents a progress billing consisting of an invoice for goods sold or used or services rendered pursuant to a contract under which the Account Debtor's obligation to pay that invoice is subject to the applicable Loan Party's completion of further performance under such contract or is subject to the equitable lien of a surety bond issuer;

(m) Accounts that arise with respect to goods that are delivered on a bill-and-hold basis;

(n) Accounts that arise with respect to goods that are delivered on a cash-on-delivery basis;

(o) Accounts that are payable in any currency other than United States Dollars;

(p) Accounts that are subject to any right, claim, Lien or other interest of any other Person, other than Permitted Encumbrances that are junior to the security interest of the Administrative Agent, Liens granted under the Credit Documents;

(q) Accounts that arise with respect to goods that are placed on guaranteed sale or other terms by reason of which the payment by the Account Debtor is conditional;

(r) Accounts that are evidenced by a judgment, instrument or chattel paper;

(s) Accounts that are not true and correct statements of bona fide indebtedness incurred in the amount of such Account for merchandise sold to or services rendered and accepted by the applicable Account Debtor;

(t) Accounts that do not arise from the sale of goods or the performance of services by a Loan Party in the ordinary course of business, including, without limitation, sales of Equipment and bulk sales; or

(v) Accounts that are otherwise determined likely to be uncollectable by the Administrative Agent in its Permitted Discretion.

"Eligible Assignee" means (a) a Lender, (b) an Affiliate of a Lender, (c) an Approved Fund, and (d) any other Person (other than those Persons expressly excluded below) approved (each such

approval not to be unreasonably withheld or delayed) by (i) in all cases, the Administrative Agent, (ii) in the case of any assignment of a Floor Plan Loan Commitment M&T Bank as the provider of M&T Advances, (iii) in the case of any assignment of a Revolving Credit Commitment, the Issuing Bank, and the Swingline Lender, or (iv) unless either a Default or Event of Default has occurred and is continuing, the Borrowers; provided that notwithstanding the foregoing, the definition of "Eligible Assignee" shall not include (A) any Defaulting Lender or a Subsidiary thereof, (B) any natural Person (or a holding company, investment vehicle or trust for, or owned and operated for the primary benefit of a natural Person), or (C) any Loan Party or any Affiliate or Subsidiary of a Loan Party. The Borrowers shall be deemed to have approved any proposed assignee unless the Borrowers object to such proposed assignee by written notice to the Administrative Agent within five (5) Business Days after having received notice of the proposal of such assignee.

"*Eligible Contract Participant*" means an "eligible contract participant" as defined in the CEA and regulations thereunder.

"*Eligible Contracts In Transit*" means all Contracts In Transit owned by each Loan Party and properly reflected as "Contracts In Transit" in the most recent Borrowing Base Certificate delivered by Borrower Representative to the Administrative Agent, except any Contracts In Transit to which any of the exclusionary criteria set forth below applies. Eligible Contracts In Transit shall not include the following Contracts In Transit of any Loan Party:

(a) any Contract In Transit that is not paid within ten (10) days following the sale date of the Floor Plan Unit giving rise to such Contract In Transit;

(b) Contracts In Transit that are the obligations of an issuer located in a foreign country unless payment thereof is assured by a letter of credit assigned and delivered to the Administrative Agent, satisfactory to the Administrative Agent in its Permitted Discretion as to form, amount and issuer;

(c) any Contract In Transit to the extent that any defense, counterclaim, setoff, chargeback or dispute is asserted as to such Contract in Transit provided that such Contract In Transit shall be ineligible only to the extent of the amount of such defense, counterclaim, setoff, chargeback or dispute;

(d) Contracts In Transit where:

(8) the issuer obligated upon such Contracts In Transit suspends business, makes a general assignment for the benefit of creditors or fails to pay its debts generally as they come due; or

(9) a petition is filed by or against any issuer obligated upon such Contracts In Transit under any bankruptcy law or any other federal, state or foreign (including any provincial) receivership, insolvency relief or other law or laws for the relief of debtors;

(e) Contracts In Transit as to which the applicable Loan Party is not able to bring suit or otherwise enforce its remedies against the issuer through judicial process;

(f) Contracts In Transit that are subject to any right, claim, Lien or other interest of any other Person, other than Permitted Encumbrances that are junior to the security interest of the Administrative Agent, Liens granted under the Credit Documents;

(g) Contracts In Transit that do not arise from the sale of goods or the performance of services by a Loan Party in the ordinary course of business including, without limitation, sales of Equipment and bulk sales; or

(i) Contracts In Transit that are otherwise determined likely to be uncollectable by the Administrative Agent in its Permitted Discretion.

"Eligible Equipment" means Specified Equipment owned by any Loan Party which is in good order, repair, running and marketable condition (ordinary wear and tear excepted) and in each case properly reflected as "Eligible Equipment" in the most recent Borrowing Base Certificate delivered by Borrower Representative to the Administrative Agent, except any Specified Equipment to which any of the exclusionary criteria set forth below applies. Eligible Equipment shall not include:

(a) Specified Equipment that is (i) in transit for longer than seven (7) days to the premises of such Loan Party or a customer of such Loan Party, (ii) subject to an open and incomplete work order of such Specified Equipment, for longer than fourteen (14) days or (iii) temporarily stored at a lay-down yard or similar premises other than those owned and controlled by any Loan Party for longer than fourteen (14) days, except, in the case of each of the foregoing, (x) any Equipment which would otherwise be deemed Eligible Equipment that is not located at premises owned and controlled by any Loan Party shall nevertheless be considered Eligible Equipment if the Administrative Agent shall have received a landlord waiver from the Person in possession and control of such premises and such Specified Equipment duly authorized, executed and delivered by such Person, (y) any Equipment which would otherwise be deemed Eligible Equipment that is in transit to or from, or located at a recreational vehicle show, camping show, or similar show or marketing and sales event shall nevertheless be considered Eligible Equipment, and (z) any Equipment the aggregate fair market value of which does not exceed \$1,600,000.00 and which would otherwise be deemed Eligible Equipment, that is at a short term overflow location, including in connection with the reflooring or cycling of seasonal and new model Floor Plan Units in the ordinary course of business, to the extent such location is substantially adjacent to or otherwise in the general regional proximity of a location that otherwise complies with clause (b) of the definition of Eligible New Floor Plan Unit or Eligible Used Floor Plan Unit, shall nevertheless be considered Eligible Equipment;

(b) Specified Equipment that is not located in one of the states of the United States of America or the District of Columbia;

(c) Specified Equipment that is not subject to the first priority, valid and perfected Lien of the Administrative Agent;

(d) worn or obsolete Specified Equipment or Specified Equipment not used or usable in the ordinary course of such Loan Party's business;

(e) Specified Equipment consisting of Floor Plan Units;

(g) Specified Equipment which is purchased on consignment;

(h) Specified Equipment which is not covered by casualty or liability insurance (subject to customary deductibles) in accordance with the terms hereof;

(i) Specified Equipment which is not separately identifiable from goods of third parties stored on the same premises as such Specified Equipment;

(j) Specified Equipment which is not at premises owned or leased by the Loan Parties, unless the aggregate value of all Eligible Equipment at any such premises not so owned or leased is less than \$100,000.00, or unless such Specified Equipment is in transit or at another location and is not ineligible under clause (a) or (m) of this definition;

(k) Specified Equipment noted on the books of the relevant Loan Party as "missing," "sold," "junked" or other similar notation indicating unavailability for rental in the ordinary course of business;

(l) is acquired by a Loan Party after the Closing Date (other than from another Loan Party), unless and until such time as the Administrative Agent shall have received or conducted a customary due diligence investigation as to such Specified Equipment, the results of which are reasonably satisfactory to the Administrative Agent in its Permitted Discretion; provided that, notwithstanding the foregoing, Specified Equipment acquired pursuant to such transaction that has not yet been appraised in

accordance with this clause (l) but that is otherwise not ineligible under any other clause of this definition shall be permitted to be included in the Borrowing Base in an aggregate amount of up to 10% of the Borrowing Base until the date that is 90 days after the date such asset is acquired.

(m) Specified Equipment being leased by a customer of a Loan Party and used by such customer or the lessee of such customer, unless the equipment is at a location in the United States pursuant to the terms of a rental agreement entered into between such customer and a Loan Party or such customer and its lessee, as applicable, and as reflected in the records of the applicable Loan Party, or in transit to or from such location in the ordinary course of business; or

(n) Specified Equipment that is subject to any right, claim, Lien or other interest of any other Person, other than Permitted Encumbrances that are junior to the security interest of the Administrative Agent and Liens granted under the Credit Documents.

"Eligible Floor Plan Vehicle or Unit" means any Eligible New Floor Plan Unit, Eligible Used Floor Plan Unit or Permitted Company Vehicle.

"Eligible Inventory" means Specified Inventory owned by each Loan Party and properly reflected as "Eligible Inventory", in the most recent Borrowing Base Certificate delivered by Borrower Representative to the Administrative Agent, except any Specified Inventory to which any of the exclusionary criteria set forth below or in the component definitions herein applies. Eligible Inventory shall not include the following Specified Inventory of a Loan Party:

(a) Specified Inventory that is excess, obsolete, unsaleable, shopworn or seconds;

(b) Specified Inventory that is damaged, returned, rejected or otherwise unfit for sale;

(c) [reserved];

(d) Specified Inventory that is placed on consignment;

(e) Specified Inventory that (i) is not either located on premises owned, leased or rented by a Loan Party or stored with a bailee or warehouseman (other than a processor), (ii) is stored at a leased or rented location, unless a landlord waiver in respect of such location has been delivered to the Administrative Agent in form reasonably satisfactory to the Administrative Agent, (iii) is stored with a bailee or warehouseman unless an acknowledged bailee letter has been received by the Administrative Agent with respect thereto in form reasonably satisfactory to the Administrative Agent, or (iv) is located at an owned location subject to a mortgage in favor of a Person other than the Administrative Agent, unless a mortgagee waiver in respect of such location has been delivered to the Administrative Agent in form reasonably satisfactory to the Administrative Agent;

(f) Specified Inventory that is not located in the United States;

(g) Specified Inventory that is not covered by casualty insurance in accordance with the terms hereof;

(h) Specified Inventory that is not owned by a Loan Party or is subject to Liens (other than Permitted Encumbrances that are junior to the security interest of the Administrative Agent, Liens granted under the Credit Documents) or other rights of any other Person (including the rights of a purchaser that has made progress payments and the rights of a surety that has issued a bond to assure a Loan Party's performance with respect to that Specified Inventory);

(i) Specified Inventory that is not subject to a perfected first priority Lien in favor of the Administrative Agent on behalf of itself and the Secured Parties;

(j) [reserved];

(k) Specified Inventory subject to any licensing, trademark, trade name or copyright agreements with any third parties which would require any consent of any third party for the sale or Disposition of that Specified Inventory (which consent has not been obtained) or the payment of any monies to any third party upon such sale or other Disposition (to the extent of such monies);

(l) Specified Inventory that consists of packing or shipping materials, or manufacturing supplies;

(m) Specified Inventory that consists of tooling;

(n) Specified Inventory that consists of display items;

(o) Specified Inventory that consists of Hazardous Materials or goods that can be transported or sold only with licenses that are not readily available;

(p) Specified Inventory that is custom made for a particular customer of a Loan Party for which such Loan Party's customer did not issue a purchase order to such Loan Party; and

(q) Specified Inventory that is otherwise determined to be unacceptable by the Administrative Agent in its Permitted Discretion.

"Eligible New Floor Plan Unit" means any Floor Plan Unit of any Borrower that is new and unused, including, without limitation, any Floor Plan Unit purchased by any Borrower from another dealer of Floor Plan Units, and in any case, that the Administrative Agent, in its sole discretion, deems to be an Eligible New Floor Plan Unit; *provided* that in no event shall any Floor Plan Unit be deemed an Eligible New Floor Plan Unit unless all representations and warranties set forth in the Security Documents with respect to such Floor Plan Unit are true and correct and such Floor Plan Unit:

(a) is an asset to which a Borrower has good and marketable title, is freely assignable, and is subject to a perfected, first priority Lien in favor of the Administrative Agent free and clear of any other Liens;

(b) is located at any of the Facilities listed on Schedule 1.04 or such other locations as are approved in writing by the Administrative Agent and, in the case of facilities not owned by a Borrower, that are at all times subject to landlord waiver agreements in form and substance satisfactory to the Administrative Agent;

(c) is a Class A, Class B, or Class C recreational vehicle and/or towable as classified by the Recreational Vehicle Industry Association and is of the then current model year;

(d) has not been owned or held by any Borrower or, if applicable, any dealer from whom any Borrower purchased such Floor Plan Unit for a combined period (including the sum of any periods of ownership by any Borrower or any such dealer) of more than 24 months; and

(e) is not obsolete or slow moving, and is of good and merchantable quality and complies in all respects with all governmental standards applicable thereto, free from any defects that might adversely affect the market value thereof.

For the avoidance of doubt, in no event shall a Permitted Company Vehicle be an Eligible New Floor Plan Unit.

"Eligible Used Floor Plan Unit" means any Floor Plan Unit of any Borrower that is used (i.e., a Floor Plan Unit that has been previously sold at retail has been registered, documented or titled in any state or jurisdiction, or has been purchased or acquired by such Borrower from a source other than the original Manufacturer, including trade-in inventory), or any Floor Plan Unit that is new and unused but otherwise does not meet the conditions for being an Eligible New Floor Plan Unit, and, in any case, that the Administrative Agent, in its sole discretion, deems to be an Eligible Used Floor Plan Unit; *provided* that in no event shall any Floor Plan Unit be deemed an Eligible Used Floor Plan Unit unless all

representations and warranties set forth in the Security Documents with respect to such Floor Plan Unit are true and correct and such Floor Plan Unit:

(a) is an asset to which a Borrower has good and marketable title, is freely assignable, and is subject to a perfected, first priority Lien in favor of the Administrative Agent free and clear of any other Liens;

(b) is located at any of the Facilities listed on Schedule 1.04, or such other locations as are approved in writing by the Administrative Agent and, in the case of facilities not owned by a Borrower, that are at all times subject to landlord waiver agreements in form and substance satisfactory to the Administrative Agent;

(c) is a Class A, Class B, or Class C recreational vehicle and/or towable as classified by the Recreational Vehicle Industry Association and is (at the time of any Floor Plan Loan with respect thereto) of the then current model year or the previous twelve model years; and

(d) is not obsolete or slow moving, and is of good and merchantable quality and complies in all respects with all governmental standards applicable thereto, free from any defects that might adversely affect the market value thereof.

"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 and the protection of the environment or 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 Lien" means any Lien in favor of any Governmental Authority for Environmental Liabilities.

"Equipment" means any "equipment" within the meaning of that term under the Uniform Commercial Code.

"Equity Balance" has the meaning given to such term in Section 2.01.17 of this Agreement.

"Equity Interests" means, with respect to any Person, the shares of Capital Stock of (or other ownership or profit interests in) such Person, warrants, options or other rights for the purchase or acquisition from such Person of shares of Capital Stock of (or other ownership or profit interests in) such Person, securities convertible into or exchangeable for shares of Capital Stock of (or other ownership or profit interests in) such Person or warrants, rights or options for the purchase or acquisition from such Person of such shares (or such other interests), and all other ownership or profit interests in such Person, whether voting or nonvoting, and whether or not such shares, warrants, options, rights or other interests are outstanding on any date of determination.

"Equity Issuance" means any issuance of any Equity Interests by any Loan Party or any Subsidiary of a Loan Party to any Person which is not a Loan Party.

"Equity Offset" has the meaning given to such term in Section 2.01.17 of this Agreement.

"*Equity Transaction*" has the meaning given to such term in Section 2.01.17 of this Agreement.

"*ERISA*" means the Employee Retirement Income Security Act of 1974, as the same may be amended or supplemented from time to time.

"*ERISA Affiliate*" means any trade or business (whether or not incorporated) under common Control with the Loan Parties within the meaning of Section 414(b) or (c) of the Code (and Sections 414(m) and (o) of the Code for purposes of provisions relating to Section 412 of the Code).

"*ERISA Event*" means (a) a Reportable Event with respect to a Pension Plan, (b) a withdrawal by a 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 operation that is treated as such a withdrawal under Section 4062(e) of ERISA; (c) a complete or partial withdrawal by a Loan Party or any ERISA Affiliate from a Multiemployer Plan, (d) the filing of a notice of intent to terminate, the treatment of a Plan amendment as a termination under Section 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, or (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 a Loan Party or any ERISA Affiliate.

"*Erroneous Payment*" has the meaning given to such term in Section 9.13(a) of this Agreement.

"*Erroneous Payment Deficiency Assignment*" has the meaning given to such term in Section 9.13(d) of this Agreement.

"*Erroneous Payment Impacted Class*" has the meaning given to such term in Section 9.13(d) of this Agreement.

"*Erroneous Payment Return Deficiency*" has the meaning given to such term in Section 9.13(d) of this Agreement.

"*EU Bail-In Legislation Schedule*" means the EU Bail-In Legislation Schedule published by the Loan Market Association (or any successor person), as in effect from time to time.

"*Event of Default*" has the meaning given to such term in Article 7 hereof of this Agreement.

"*Excluded Property*" means (a) any property of the Loan Parties to the extent that the grant of a security interest therein (i) is prohibited by any Requirement of Law of a Governmental Authority or (ii) constitutes a breach or default under or results in the termination of or requires any consent (it being agreed that the Borrowers shall use commercially reasonable efforts to obtain such consent) not obtained under, any contract, license, agreement, instrument or other document evidencing or giving rise to such property, except to the extent that such Requirement of Law or the term in such contract, license, agreement, instrument or other document providing for such prohibition, breach, default or termination or requiring such consent is ineffective under Section 9-406, 9-407, 9-408 or 9-409 of the UCC (or any successor provision or provisions) of any relevant jurisdiction or any other applicable Law (including the Bankruptcy Code) or principles of equity; provided, however that such property shall cease to be Excluded Property and the Administrative Agent's security interest shall attach to such property immediately at such time as such Requirement of Law is not effective or applicable, or such prohibition, breach, default or termination is no longer applicable or is waived, and to the extent severable, shall attach immediately to any portion of the Collateral that does not result in such consequences, (b) any intent-to-use trademark or service mark application before the filing of a statement of use or amendment to allege use, or any other intellectual property, to the extent that applicable Law prohibits the creation of a Lien or would otherwise result in the loss of rights from the creation of such

Lien or from the assignment of such rights upon an Event of Default; provided that, upon the filing of a "Statement of Use" or "Amendment to Allege Use", such trademark application will cease to be Excluded Property, (c) equipment and other assets (together with all proceeds thereof) that are acquired with purchase money Indebtedness (and refinancings thereof) or that are subject to Capital Leases, in each case as permitted by the terms of this Agreement, for so long as the grant of a Lien thereon would violate the terms of any applicable agreement evidencing such purchase money Indebtedness (and refinancings thereof) or Capital Leases, and (d) real property, buildings and improvements thereon.

"*Excluded Subsidiary*" means (a) any Subsidiary to the extent a guarantee by such Subsidiary is prohibited or restricted by contract, including pursuant to any joint venture or similar agreement (so long as either (x) such contract is in existence on the Closing Date or (y) such contract is in existence at the time of acquisition or formation of such Subsidiary or joint venture arrangement and the prohibition or restriction in such contract is not entered into in contemplation thereof) or applicable Law, rule or regulation (including any requirement to obtain Governmental Authority consent, approval, license or authorization to provide a guarantee of the Obligations or to pledge Collateral to secure the Obligations unless such consent, approval, license or authorization has been received); (b) any Subsidiary that is a direct or indirect Subsidiary of a CFC or CFC Holdco; (c) any CFC or CFC Holdco; (d) any Designated Real Estate Subsidiary and (e) any Subsidiary to the extent the Administrative Agent and the Borrower Representative mutually and reasonably determine the cost of providing a guarantee is excessive in relation to the value afforded thereby.

"*Excluded Swap Liabilities*" means, with respect to any Loan Party, each of its Swap Obligations if, and only to the extent that, all or any portion of this Agreement or any other Credit Document that relates to such Swap Obligation is or becomes illegal under the CEA, or any rule, regulation or order of the CFTC, solely by virtue of such Loan Party's failure to qualify as an Eligible Contract Participant on the Eligibility Date for such Swap. Notwithstanding anything to the contrary contained in the foregoing or in any other provision of this Agreement or any other Credit Document, the foregoing is subject to the following provisos: (a) if a Swap Obligation arises under a master agreement governing more than one Swap, this definition shall apply only to the portion of such Swap Obligation that is attributable to Swaps for which a guarantee of payment or the granting of a security interest is or becomes illegal under the CEA, or any rule, regulations or order of the CFTC, solely as a result of the failure by such Loan Party for any reason to qualify as an Eligible Contract Participant on the Eligibility Date for such Swap, (b) if a co-borrower agreement or guarantee of a Swap Obligation would cause such obligation to be an Excluded Swap Liability but the grant of a security interest would not cause such obligation to be an Excluded Swap Liability, such Swap Obligation shall constitute an Excluded Swap Liability for purposes of the co-borrower agreement or the guaranty (as applicable) but not for purposes of the grant of the security interest, and (c) if a Swap Obligation would be an Excluded Swap Liability with respect to one or more of the Loan Parties but not all of them, the definition of Excluded Swap Liabilities with respect to each such Loan Party shall only be deemed applicable to (i) the particular Swap Obligation that constitute Excluded Swap Liabilities with respect to such Loan Party, and (ii) the particular Loan Party with respect to which such Swap Obligations constitute Excluded Swap Liabilities.

"*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 (however denominated), franchise Taxes, and branch profits Taxes, in each case, (i) imposed as a result of such Recipient being organized under the Laws of, or having its principal office or, in the case of any Lender, its applicable lending office located in, the jurisdiction imposing such Tax (or any political subdivision thereof) or (ii) that are Other Connection Taxes, (b) in the case of a Lender, U.S. federal withholding Taxes imposed on amounts payable to or for the account of such Lender with respect to an applicable interest in a Loan or Commitment pursuant to a Law in effect on the date on which (i) such Lender acquires such interest in the Loan or Commitment (other than pursuant to an assignment request by the Borrowers under Section 2.12) or (ii) such Lender changes its lending office, except in each case to the extent that, pursuant to Section 2.11, 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, (c) Taxes attributable to such Recipient's failure to comply with Section 2.10.7 and (d) any U.S. federal withholding Taxes imposed under FATCA.

"Existing Credit Agreement" has the meaning set forth in the preamble of this Agreement.

"Existing Lenders" has the meaning set forth in the preamble of this Agreement.

"Existing Letters of Credit" means, collectively, the letters of credit for the account of a Loan Party and further described on [Schedule 1.02](#) attached hereto.

"Facilities" means all real property and the improvements thereon owned or occupied by any Loan Party and all other real property and improvements used or occupied or leased by any of the Loan Parties or otherwise used at any time by any of the Loan Parties in the operation of their respective businesses or for the storage or location of any of the Collateral. As of the Closing Date the Facilities of the Loan Parties are listed on [Schedule 1.04](#) attached hereto.

"Facility Increase" means a Floor Plan Increase or a Revolving Credit Increase, as applicable.

"FASB ASC" means the Accounting Standards Codification of the Financial Accounting Standards Board.

"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) and any current or future regulations or official interpretations thereof and any agreement entered into pursuant to Section 1471(b)(1) of the Code.

"Federal Funds Rate" means, for any day, the rate per annum, (rounded, if necessary, to the next greater 1/100 of 1%) determined (which determination shall be conclusive and binding, absent manifest error) by the Administrative Agent to be equal to the weighted average of the rates on overnight Federal funds transactions with member banks of the Federal Reserve System arranged by Federal funds brokers on such day, as published by the Federal Reserve Bank of New York on the Business Day next succeeding such day; provided that (a) if such day is not a Business Day, the Federal Funds Rate for such day shall be such rate on such transactions on the next preceding Business Day as so published on the next succeeding Business Day, and (b) if no such rate is so published on such next succeeding Business Day, the Federal Funds Rate for such day shall be the average rate charged to the Administrative Agent (in its individual capacity) on such day on such transactions as determined by the Administrative Agent (which determination shall be conclusive and binding, absent manifest error).

"Fee Letter" means the letter agreement dated as of December 9, 2022 between M&T Bank and LDRV.

["First Amendment Effective Date" shall mean March 8, 2024.](#)

"Fiscal Quarter" means each three (3) month fiscal period of the Borrowers beginning on the first (1st) day of each consecutive January, April, July, and October during the term of this Agreement.

"Fiscal Year" means each 12-month fiscal period of the Borrowers beginning each January 1 and ending on the immediately succeeding December 31.

"Floor" means zero percent (0.0%).

"Floor Plan Borrowers" means (a) the Borrowers listed on Schedule 1.01(a) as of the Closing Date and (b) any other Subsidiaries that from time to time become a Borrower under the Floor Plan Facility pursuant to a Joinder Agreement.

"Floor Plan Borrowing" means a borrowing consisting of simultaneous Floor Plan Loans of the same Type, or a borrowing advanced by M&T Advance Lender as a M&T Advance subject

to *pro-rata* participations by the Floor Plan Lenders, all as set forth in Sections 2.01 and 2.02 of this Agreement.

"*Floor Plan Facility*" means the floor plan facility described in Sections 2.01, 2.02 and 2.22 providing for Floor Plan Loans to the Floor Plan Borrower by the Floor Plan Lenders.

"*Floor Plan Interest Reduction Arrangement*" has the meaning given to such term in Section 2.01.17 of this Agreement.

"*Floor Plan Increase*" has the meaning set forth in Section 2.22.1.

"*Floor Plan Lender*" means a Lender holding a Floor Plan Commitment, or if the Floor Plan Commitments have terminated, holding Floor Plan Loans.

"*Floor Plan Line of Credit*" means the Floor Plan Line of Credit described in Sections 2.01 and 2.02 of this Agreement providing for Floor Plan Loans to the Borrowers by the Lenders.

"*Floor Plan Line of Credit Dollar Cap*" means Five Hundred Twenty-Five Million Dollars (\$525,000,000.00), as such amount may be decreased in accordance with Section 2.01.16 or increased pursuant to Section 2.22 of this Agreement.

"*Floor Plan Line of Credit Termination Date*" means February 21, 2027.

"*Floor Plan Loan Adjustment Date*" means each of: (a) the last Business Days of the second and fourth calendar weeks of each consecutive calendar month; and (b) the first Business Day after three (3) Business Days prior written notice from either the Administrative Agent or M&T Bank to the other Lender requesting thereon the scheduling of settlement on account of Floor Plan Loans among the Lenders and M&T Bank.

"*Floor Plan Loan Advance Limit*" means with respect to any (a) Eligible New Floor Plan Unit, 100% of the New Unit Invoiced Amount of such Eligible New Floor Plan Unit; (b) Permitted Company Vehicle, 100% of the New Unit Invoiced Amount of such Vehicle; and (c) Eligible Used Floor Plan Unit that is (i) of the then current model year or any of the previous seven (7) model years, 85% of the Used Unit Book Value of such Unit, (ii) from eight (8) to ten (10) model years old, 65% of Used Unit Book Value of such Unit, and (iii) eleven (11) to twelve (12) model years old, 40% of Used Unit Book Value of such Unit. For the avoidance of doubt, no advances will be permitted for Units in excess of twelve (12) model years old.

"*Floor Plan Loan Commitment*" means, as to any Lender, the amount initially set forth opposite its name on Schedule 1.01 attached hereto in the column labeled "Floor Plan Loan Commitment," and thereafter on any relevant Lender Addendum Assignment And Assumption, or as otherwise thereafter modified in accordance with the terms set forth in this Agreement, and "*Floor Plan Loan Commitments*" means the aggregate Floor Plan Loan Commitments of all of the Lenders.

"*Floor Plan Loan Commitment Percentage*" means, as to any Lender, the percentage initially set forth opposite its name on Schedule 1.01 attached hereto in the column labeled "*Floor Plan Loan Commitment Percentage*" and thereafter on any relevant Lender Addendum Assignment And Assumption, or as otherwise modified in accordance with the terms set forth in this Agreement.

"*Floor Plan Loan Exposure*" means, as to any Lender at any time, the aggregate principal amount at such time of such Lender's outstanding Floor Plan Loans and such Lender's participation in, and obligation to participate in, M&T Advances at such time.

"*Floor Plan Loan Notes*" means, collectively, the promissory notes of the Borrowers evidencing the Floor Plan Loans in the form of Exhibit C attached hereto, together with all amendments and replacements thereof.

"*Floor Plan Loans*" means collectively the revolving credit loans extended from time to time by the Lenders to the Borrowers as joint and several obligors in accordance with the provisions of Section 2.01 of this Agreement, including the M&T Advances pursuant to Section 2.02 of this Agreement.

"*Floor Plan Unit Casualty Event*" means any loss of or damage to, or any condemnation or other taking of, any Floor Plan Vehicle or Unit financed with the proceeds of Floor Plan Loan Commitments for which any Loan Party receives casualty insurance proceeds or proceeds of a condemnation award.

"*Floor Plan Units*" means inventory of the Borrowers consisting of recreational vehicles and/or towables sold or leased by the Borrowers in the ordinary course of their businesses. Floor Plan Units do not include supplies or spare parts inventory.

"*Floor Plan Unused Commitment Fee*" has the meaning given to such term in Section 2.01.15 of this Agreement.

"*Floor Plan Vehicle or Unit*" means any Floor Plan Unit or Permitted Company Vehicle.

"*Foreign Lender*" means (a) if the Borrowers are U.S. Persons, a Lender that is not a U.S. Person, and (b) if the Borrowers are not U.S. Persons, Lender that is resident or organized under the Laws of a jurisdiction other than that in which the Borrowers are resident for tax purposes.

"*Fronting Exposure*" means, at any time there is a Defaulting Lender, (a) with respect to the Issuing Bank, such Defaulting Lender's Revolving Credit Commitment Percentage of the outstanding L/C Obligations with respect to Letters of Credit issued by the Issuing Bank other than L/C Obligations as to which such Defaulting Lender's participation obligation has been reallocated to other Lenders or Cash Collateralized in accordance with the terms hereof, (b) with respect to the Swingline Lender, such Defaulting Lender's Revolving Credit Commitment Percentage of outstanding Swingline Loans made by such Swingline Lender other than the Swingline Loans as to which such Defaulting Lender's participation obligation has been reallocated to other Lenders in accordance with the terms hereof, and (c) with respect to M&T Bank, such Defaulting Lender's Floor Plan Loan Commitment Percentage of outstanding M&T Advances other than M&T Advances as to which such Defaulting lender's participation obligation has been reallocated to other Lenders in accordance with the terms hereof.

"*Fund*" means any Person (other than a natural Person) that is (or will be) engaged in making, purchasing, holding or otherwise investing in commercial loans, bonds and similar extensions of credit in the ordinary course of its business.

"*GAAP*" means generally accepted accounting principles set forth in the opinions and pronouncements of the Accounting Principles Board of the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board or in such other statements by such other entity as may be recognized by a significant segment of the accounting profession, which are applicable to the circumstances as of the date of determination, consistently applied.

"*Governing State*" means the State of New York.

"*Governmental Authority*" means the government of the United States of America or any other nation, or of any political subdivision thereof, whether state or local, and any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government (including any supra-national bodies such as the European Union or the European Central Bank).

"*Guarantors*" means collectively: (a) Pubco Guarantor, (b) Parent Guarantor, and (c) each direct or indirect Subsidiary of Pubco Guarantor and/or Parent Guarantor that executes the Guaranty Agreement and Security Agreement or a joinder thereto in its capacity as a guarantor of the Obligations and grantor and otherwise pursuant to, and subject to the terms and conditions of, the Guaranty Agreement and Security Agreement.

"*Guaranty Agreement*" means, the Second Amended and Restated Guaranty Agreement, dated as of the Closing Date, made by the Loan Parties and certain Subsidiaries of Pubco Guarantor from time to time party thereto in favor of the Administrative Agent for the benefit of the Credit Parties as modified by each joinder agreement, security agreement supplement or pledge agreement supplement thereto delivered from time to time.

"*Guaranty Obligation*" or "*Guarantee*" (or "*guaranty*" or "*guarantee*") means any obligation, direct or indirect, by which a Person undertakes to guaranty, assume or remain liable for the payment of another Person's obligations, including but not limited to (a) endorsements of negotiable instruments, (b) discounts with recourse, (c) agreements to pay upon a second Person's failure to pay, (d) agreements to maintain the capital, working capital solvency or general financial condition of a second Person, and (e) agreements for the purchase or other acquisition of products, materials, supplies or services, if in any case payment therefor is to be made regardless of the nondelivery of such products, materials or supplies or the non-furnishing of such services.

"*Hazardous Materials*" means all explosive or radioactive substances or wastes and all hazardous or toxic substances, wastes or other 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.

"*Historical Financial Statements*" means (i) audited consolidated balance sheets and related statements of income, stockholders' equity and cash flows of the Borrowers and their Subsidiaries for the twelve-month period ended December 31, 2021 and (ii) the unaudited consolidated balance sheets and related statements of income, stockholders' equity and cash flows of the Borrowers and their Subsidiaries for each fiscal month ended after December 31, 2021 and at least 30 days prior to the Closing Date.

"*Increase Effective Date*" has the meaning set forth in Section 2.22.3.

"*Incremental Lender*" has the meaning set forth in Section 2.22.2.

"*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) all direct or contingent obligations of such Person arising under letters of credit (including standby and commercial), bankers' acceptances, bank guaranties, surety bonds and similar instruments, (c) net obligations of such Person under any Swap Agreement, (d) all obligations of such Person to pay the deferred purchase price of property or services (other than trade accounts payable in the ordinary course of business and, in each case, not past due for more than one hundred eighty (180) days after the date on which such trade account payable was created), (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), whether or not such indebtedness shall have been assumed by such Person or is limited in recourse, (f) obligations under any leases which, subject to the terms of Section 1.04, are "Capital Leases" under GAAP as in effect at the time such lease becomes effective (even if such lease is subsequently determined as a result of a Change In Law or a change in GAAP not to be a "Capital Lease"), but not including any operating lease which, subsequently to the time such lease becomes a "Capital Lease" as a result of a Change in Law or a change in GAAP, (g) all obligations of such Person to purchase, redeem, retire, defease or otherwise make any payment in respect of any Equity Interest in such Person or any other Person, valued, in the case of a redeemable preferred interest, at the greater of its voluntary or involuntary liquidation preference plus accrued and unpaid dividends, (h) all Guarantees of such Person in respect of any of the foregoing, (i) all obligations secured by any Lien on the assets of such Person, (j) all payments required of such Person under any "non-compete" or similar agreements, (k) all Synthetic Lease Obligations of such Person, (l) all other obligations of such Persons that are the functional equivalent of the Indebtedness referred to above in clauses (a) through (k). For purposes of this definition, 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, unless such Indebtedness is expressly made non-recourse to

such Person. The amount of any net obligation under any Swap Agreement on any date shall be deemed to be the Swap Termination Value thereof as of such date. The amount of any Capital Lease as of any date shall be deemed to be the amount of Attributable Indebtedness in respect thereof as of such date. Indebtedness of any Person shall not include warrants classified as a liability of such Person solely by reason of the SEC staff statement issued on April 12, 2021 regarding the accounting treatment of warrants issued by Special Purpose Acquisition Companies.

"*Indemnified Taxes*" means (a) Taxes, other than Excluded Taxes, imposed on or with respect to any payment made by or on account of any obligation of any Loan Party under any Credit Document and (b) to the extent not otherwise described in clause (a), Other Taxes.

"*Indemnitee*" has the meaning provided to such term in Section 10.08.2 of this Agreement.

"*Information*" means all information received from any Loan Party relating to the Loan Parties or any of their respective businesses, other than any such information that is available to the Credit Parties on a nonconfidential basis prior to disclosure by the Loan Parties, provided that, in the case of information received from the Loan Parties after the date hereof, such information is clearly identified at the time of delivery as confidential.

"*Insolvency Plan*" means any plan of reorganization or plan of liquidation pursuant to any Debtor Relief Laws.

"*Insolvency Proceeding*" means, with respect to any referenced Person, any case or proceeding commenced by or against such Person, under any provision of the Bankruptcy Code or under any other Debtor Relief Laws.

"*Intangible Assets*" means assets that are considered to be intangible assets under GAAP, including customer lists, goodwill, computer software, copyrights, trade names, trademarks, patents, franchises, licenses, unamortized deferred charges, unamortized debt discount and capitalized research and development costs.

"*Intercompany Indebtedness*" means any and all claims, rights of payment, subrogation rights, rights of contribution, reimbursement or indemnity that any Loan Party may have from or against any other Loan Party.

"*Interest Payment Date*" means (a) with respect to any Adjusted Base Rate Borrowing, the first Business Day of each consecutive month, (b) with respect to any Adjusted Daily SOFR Borrowing, the first Business Day of each consecutive month, and (c) with respect to any SOFR Borrowing at the Adjusted SOFR Rate, the last Business Day of each Interest Period therefor.

"*Interest Period*" means: with respect to any SOFR Borrowing of any Class of Revolving Credit Loans, the period commencing on the date of such SOFR Borrowing, or continuation or conversion of such Class of Loans as SOFR Rate Loans, and ending on the numerically corresponding day in the calendar month that is one (1) month thereafter (provided that (i) if any Interest Period would end on a day other than a U.S. Government Securities Business Day, such Interest Period shall be extended to the next succeeding U.S. Government Securities Business Day, unless such next succeeding U.S. Government Securities Business Day would fall in the next calendar month, in which case such Interest Period shall end on the next preceding U.S. Government Securities Business Day, (ii) any Interest Period that commences on the last U.S. Government Securities Business Day of a calendar month (or on a day for which there is no numerically corresponding day in the last calendar month of such Interest Period) shall end on the last U.S. Government Securities Business Day of the last calendar month of such Interest Period, provided further, that, in the event an Interest Period is extended to the next U.S. Government Securities Business Day in a month, the succeeding Interest Period will end on the day it would have ended had the preceding Interest Period not been so extended (e.g., if the preceding period is extended to the 16th because the 15th is not a U.S. Government Securities Business Day, the succeeding period will end on the 15th as long as it is a U.S. Government Securities Business Day), and (iii) the Borrowers may not select any Interest Period which would end after the Maturity Date for the applicable

Class of Loans). For purposes hereof, the date of a SOFR Borrowing initially shall be the date on which such SOFR Borrowing is made and thereafter shall be the effective date of the most recent conversion or continuation of such SOFR Borrowing.

"Inventory" means any "inventory" within the meaning of that term under the Uniform Commercial Code.

"Inventory Reserves" means, without duplication of any adjustments already accounted for in determining eligibility criteria under the definition of Eligible Inventory or other reserves, reserves as may be established from time to time by the Administrative Agent in its Permitted Discretion to reflect risks or contingencies arising after the Closing Date that negatively impact the market value of Eligible Inventory owned by any Loan Party, including any material change in salability of Eligible Inventory.

"Investment" means, as to any referenced Person, any direct or indirect acquisition or investment by such Person, whether by means of (a) the purchase or other acquisition of Capital Stock or other Equity Interests in or securities of another Person, (b) a loan, advance or capital contribution to, guarantee or assumption of debt of, or purchase or other acquisition of any other debt or equity participation or interest in, another Person, including any partnership or joint venture interest in such other Person, (c) the purchase or other acquisition (in one transaction or a series of transactions) of assets of another Person that constitute a business unit, or (d) any other investment in securities, deposits, or the obligations of other Persons. For purposes of covenant compliance, the amount of any Investment shall be the amount actually invested, without adjustment for subsequent increases or decreases in the value of such Investment.

"IRS" means the United States Internal Revenue Service.

"ISP" means, with respect to any Letter of Credit, the "International Standby Practices 1998" published by the Institute of International Banking Law & Practice (or such later version thereof as may be in effect at the time of issuance).

"Issuing Bank" means M&T Bank, in its capacity as the issuer of Letters of Credit hereunder, or its successors hereunder as the issuer of Letters of Credit.

"Joinder Agreement" means each Joinder Agreement and Counterpart, substantially in the form of Exhibit K (amended as required to apply to the capacities of the applicable Borrower and to the Collateral to be granted), executed and delivered by a Subsidiary or any other Person to the Administrative Agent in connection with this Agreement.

"L/C Commitment" means (a) the commitment of the Issuing Bank to issue Letters of Credit in an aggregate amount at any time outstanding not to exceed the Letter of Credit Sublimit, and (b) with respect to each Lender, the commitment of such Lender to purchase participation interests in the L/C Obligations up to such Lender's Revolving Credit Commitment Percentage multiplied by the Letter of Credit Sublimit. The L/C Commitment of each Lender is included in and is part of each Lender's Revolving Credit Commitment and is not in addition to the Lenders' respective Revolving Credit Commitments.

"L/C Credit Extension" means, with respect to any Letter of Credit, the issuance thereof or extension of the expiry date thereof, or the increase of the amount thereof.

"L/C Disbursement" means a payment made by the Issuing Bank pursuant to a Letter of Credit, including but not limited to the amount of any draft paid by the Issuing Bank under any Letter of Credit, and any taxes, charges, or other costs or expenses incurred by the Issuing Bank in connection with any such payment.

"L/C Documents" means, with respect to any Letter of Credit, such Letter of Credit, any amendments thereto, any documents delivered in connection therewith, any Letter of Credit Application therefor, and any agreements, instruments, guarantees or other documents (whether general in application

or applicable only to such Letter of Credit) governing or providing for (a) the rights and obligations of the parties concerned, or (b) any collateral security for such obligations.

"*L/C Expiration Date*" means the day that is thirty (30) days prior to the Revolving Credit Termination Date (or, if such day is not a Business Day, the next preceding Business Day).

"*L/C Obligations*" means, at any time, the sum of (a) the aggregate Stated Amount of all issued and outstanding Letters of Credit, plus (b) the aggregate unpaid principal amount of all Reimbursement Obligations of the Revolving Credit Borrower at such time due and payable in respect of all drawings made under such Letter of Credit. For purposes of this Agreement, a Lender (other than the Lender then acting as Issuing Bank with respect to the related Letter of Credit) shall be deemed to hold a L/C Obligation in an amount equal to its participation interest under Section 2.05 in the related Letter of Credit, and the Lender then acting as Issuing Bank with respect to such related Letter of Credit shall be deemed to hold a L/C Obligation in an amount equal to its retained interest in the related Letter of Credit after giving effect to the acquisition by the Revolving Credit Lenders (other than the Lender then acting as Issuing Bank with respect to such related Letter of Credit) of the participation interests under such Section. For all purposes of this Agreement, if on any date of determination a Letter of Credit has expired by its terms, but any amount may still be drawn thereunder by reason of the operation of Rule 3.14 of the ISP, such Letter of Credit shall be deemed to be "outstanding" in the amount so remaining available to be drawn.

"*Law*" means any law (including common Law), constitution, statute, treaty, regulation, rule, ordinance, opinion, release, ruling, order, injunction, writ, decree or award of any Governmental Authority.

"*Lender Addendum*" means a Lender Addendum substantially in the form of Exhibit D attached hereto pursuant to which a financial institution or Fund agrees to become a Lender holding the Commitments and Commitment Percentages set forth therein.

"*Lenders*" means collectively the Floor Plan Lenders, the Revolving Credit Lenders and the Persons that are parties to this Agreement as of the Closing Date as a "Lender" or are parties to a Lender Addendum as a "Lender" after the Closing Date and any other Person that thereafter shall have become party hereto as a "Lender" pursuant to an Assignment and Assumption, other than any such Person that ceases to be a party hereto as a "Lender" pursuant to an Assignment and Assumption. Unless the context requires otherwise, the term "Lenders" includes the Swingline Lender and the Issuing Bank, and M&T in connection with its funding of the M&T Advances.

"*Letter of Credit*" means (a) each of the Existing Letters of Credit and (b) any letter of credit issued by the Issuing Bank for the account of one or more of the Borrowers or any Affiliate thereof in accordance with the terms of this Agreement.

"*Letter of Credit Application*" means the Issuing Bank's then current form of application and agreement for the issuance or amendment of a Letter of Credit.

"*Letter of Credit Fees*" has the meaning provided to such term in Section 2.05.9 of this Agreement.

"*Letter of Credit Sublimit*" means an amount equal to Five Million Dollars (\$5,000,000.00).

"*Lien*" means any mortgage, deed of trust, pledge, lien, security interest, charge or other encumbrance or security arrangement of any nature whatsoever, whether voluntarily or involuntarily given, including but not limited to any conditional sale or title retention arrangement, and any assignment, deposit arrangement or lease intended as, or having the effect of, security and any filed financing statement or other notice of any of the foregoing (whether or not a lien or other encumbrance is created or exists at the time of the filing).

"*LIFO Reserve*" means, as of any date of determination, the amount by which the book value of the Inventory of the Borrowers and their Subsidiaries, as reported on the consolidated and consolidating financial statements of Pubco Guarantor and its Subsidiaries as of such date, would be lower if the first-in, first-out method calculated in accordance with GAAP, were used to value such Inventory as of such date.

"*Line Cap*" means the lesser of (i) the Revolving Credit Commitments and (ii) (x) the Borrowing Base minus (y) the Outstanding Amount of the Floor Plan Loans.

"*Liquidity*" means, as of any date of determination, the sum of (i)(a) the Line Cap minus (b) the aggregate amount of Revolving Credit Exposure plus (ii) the aggregate amount of Unrestricted Cash and Equivalents held in accounts with the Administrative Agent or, alternatively, in deposit accounts covered by a tri-party control agreement by and among a Loan Party, the Administrative Agent and a depository bank in form and substance satisfactory to the Administrative Agent.

"*Liquidity Certificate*" means a certificate provided by the Chief Financial Officer, Chief Executive Officer or President of the Borrower Representative in accordance with the requirements of Section 5.09.1 of this Agreement in form and substance as Exhibit G attached hereto.

"*Loan Parties*" means, collectively, the Borrowers and the Guarantors (including Persons that become Borrowers or Guarantors after the Closing Date).

"*Loan Request*" means notice in the form of Exhibit H attached hereto from the Borrower Representative in accordance with the Loans as set forth in this Agreement. In connection with Floor Plan Loans and M&T Advances, for Floor Plan Vehicles or Units which are not new from the Manufacturer, the Loan Request shall be accompanied by a vendor invoice, certificate or statement of origin or certificate of title, as applicable and such other information as is required in this Agreement.

"*Loans*" means, collectively, the Floor Plan Loans including the M&T Advances, Revolving Credit Loans and the Swingline Loans.

"*M&T Advance*" has the meaning provided to such term in Section 2.02.

"*M&T Advance Lender*" means M&T Bank.

"*M&T Bank*" means Manufacturers and Traders Trust Company, a New York banking corporation, and its successors and assigns.

"*Manufacturer*" means the manufacturer, vendor, or supplier of a Floor Plan Vehicle or Unit, including original equipment manufacturers (commonly referred to as "OEM") and other vendors and suppliers of a Floor Plan Vehicle or Unit.

"*Material Adverse Change*" means (a) any set of circumstances or events which has or could reasonably be expected to have a material adverse effect upon the operations, businesses, properties, liabilities (actual or contingent), conditions (financial or otherwise) or prospects of any Loan Party or any Subsidiary of a Loan Party; (b) a material impairment of the ability of any Loan Party to perform its obligations under any Credit Document to which it is a party; or (c) any circumstances or events having a material adverse effect upon the legality, validity, binding effect or enforceability against any Loan Party of any Credit Document to which it is a party.

"*Material Intellectual Property*" means any intellectual property that, individually or collectively, (a) is (i) necessary to the business of Pubco Guarantor and its Subsidiaries as currently constructed or (ii) is otherwise material to the business or operations of Pubco Guarantor and its Subsidiaries, taken as a whole or (b) has a fair market value (as reasonably determined by the Borrower Representative in good faith) in excess of \$1,000,000.00.

"*Material Subsidiary*" shall mean at any time each any direct or indirect Subsidiary of Pubco Guarantor having: (a) assets in an amount equal to at least 5.0% of the total assets of Pubco

Guarantor and its Subsidiaries determined on a consolidated basis as of the last day of the most recent Fiscal Quarter at such time; or (b) revenues or net income in an amount equal to at least 5.0% of the total revenues or net income of Pubco Guarantor and its Subsidiaries on a consolidated basis for the 12-month period ending on the last day of the most recent Fiscal Quarter at such time.

"*Maturity Dates*" means collectively (a) the Floor Plan Line of Credit Termination Date, (b) the Revolving Credit Termination Date and (c) the Swingline Termination Date.

"*Measurement Period*" means, as of any date of determination, the four (4) consecutive trailing Fiscal Quarters most recently ended.

"*Minimum Borrowing Amount*" means: (a) with respect to Floor Plan Loans, M&T Advances, and settlement among M&T Bank and the other Lender on account of M&T Advances on a Floor Plan Loan Adjustment Date, no Minimum Borrowing Amount shall be applicable; (b) with respect to the Revolving Credit Loan (i) no Minimum Borrowing Amount shall be applicable for Adjusted Base Rate Borrowings and (ii) Five Hundred Thousand Dollars (\$500,000.00) (or such lesser amount as may be approved by the Administrative Agent) for SOFR Borrowings with minimum increments of Fifty Thousand Dollars (\$50,000.00); and (c) with respect to the Swingline Loans, any whole Dollar increment.

"*Multiemployer Plan*" means any employee benefit plan which is a "multiemployer plan" within the meaning of Section 4001(a)(3) of ERISA and to which any Loan Party or ERISA Affiliate is then making or accruing an obligation to make contributions or, within the preceding five (5) plan years, has made or had an obligation to make such contributions.

"*Net Available Proceeds*" means any cash payments, and the fair market cash value of any non-cash consideration, received by any Loan Party or its Subsidiaries directly or indirectly in connection with a Floor Plan Unit Casualty Event or [Disposition](#), in each case net of (a) net of reasonable costs and expenses associated therewith, including reasonable legal fees and expenses (but excluding any such fees and expenses paid to an Affiliate), and (b) any repayments (including reasonable expenses in connection therewith) of Indebtedness to the extent that (x) such Indebtedness is secured by a Lien on an asset that is the subject of the transaction, and (y) the transferee of (or holder of a Lien on) such asset requires that such Indebtedness be repaid as a condition to the subject transaction.

"*New Unit Invoiced Amount*" means, with respect to any Eligible New Floor Plan Unit or any Permitted Company Vehicle, the amount of the Manufacturer or vendor invoice (including freight charges) as specified to the Administrative Agent from time to time by the applicable Manufacturer or vendor of such Eligible New Floor Plan Unit or Permitted Company Vehicle.

"*Non-Consenting Lender*" means any Lender that does not approve any consent, waiver or amendment that (a) requires the approval of all Lenders or all affected Lenders in accordance with the terms of Section 10.01 and (b) has been approved by the Required Lenders.

"*Non-Defaulting Lender*" means, at any time, each Lender that is not a Defaulting Lender at such time.

"*Non-Financed Capital Expenditures*" means, with respect to any Person for any applicable period, the Capital Expenditures of such Person made in cash during such period, excluding any Capital Expenditures paid from proceeds of Indebtedness (other than proceeds of Indebtedness arising from borrowings under the Revolving Credit Loans, the Swingline Loan, or the Floor Plan Loans).

"*Notes*" means, collectively, the Floor Plan Loan Notes, the Revolving Credit Notes and the Swingline Note.

"*Obligations*" means, collectively, the obligations of the Borrowers or of any other Loan Party to pay to the Credit Parties or to perform for the benefit of the Credit Parties, M&T Bank or any of their Affiliates (a) sums due arising out of or in connection with the Loans or otherwise pursuant to the terms of the Notes, and the other Credit Documents, including without limitation all unpaid principal, accrued interest (including interest that accrues during any Insolvency Proceedings), fees and expenses,

(b) indemnification and reimbursement duties and obligations owed in accordance with the terms of any of the Credit Documents, (c) Credit Party Expenses, (d) reimbursement, repayment or indemnity obligations owed by the Borrowers or any of the other Loan Parties to any Credit Party or to an Affiliate of a Credit Party arising out of or related to Bank Products, (e) all payment and indemnification obligations owed by the Borrowers to the Issuing Bank or to any other Credit Party which arise out of or relate to any Letters of Credit, including all of the L/C Obligations, (f) all obligations or sums due to any Swap Provider under or in connection with any Swap Obligations, (g) payments owed to the Arranger, the Administrative Agent or M&T Bank in accordance with the Fee Letter, (h) any indebtedness or liability which may exist or arise as a result of any payment made by or for the benefit of any of the Credit Parties being avoided or set aside for any reason including any payment being avoided as a preference under Sections 547 and 550 of the Bankruptcy Code, as amended, or under any other Debtor Relief Law, and (i) any interest on any portion of the Loans that accrues after the commencement of any Insolvency Proceeding.

"OFAC" mean the U.S. Department of Treasury's Office of Foreign Asset Control.

"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 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. For the avoidance of doubt, with respect to Pubco Guarantor, the Organization Documents include the Amended Charter and the Securities Purchase Agreement.

"Other Connection Taxes" means, with respect to any Recipient, Taxes imposed as a result of a present or former connection between such Recipient and the jurisdiction imposing such Tax (other than connections arising from such Recipient having executed, delivered, become a party to, performed its obligations under, received payments under, received or perfected a security interest under, engaged in any other transaction pursuant to or enforced any Credit Document, or sold or assigned an interest in any Loan or Credit Document).

"Other Taxes" means all present or future stamp, court, documentary, intangible, recording, filing or similar Taxes that arise from any payment made under, from the execution, delivery, performance, enforcement or registration of, from the receipt or perfection of a security interest under, or otherwise with respect to, any Credit Document, except any such Taxes that are Other Connection Taxes imposed with respect to an assignment (other than an assignment made pursuant to Section 2.12).

"Out Of Balance" means with respect to any Floor Plan Vehicle or Unit, that the outstanding principal amount of the Floor Plan Loans allocable to such Floor Plan Vehicle or Unit exceeds the Floor Plan Loan Advance Limit applicable to such Floor Plan Vehicle or Unit or that the payments required pursuant to Sections 2.01.6, 2.01.7, 2.01.8 or 2.01.9 have not been paid as agreed.

"Outstanding Amount" means (a) with respect to Floor Plan Loans (including M&T Advances) on any date, the aggregate outstanding principal amount thereof after giving effect to any borrowings and prepayments or repayments of Floor Plan Loans, as the case may be, occurring on such date, (b) with respect to Revolving Credit Loans and Swingline Loans on any date, the aggregate outstanding principal amount thereof after giving effect to any borrowings and prepayments or repayments of Revolving Credit Loans and Swingline Loans, as the case may be, occurring on such date; and (c) with respect to any L/C Obligations on any date, the amount of such L/C Obligations on such date after giving effect to any L/C Credit Extensions occurring on such date and any other changes in the aggregate amount of the L/C Obligations as of such date, including as a result of any reimbursements made by the Borrowers.

"Parent Guarantor" means Lazy Days' R.V. Center, Inc., a Delaware corporation.

"Participant" has the meaning provided to such term in Section 10.03 of this Agreement.

"Participant Register" has the meaning provided to such term in Section 10.03 of this Agreement.

"Participation" means an undivided participation interest sold by a Lender, in accordance with the provisions of Section 10.03, in such Lender's Commitments, Loans and rights and obligations under this Agreement and the other Credit Documents.

"Payment Notice" has the meaning provided to such term in Section 9.13(b) of this Agreement.

"Payment Recipient" has the meaning provided to such term in Section 9.13(a) of this Agreement.

"PBGC" means the Pension Benefit Guaranty Corporation.

"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 Title IV of ERISA and is sponsored or maintained by a Borrower or any ERISA Affiliate or to which a Borrower or any ERISA Affiliate contributes or has obligation to contribute, or in the case of a multiple employer or other plan described in Section 4064(a) of ERISA, has made contributions at any time during the immediately preceding five plan years.

"Permitted Acquisition" means any Investment after the Closing Date by one (1) or more Borrowers in any Person located within the United States whose business operations are within the same scope of business operations as the applicable Borrowers, or a similar or related line of business to the business of the applicable Borrowers or a complementary or ancillary business that allows for vertical integration by the Loan Parties, provided that:

(a) there are no then continuing Defaults or Events of Default and no Material Adverse Change has occurred, and immediately after giving effect to such Investment there will not be any Defaults, Events of Default or Material Adverse Change,

(b) with respect to such Investment, the applicable Borrowers shall have submitted to the Administrative Agent, not less than thirty (30) days before the Borrowers become bound under any agreement to make such Investment or, in the case of clause (iii) immediately below, upon the request of the Administrative Agent, (i) a description of the transaction pursuant to which such Investment is to be made, accompanied by substantially final drafts of all material definitive documents for such transaction, (ii) pro forma financial statements for the Borrowers and their Subsidiaries giving effect to such Investment, and (iii) updated and revised financial projections which incorporate the target's projected results of operations into the financial projections of the applicable Borrowers and their Subsidiaries then most recently submitted to the Administrative Agent, projecting the compliance by the Borrowers and their Subsidiaries with all covenants of this Agreement (including financial covenants) after giving effect to the Investment,

(c) on or prior to the consummation of such proposed acquisition, the Borrower Representative shall deliver a certificate of an Authorized Officer of the Borrowers (i) certifying compliance with the requirements of clauses (a) through (f) of this definition and containing the calculations (in reasonable detail) required by clause (g) below and (ii) (1) attaching a copy of each form of material franchise or framework agreement for each Manufacturer of Floor Plan Units sold by such Borrower, or, if previously delivered, stating that such agreements were previously delivered to the Administrative Agent and (2) certifying that no consents or waivers are required pursuant to any such material franchise or framework agreement that have not been obtained that would enable the applicable Manufacturer to terminate such material franchise or framework agreement, as applicable,

(d) the target shall be organized and domiciled in the United States,

(e) such acquisition shall have been approved or consented to by the board of directors or similar governing body of the target,

(f) each new Subsidiary shall, at the time it becomes a Subsidiary, execute and/or deliver all such certifications, opinions, resolutions and Credit Documents as are required pursuant to Section 5.15 hereof,

(g) on the date of the consummation of such proposed acquisition, the Loan Parties shall be in pro forma compliance with the financial covenants set forth in Sections 6.12, 6.13, and 6.14 as of the most recently ended Measurement Period, after giving effect to such proposed acquisition, and

(h) the Administrative Agent shall have completed all due diligence on the Persons (directly or indirectly) to be (or whose assets are to be) acquired in connection with such proposed acquisition, the scope and results of which shall be reasonably satisfactory to the Agent, including (i) review of agreements of such Persons with OEMs and material franchise or framework agreements to which such Persons are a party, (ii) unless previously delivered and acknowledged in writing by the Administrative Agent, receipt of an inspection and a floor plan audit of such Persons performed by an independent third party or the Administrative Agent with results reasonably acceptable to the Administrative Agent and (iii) such other information as Administrative Agent shall reasonably request, including without limitation as may be required by the Credit Parties to complete their "know your customer" due diligence, as applicable.

Notwithstanding the foregoing, "Permitted Acquisition" also includes the acquisition of real estate related to the development of an RV dealership or service center and any such acquisition shall be subject to the foregoing conditions and requirements set forth in clauses (a) – (d) in this definition (regardless of whether it is within the definition of "Investment") and each new Subsidiary formed or acquired in connection with such Permitted Acquisition shall, at the time it becomes a Subsidiary, execute and/or deliver all such certifications, opinions, resolutions and Credit Documents as are required pursuant to Section 5.15 hereof.

"Permitted Company Vehicles" means Vehicles purchased by a Borrower for use in its business in the ordinary course (including use by officers and employees), which Vehicles are of the then current model year or the previous model year when so purchased, and in any case, that the Administrative Agent, in its sole discretion, deems to be a Permitted Company Vehicle; provided that in no event shall any such Vehicle be deemed a Permitted Company Vehicle unless all representations and warranties set forth in the Security Documents with respect to such Vehicle are true and correct and such Vehicle:

(a) is an asset to which a Borrower has good and marketable title, is freely assignable, and is subject to a perfected, first priority Lien in favor of the Administrative Agent free and clear of any other Liens;

(b) is located at any of the Facilities listed on Schedule 1.04 or such other locations as are approved in writing by the Administrative Agent and, in the case of facilities not owned by a Borrower, that are at all times subject to landlord waiver agreements in form and substance satisfactory to the Administrative Agent;

(c) has not been owned or held by any Borrowers for more than 23 months;

(d) has an odometer reading of no greater than 45,000 miles;

(e) is not obsolete or slow moving, and is of good and merchantable quality and complies in all respects with all governmental standards applicable thereto, free from any defects that might adversely affect the market value thereof; and

(f) is not a recreational vehicle or towable.

"*Permitted Discretion*" means a determination made in good faith and in the exercise of reasonable credit or business judgement, from the perspective of a secured asset based lender in accordance with customary business practices of the Administrative Agent for comparable asset-based transactions for similarly situated borrowers, which in the context of establishing or modifying any eligibility criteria or Reserve provided for in this Agreement, the Administrative Agent from time to time determines following consultation with the Borrower Representative as being appropriate, in each case of clauses (a), (b), (c) and (d) below, to the extent such items have not otherwise been included in the calculation of the Borrowing Base, (a) to reflect items that could reasonably be expected to adversely affect the Administrative Agent's ability to realize upon the Collateral relevant to that Loan Party, including, without limitation, items that could reasonably be expected to adversely affect the value of any Collateral relevant to the Loan Party, the enforceability or priority of the Administrative Agent's Liens on Collateral relevant to that Loan Party, the timing of any enforcement action, or the amount that any secured party would be likely to receive in the liquidation of Collateral relevant to that Loan Party, (b) to reflect claims and liabilities that have priority as a matter of law that the Administrative Agent determines will need to be satisfied in connection with the realization upon that Collateral, (c) to reflect criteria, events, conditions, contingencies or risks that differ materially from facts or events occurring or known to the Administrative Agent on the Closing Date and which directly and adversely affect any component of the Borrowing Base, or (d) to address any collateral report or other financial information received by the Administrative Agent from any Loan Party to the extent such report is incomplete, inaccurate or misleading in any material respect.

"*Permitted Encumbrances*" means collectively:

(a) Liens for taxes, assessments, governmental levies or similar charges incurred in the ordinary course of business and which are not yet due and payable, or if due and payable, (i) are being contested in good faith and by appropriate and lawful proceedings diligently conducted, but only so long as such proceedings could not subject any Credit Party to any civil or criminal penalties or liabilities and (ii) for which such reserves or other appropriate provisions, if any, as shall be required by GAAP shall have been made and (iii) which shall be paid in accordance with the terms of any final non-appealable judgments or orders relating thereto within thirty (30) days after the entry of such judgments or orders;

(b) Pledges or deposits made in the ordinary course of business to secure payment of worker's compensation, or to participate in any fund in connection with worker's compensation, unemployment insurance, old-age pensions, other social security programs or similar program or to secure liability to insurance carriers under insurance or self insurance agreements or arrangement;

(c) Liens of mechanics, materialmen, warehousemen, carriers, or other like Liens, securing obligations incurred in the ordinary course of business that are not yet due and payable and Liens of landlords securing obligations to pay lease payments that are not yet due and payable or in default, or if such Liens are due and payable, (i) are being contested in good faith and by appropriate and lawful proceedings diligently conducted and (ii) for which such reserves or other appropriate provisions, if any, as required by GAAP shall have been made and (iii) which shall be paid in accordance with the terms of any final non-appealable judgments or orders relating thereto within thirty (30) days after the entry of such judgments or orders;

(d) Pledges or deposits made in the ordinary course of business to secure performance of bids, tenders, contracts (other than for the repayment of borrowed money) or leases, not in excess of the aggregate amounts due thereunder, or to secure statutory obligations, or surety, appeal, indemnity, performance or other similar bonds required in the ordinary course of business;

(e) (i) Encumbrances consisting of zoning restrictions, easements, rights-of-way, or other restrictions on the use of real property, (ii) defects in title to real property, and (iii) Liens, encumbrances, and title defects affecting real property not known by the Borrowers or their Subsidiaries, as applicable, and not discoverable by a search of the public records, none of which materially impairs the use of such property;

(f) Liens securing the Obligations;

(g) Liens securing judgments for the payment of money (or appeal or other surety bonds relating to such judgments) not constituting an Event of Default under Section 7.05 or Section 7.06; provided such Lien is subject and subordinate to the Lien of the Security Documents;

(h) Liens existing on the Closing Date and listed on Schedule 1.05 hereof, and any renewals, modifications, replacements or extensions thereof; *provided that* (i) the property covered thereby is not changed, (ii) the amount secured or benefited thereby is not increased except as contemplated by Section 6.03(b), and (iii) the direct or any contingent obligor with respect thereto is not changed;

(i) Liens upon fixed assets or equipment securing Indebtedness permitted under Section 6.03(f) (for the avoidance of doubt, subject to the monetary limitation set forth therein with respect thereto in Section 6.03 and to the limitation set forth in Section 6.17 of this Agreement); *provided that*: (i) such Liens do not at any time encumber any property other than the property financed by such Indebtedness, (ii) the Indebtedness secured thereby does not exceed the cost (negotiated on an arm's length basis) of the property being acquired on the date of acquisition, and (iii) such Liens attach to such property concurrently with or within ninety (90) days after the acquisition thereof;

(j) any interest or title of a lessor, licensor or sublessor under any lease, license or sublease entered into by Pubco Guarantor or any of its Subsidiaries in the ordinary course of business and covering only the assets so leased, licensed or subleased;

(k) Liens of a collection bank arising under Section 4-210 of the UCC on items in the course of collection;

(l) Liens of sellers of goods to Borrowers or any Subsidiary arising under Article 2 of the Uniform Commercial Code or similar provisions of applicable Law in the ordinary course of business, covering only the goods sold and securing only the unpaid purchase price for such goods and related expenses;

(m) Liens, if any, in favor of the Administrative Agent on Cash Collateral delivered pursuant to Section 2.05.8;

(n) Liens placed upon assets securing Indebtedness incurred to finance real property to the extent such Indebtedness is permitted under Section 6.03(m) hereof; provided that any such Lien shall not encumber any assets of any Loan Party other than the real property financed by such Indebtedness; and

(o) Liens that are normal and customary contractual rights of setoff, relating to (i) the establishment of depository relationships with banks or other financial institutions not given in connection with the incurrence of any Indebtedness, and (ii) purchase orders and other agreements entered into with customers of the Borrowers or any Subsidiary in the ordinary course of business.

"Permitted Holder" means those direct and indirect beneficial owners of the Capital Stock of Pubco Guarantor that, as of the Closing Date, are entitled to vote in the election of the Board of Directors of Pubco Guarantor.

"Person" means any individual, corporation, partnership, limited liability company, association, joint-stock company, trust, unincorporated organization, joint venture, government or political subdivision or agency thereof, or any other entity.

"Plan" means any "employee benefit plan" (as such term is defined in Section 3(3) of ERISA) established by any Loan Party or, with respect to any such plan that is subject to Section 412 of the Code or Title IV of ERISA, any ERISA Affiliate.

"Platform" means Debt Domain, Intralinks, SyndTrak or a substantially similar electronic transmission system.

"Preferred Stockholders" means the holders of Series A Preferred Stock of Pubco Guarantor which are, as of the Closing Date, the Persons listed on [Schedule 1.03](#) attached hereto and their successors and assigns.

"Prime Rate" means the rate of interest per annum publicly announced from time to time by the Administrative Agent, in its sole discretion, as its prime lending rate of interest. Such announced rate bears no inference, implication, representation or warranty that such announced rate is charged to any particular customer or customers of Administrative Agent. The Administrative Agent's prime lending rate of interest is but one of several interest rate bases used by the Administrative Agent. Changes in the applicable interest rate shall be made as of, and immediately upon the occurrence of, changes in the Administrative Agent's prime rate.

"Principal Payment Date" means the fifteenth (15th) day of each consecutive month (provided, however, if any such day is not a Business Day, the Business Day prior to such day). The first Principal Payment Date is March 15, 2023.

"Pro Rata Share" means, as to each Lender, the ratio, expressed as a percentage of (a) the aggregate amount of such Lender's Floor Plan Commitment and Revolving Credit Commitment to (b) the aggregate amount of the Floor Plan Commitments and Revolving Credit Commitment of all Lenders; provided, however, that if at the time of determination the Floor Plan Commitments and Revolving Credit Commitments have terminated or been reduced to zero, the "Pro Rata Share" of each Lender shall be the ratio, expressed as a percentage of (A) the sum of the unpaid principal amount of all outstanding Floor Plan Loans and Revolving Credit Loans, owing to such Lender as of such date to (B) the sum of the aggregate unpaid principal amount of all outstanding Floor Plan Loans and Revolving Credit Loans of all Lenders as of such date. If at the time of determination any Commitments have been terminated or reduced to zero and there are no outstanding Loans, then the Pro Rata Shares of the Lenders shall be determined as of the most recent date on which such Commitments were in effect or Loans were outstanding. For purposes of this definition, a Floor Plan Lender shall be deemed to hold a M&T Advance to the extent such Floor Plan Lender has acquired a participation therein under the terms of this Agreement and has not failed to perform its obligations in respect of such participation.

"Prohibited Transaction" means any prohibited transaction as defined in Section 4975 of the Code or Section 406 of ERISA that is not exempt under Section 408 of ERISA and for which neither an individual nor a class exemption has been issued by the United States Department of Labor.

"Property" means, any parcel of real property, whether owned in fee or leased, of any of the Loan Parties.

"Pubco Guarantor" means Lazydays Holdings, Inc., a Delaware corporation, formerly known as Andina II Holdco Corp, a Delaware corporation.

"Ratio Adjustment Period" means, the period commencing on the First Amendment Effective Date and ending on the date which is the date the Borrower Representative has delivered a Compliance Certificate pursuant to Section 5.09.5 which contains calculations demonstrating that the Total Net Leverage Ratio is less than 3:00 to 1.00 for the applicable Measurement Period.

"Real Estate Subsidiary Designation" has the meaning set forth in Section 5.22 of this Agreement.

"Receivables Reserves" means, without duplication of any adjustments already accounted for in determining eligibility criteria under the definition of Eligible Accounts or Eligible Contracts in Transit or other reserves, reserves as may be established from time to time by the Administrative Agent in its Permitted Discretion to reflect risks or contingencies arising after the Closing Date that negatively impact the market value of Eligible Accounts or Eligible Contracts in Transit owned

by any Loan Party, including any material change in collectability of Eligible Accounts or Eligible Contracts in Transit.

"*Recipient*" means (a) the Administrative Agent, (b) any Lender or (c) any Issuing Bank, as applicable.

"*Reflooring Loan*" has the meaning provided to such term in Section 2.01(b) of this Agreement.

"*Register*" has the meaning provided to such term in Section 10.02.4 of this Agreement.

"*Regulated Substance*" means any substance which, pursuant to any Environmental Law, is identified as a Hazardous Material, hazardous substance (or other term having similar import) or is otherwise subject to special requirements in connection with the use, storage, transportation, disposition or other handling thereof.

"*Regulation D*" means certain regulations issued by the Federal Reserve Board generally known as Regulation D and entitled "Reserve Requirements of Depository Institutions," codified at 12 CFR § 204, et seq., as amended and in effect from time to time.

"*Reimbursement Obligation*" means the absolute, unconditional and irrevocable obligation of a Revolving Borrower to reimburse an Issuing Bank for any drawing honored by such Issuing Bank under a Letter of Credit.

"*Related Parties*" means, with respect to any Person, such Person's Affiliates and the partners, directors, officers, employees, agents, trustees, administrators, managers, advisors and representatives of such Person and of such Person's Affiliates.

"*Release*" means a "release" as defined in Section 101(22) of the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as now or hereafter amended.

"*Relevant Governmental Body*" means the Board of Governors of the Federal Reserve System or the Federal Reserve Bank of New York, or committee officially endorsed or convened by the Board of Governors of the Federal Reserve System or the Federal Reserve Bank of New York or any successor thereto.

"*Reportable Event*" means any of the events set forth in Section 4043(c) of ERISA, other than events for which the thirty (30) day notice period has been waived.

"*Repurchase Agreement*" means an agreement between the Administrative Agent and a Manufacturer providing Floor Plan Units to any Borrower (or manufacturer or supplier of Floor Plan Units to another dealer that subsequently sold such Floor Plan Units to any Borrower) providing for such manufacturer's or supplier's agreement to repurchase from such Borrower the Floor Plan Units sold to such Borrower by such manufacturer, supplier or other dealer.

"*Required Floor Plan Lenders*" means (a) if there are one or two Floor Plan Lenders, all Floor Plan Lenders; (b) if there are three Floor Plan Lenders, at least two unaffiliated Floor Plan Lenders who hold in the aggregate at least sixty-six and two-thirds percent (66.67%) of either (i) the total Floor Plan Commitments of all Floor Plan Lenders, or (ii) in the event the Floor Plan Commitments have been terminated, the aggregate Floor Plan Loan Exposure of all Floor Plan Lenders, and (c) if there are four or more Floor Plan Lenders, at least two unaffiliated Floor Plan Lenders who hold in the aggregate more than fifty percent (50%) of either (i) the total Floor Plan Commitments of all Floor Plan Lenders, or (ii) in the event the Floor Plan Commitments have been terminated, the aggregate Floor Plan Loan Exposure of all Floor Plan Lenders; provided that for purposes of calculating the "Required Floor Plan Lenders," the Floor Plan Commitments and Floor Plan Loan Exposure of any Defaulting Lenders shall be deemed zero. For purposes of this definition a Floor Plan Lender shall be deemed to hold an M&T Advance to the extent such Floor Plan Lender has acquired a participation therein under the terms of this Agreement and has not failed to perform its obligations in respect to such participation.

"Required Lenders" means (a) if there are one or two Lenders, all Lenders; (b) if there are three Lenders, at least two unaffiliated Lenders who hold in the aggregate at least sixty-six and two-thirds percent (66.67%) of either (i) the total Commitments of all Lenders, or (ii) in the event the Commitments have been terminated, the aggregate outstanding Loans of all Lenders, and (c) if there are four or more Lenders, at least two unaffiliated Lenders who hold in the aggregate more than fifty percent (50%) of either (i) the total Commitments of all Lenders, or (ii) in the event the Commitments have been terminated, the aggregate outstanding Loans of all Lenders, including the Administrative Agent; provided that for purposes of calculating the "Required Lenders," the Commitments and Loans of any Defaulting Lender shall be deemed zero.

"Required Revolving Credit Lenders" means (a) if there are one or two Revolving Credit Lenders, all Revolving Credit Lenders; (b) if there are three Revolving Credit Lenders, at least two unaffiliated Revolving Credit Lenders who hold in the aggregate at least sixty-six and two-thirds percent (66.67%) of either (i) the total Revolving Credit Commitments of all Revolving Credit Lenders, or (ii) in the event the Revolving Credit Commitments have been terminated, the aggregate Revolving Credit Exposure of all Revolving Credit Lenders, and (c) if there are four or more Revolving Credit Lenders, at least two unaffiliated Revolving Credit Lenders who hold in the aggregate more than fifty percent (50%) of either (i) the total Revolving Credit Commitments of all Revolving Credit Lenders, or (ii) in the event the Revolving Credit Commitments have been terminated, the aggregate Revolving Credit Exposure of all Revolving Credit Lenders; provided that for purposes of calculating the "Required Revolving Credit Lenders," the Revolving Credit Commitments and Revolving Credit Exposure of any Defaulting Lenders shall be deemed zero and a Revolving Credit Lender (other than the Swingline Lender with respect to such Swingline Loan) shall be deemed to hold a Swingline Loan and a Revolving Credit Lender (other than the Issuing Bank with respect to such L/C Obligation) shall be deemed to hold a L/C Obligation, in each case, to the extent such Revolving Credit Lender has acquired participation therein under the terms of this Agreement and has not failed to perform its obligations in respect of such participation.

"Requirement of Law" means, with respect to any Person, any Law and the interpretation, implementation, application, or administration thereof by, and other rulings, determinations, directives, guidelines, requirements or requests of, any Governmental Authority, in each case whether or not having the force of law and that are applicable to or binding upon such Person or any of its assets or property or to which such Person or any of its assets or property is subject.

"Reserves" means, in each case as may be established by the Administrative Agent in accordance with customary business practices and in its Permitted Discretion, the sum (calculated without duplication and without including any items otherwise addressed or excluded through eligibility criteria or any other reserve) of (a) the Inventory Reserves, (b) the Receivables Reserves, (c) the aggregate amount of liabilities secured by Liens upon Collateral in the Borrowing Base that are senior to the Administrative Agent's Liens, and (d) such additional reserves established by the Administrative Agent that it deems necessary in its Permitted Discretion.

"Resolution Authority" means the EEA Resolution Authority or, with respect to any UK Financial Institution, the UK Resolution Authority.

"Restricted Payment" means collectively (a) any dividend or other distribution (whether in cash, securities or other property) with respect to any Capital Stock or other Equity Interests of any of the Loan Parties or their Subsidiaries, or any payment (whether in cash, securities or other property), including any sinking fund or similar deposit, on account of the purchase, redemption, retirement, acquisition, cancellation or termination of any such Capital Stock or other Equity Interests, or on account of any return of capital to a Loan Party's stockholders, partners or members (or the equivalent Person thereof), (b) any redemption, repurchase, conversion, exchange, retirement, sinking fund or similar payment, purchase or other acquisition for value, direct or indirect, by such Person of any Equity Interest in such Person now or hereafter outstanding, including without limitation, any redemption of the Series A Preferred Stock issued by a Loan Party in accordance with the provisions of the Amended Charter, the Securities Purchase Agreement and/or the Certificate of Designations, (c) any payment of any accrued dividends, any payments in connection with any permitted repurchases, payments of all or any portion of a redemption price, any payments of redemption interest, or any payments of any default or increased interest, or premiums upon any payments that are not paid when due, or any risk-adjusted payment or

premium, due to the Preferred Stockholders under the terms of the Amended Charter, the Securities Purchase Agreement, and/or the Certificate of Designations, (d) any sinking fund or other prepayment or installment payment on account of any Capital Stock or other Equity Interests of a Loan Party, (e) any payment made by such Person to retire, or to obtain the surrender of, any outstanding warrants, options or other rights to acquire Equity Interests in such Person now or hereafter outstanding, (f) any loan or advance to a shareholder or other equity holder of a Loan Party on account of such Person being a shareholder or other equity holder, (g) any forgiveness or release without adequate consideration by a Loan Party of any Indebtedness or other obligation owing to a Loan Party by a shareholder or other equity holder of a Loan Party, or (h) any payment by such Person of any management, consulting or similar fees.

"*Revolving Borrowing*" means a borrowing consisting of simultaneous Revolving Credit Loans of the same Class and Type.

"*Revolving Credit Borrowers*" means (a) the Borrowers listed on Schedule 1.01(a) as of the Closing Date and (b) any other Subsidiaries that from time to time become a Borrower under the Revolving Credit Facility pursuant to a Joinder Agreement.

"*Revolving Credit Commitment*" means, as to any Lender, the amount initially set forth opposite its name on Schedule 1.01 attached hereto in the column labeled "Revolving Credit Commitment," and thereafter as set forth on any relevant Lender Addendum or Assignment And Assumption, as such amount may be adjusted from time to time in accordance with this Agreement, and "*Revolving Credit Commitments*" means the aggregate Revolving Credit Commitments of all of the Lenders.

"*Revolving Credit Commitment Percentage*" means, as to any Lender, the percentage initially set forth opposite its name on Schedule 1.01 attached hereto in the column labeled "Revolving Credit Commitment" and thereafter on any relevant Lender Addendum or Assignment And Assumption, if applicable, as the same may be adjusted from time to time pursuant to this Agreement.

"*Revolving Credit Dollar Cap*" means Fifty Million Dollars (\$50,000,000.00), as such sum may be decreased from time to time by the operation of Section 2.03.6 of this Agreement or increased as appropriate to reflect any increase effected in accordance with Section 2.22.

"*Revolving Credit Exposure*" means, as to any Lender at any time, the aggregate principal amount at such time of such Lender's outstanding Revolving Credit Loans and such Lender's participation in, and obligation to participate in, L/C Obligations and Swingline Loans at such time.

"*Revolving Credit Facility*" means the revolving credit facility described in Sections 2.03, 2.04, 2.05 and 2.22 providing for Revolving Credit Loans Swingline Loans and the issuance of Letters of Credit to the Revolving Credit Borrowers by the Revolving Credit Lenders.

"*Revolving Credit Increase*" has the meaning set forth in Section 2.22.1.

"*Revolving Credit Lenders*" means a Lender having a Revolving Credit Commitment and any Lender holding a Revolving Credit Loan or participation in Swingline Loans or Letters of Credit.

"*Revolving Credit Loans*" means collectively, the Revolving Credit Loans made by the Lenders to the Borrowers as joint and several obligors in accordance with Section 2.03 of this Agreement.

"*Revolving Credit Notes*" means, collectively, the promissory notes of the Borrowers evidencing the Revolving Credit Loans, together with all amendments or replacements thereto. The Revolving Credit Notes shall be in the form of Exhibit E attached hereto.

"*Revolving Credit Termination Date*" means February 21, 2027.

"*Revolving Credit Unused Commitment Fee*" has the meaning given to such term in Section 2.03.5 of this Agreement.

"*Sale and Leaseback Transaction*" means any arrangement, directly or indirectly, whereby a Loan Party or any of its Subsidiaries (excluding any Designated Real Estate Subsidiary) sells or transfers any real property, whether now owned or hereinafter acquired, and thereafter, any Affiliate thereof, rents or leases such property.

"*Sale Dated*" means, in connection with the sale of a Floor Plan Vehicle or Unit, that closing of the sale of such Floor Plan Vehicle or Unit is pending financing or other contingencies.

"*Sanction(s)*" means applicable economic sanctions administered or enforced by the United States government (including without limitation, OFAC).

"*Sanctioned Country*" means a country or region the target of a comprehensive Sanctions program, which includes as of the date of this Agreement, Cuba, Iran, North Korea, Syria, the Crimea region of Ukraine, the so-called Donetsk People's Republic and the Luhansk People's Republic regions of Ukraine.

"*Sanctioned Person*" means (a) a Person named on the list of Specially Designated Nationals or Blocked Persons maintained by OFAC and, as of the date hereof, available at <http://www.treas.gov/offices/enforcement/ofac/sdn/t11sdn.pdf>, or as otherwise published from time to time or otherwise recognized as a specially designated, prohibited, or sanctioned Person under any Sanctions, or (b) (i) an agency of the government of a Sanctioned Country, (ii) an organization controlled by a Sanctioned Country, or (iii) a Person resident in a Sanctioned Country, to the extent the same would violate Sanctions.

"*SEC*" has the meaning provided to such term in Section 5.09.11 of this Agreement.

"*Secured Parties*" means, collectively, the Administrative Agent, the Lenders (including but not limited to the Swingline Lender and M&T Bank as provider of the M&T Advances), the Issuing Bank, the Swap Provider, and any other Persons the Obligations owing to which are or are purported to be secured by the Collateral under the terms of the Security Documents.

"*Securities Purchase Agreement*" means collectively each Securities Purchase Agreement dated October 27, 2017 by and between a Preferred Stockholder and Pubco Guarantor.

"*Security Agreement*" means the Second Amended and Restated Security Agreement, dated as of the Closing Date, made by the Loan Parties and certain Subsidiaries of Pubco Guarantor from time to time party thereto in favor of the Administrative Agent for the benefit of the Credit Parties as modified by each joinder agreement, security agreement supplement or pledge agreement supplement thereto delivered from time to time.

"*Security Documents*" means, collectively, the Security Agreement, all other security agreements, pledges, mortgages, deeds of trust, control agreements, or other agreements, instruments, documents or filings pursuant to which any of the Loan Parties, from time to time, pledges or grants Liens for the benefit of the Credit Parties in or to any of the Collateral.

"*SOFR*" means: (a) for the Revolving Credit Facility, with respect to any U.S. Government Securities Business Day, a rate per annum equal to the secured overnight financing rate for such U.S. Government Securities Business Day as published by the Term SOFR Administrator; and (b) for the Floor Plan Facility with respect to any day, a rate per annum equal to the secured overnight financing rate for such day as published by the Term SOFR Administrator.

"*SOFR Administrator*" means the Federal Reserve Bank of New York (or a successor administrator of the secured overnight financing rate).

"*SOFR Administrator's Website*" means the website of the Federal Reserve Bank of New York, currently at <http://www.newyorkfed.org>, or any successor source for the secured overnight financing rate identified as such by the SOFR Administrator from time to time.

"*SOFR Borrowing*" means each unpaid principal balance of a Loan which accrues interest at calculated based upon SOFR, whether an Adjusted Daily SOFR Borrowing or an Adjusted SOFR Rate Borrowing.

"*SOFR Rate*" means (a) with respect to the Revolving Credit Facility, for any SOFR Borrowing for an Interest Period, Adjusted Term SOFR determined for such Interest Period and (b) with respect to the Floor Plan Facility, the Daily SOFR Rate.

"*SOFR Rate Day*" has the meaning specified in the definition of Daily Simple SOFR.

"*SOFR Rate Loan*" means a Loan that bears interest based on the SOFR Rate.

"*SOFR Spread Adjustment*" means 0.10% with respect to an Interest Period of one month.

"*Solvent*" means, with respect to any Person on a particular date, that on such date (a) the fair value of the property of such Person is greater than the total amount of liabilities, including, without limitation, contingent liabilities, of such Person, (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 is able to pay its debts and other liabilities as they mature in the normal course of business, (d) such Person does not intend to, and does not believe that it will, incur debts or liabilities beyond such Person's ability to pay as such debts and liabilities mature, and (e) 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 unreasonably small capital after giving due consideration to the prevailing practice in the industry in which such Person is engaged or about to be engaged, as the case may be. In computing the amount of contingent liabilities at any time, it is intended that such liabilities will be computed at the amount which, in light of all the facts and circumstances existing at such time, represents the amount that can reasonably be expected to become an actual or matured liability.

"*Specified Equipment*" means fixtures, furniture and Equipment.

"*Specified Inventory*" means Inventory consisting of parts and accessories.

"*Stated Amount*" means as to any Letter of Credit, the lesser of (a) the face amount thereof, or (b) the remaining available undrawn amount thereof (regardless of whether any conditions for drawing could then be met).

"*Subsidiary*" means, with respect to any Person (the "parent") at any date, any corporation, limited liability company, partnership, association or other entity the accounts of which would be consolidated with those of the parent in the parent's consolidated financial statements if such financial statements were prepared in accordance with GAAP as of such date, as well as any other corporation, limited liability company, partnership, association or other entity of which securities or other ownership interests representing more than fifty percent (50%) of the equity or more than fifty percent (50%) of the ordinary voting power or, in the case of a partnership, more than fifty percent (50%) of the general partnership interests are, as of such date, owned, controlled or held by the parent or one or more subsidiaries of the parent.

"*Subsidiary Redesignation*" has the meaning set forth in Section 5.22 of this Agreement.

"*Supermajority Lenders*" means two or more unaffiliated Lenders who hold in the aggregate at least sixty-six and two-thirds percent (66.67%) of either (i) the total Commitments of all Lenders, or (ii) in the event the Commitments have been terminated, the aggregate outstanding Loans of all Lenders; provided that (i) at any time when there is only one Lender holding either (i) the total Commitments, or (ii) in the event the Commitments have been terminated, the aggregate outstanding Loans, Supermajority Lenders means such Lender and (ii) for purposes of calculating the "Supermajority Lenders," the Commitments and Loans of any Defaulting Lenders shall be deemed zero.

"Swap" means any "swap" as defined in Section 1a(47) of the CEA and regulations thereunder, other than (a) a swap entered into, or subject to the rules of, a board of trade designated as a contract market under Section 5 of the CEA, or (b) a commodity option entered into pursuant to CFTC Regulation 32.3(a).

"Swap Agreement" means (a) any "Swap Agreement" as defined in §101(53B) of the Bankruptcy Code, (b) 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, interest rate options, 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 (c) 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 Obligations" means (a) all obligations or sums due to any Swap Provider under or in connection with any Swap or Swap Agreement.

"Swap Provider" means any Credit Party or Affiliate of a Credit Party (regardless of whether such Swap Provider ceases to be a Credit Party or Affiliate of a Credit Party after such Swap Agreement is entered into) that has entered into, or subsequently enters into a Swap Agreement from time to time with a Loan Party for Swaps with respect to the Loans, the Letters of Credit, or any of the other Obligations, but excluding, for the avoidance of doubt, any Swap Agreement entered into by a Credit Party or its Affiliates after its Commitments have been fully cancelled in accordance with the terms of this Agreement or after it has assigned all of its rights under the credit facilities established by this Agreement.

"Swap Termination Value" means, in respect of any one or more Swap Agreements, after taking into account the effect of any legally enforceable netting agreement relating to such Swap Agreements: (a) for any date on or after the date such Swap Agreements have been closed out and termination value(s) determined in accordance therewith, such termination value(s); and (b) for any date prior to the date referenced in clause (a), the amount(s) determined as the mark-to-market value(s) for such Swap Agreements, as determined based upon one or more mid-market or other readily available quotations provided by any recognized dealer in such Swap Agreements (which may include a Lender or any Affiliate of a Lender).

"Swingline Commitment" means (a) the commitment of the Swingline Lender to make Swingline Loans in an aggregate principal amount at any time not to exceed the Swingline Committed Amount, and (b) with respect to each Lender, the commitment of such Lender to purchase participation interests in the Swingline Loans up to such Lender's Revolving Credit Commitment Percentage multiplied by the Swingline Committed Amount. The Swingline Commitment is included in and is part of the Revolving Credit Commitment held by each Lender and is not in addition thereto.

"Swingline Committed Amount" means Ten Million Dollars (\$10,000,000.00).

"Swingline Conversion Event" means (a) an event, change, circumstance or other occurrence resulting or which could reasonably be expected to result in a Material Adverse Change, or (b) a Default or Event of Default.

"Swingline Lender" means M&T Bank, and its successors and assigns.

"Swingline Loans" has the meaning provided to such term in Section 2.04 of this Agreement.

"*Swingline Note*" means the promissory note of the Borrowers in favor of the Swingline Lender evidencing the Swingline Loan in the form of Exhibit F as such promissory note may be amended, modified, restated, supplemented, extended, renewed or replaced from time to time.

"*Swingline Termination Date*" means that date which occurs five (5) Business Days prior to the Revolving Credit Termination Date.

"*Synthetic Lease Obligation*" means the monetary obligation of a Person under (a) a so-called synthetic, off-balance sheet or tax retention lease, or (b) an agreement for the use or possession of property creating obligations that do not appear on the balance sheet of such Person but which, upon the insolvency or bankruptcy of such Person, would be characterized as the indebtedness of such Person (without regard to accounting treatment).

"*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 SOFR*" means, for any Interest Period with respect to a SOFR Rate Loan, the rate per annum (rounded upward to the nearest 1/100 of 1%) equal to Term SOFR Reference Rate published for the date that is two (2) U.S. Government Securities Business Days (the "Rate Determination Date") prior to the commencement of such Interest Period and having a term equivalent to such Interest Period, for a tenor comparable to the applicable Interest Period on the day (such day, the "*Periodic Term SOFR Determination Day*") that is two (2) U.S. Government Securities Business Day prior to the first day of such Interest Period, as such rate is published by the Term SOFR Administrator; provided that, if as of 5:00 p.m. on any Periodic Term SOFR Determination Day the Term SOFR Reference Rate for the applicable tenor has not been published by the Term SOFR Administrator and a Benchmark Replacement Date with respect to the Term SOFR Reference Rate has not occurred, then Term SOFR will be the Term SOFR Reference Rate for such tenor as published by the Term SOFR Administrator on the first preceding U.S. Government Securities Business Day for which such Term SOFR Reference Rate for such tenor was published by the Term SOFR Administrator so long as such first preceding U.S. Government Securities Business Day is not more than three (3) U.S. Government Securities Business Days prior to such Periodic Term SOFR Determination Day. Notwithstanding any provision above, the practice of rounding to determine the Term SOFR Reference Rate may be discontinued at any time in the Administrative Agent's sole discretion.

"*Term SOFR Administrator*" means CME Group Benchmark Administration Limited (CBA) (or a successor administrator of the Term SOFR Reference Rate selected by the Administrative Agent and the Floor Plan Agent in their reasonable discretion).

"*Term SOFR Reference Rate*" means the rate per annum determined by the Administrative Agent as the forward-looking term rate based on SOFR.

"*Term SOFR Conforming Changes*" means, with respect to the use or administration of Term SOFR, any technical, administrative or operational changes (including, without limitation, changes to the definitions of "Business Day," "U.S. Government Securities Business Day," or "Interest Period," timing and frequency of determining rates and making payments of interest, timing of borrowing requests or prepayment, conversion or continuation notices, length of lookback periods, the applicability of breakage provisions and other technical, administrative or operational matters) that the Administrative Agent decides in its reasonable discretion may be appropriate to reflect the adoption and implementation of Term SOFR and to permit the administration thereof by the Administrative Agent in a manner substantially consistent with market practice (or, if the Administrative Agent decides that adoption of any portion of such market practice is not administratively feasible or if the Administrative Agent determines that no market practice for the administration of Term SOFR exists, in such other manner of administration as the Administrative Agent decides is reasonably necessary in connection with the administration of the loan evidenced hereby).

"*Threshold Amount*" means Five Million Dollars (\$5,000,000.00).

"*Total Credit Exposure*" means, as to any Lender at any time, the unused Commitments, the Floor Plan Loan Exposure and the Revolving Credit Exposure of such Lender at such time.

"*Total Floor Plan Loan Outstandings*" means the aggregate Outstanding Amount of all Floor Plan Loans including M&T Advances.

"*Total Net Leverage Ratio*" means, as of any date of determination for any Measurement Period, the ratio of (a) (i) Consolidated Funded Indebtedness (excluding Indebtedness on account of the Floor Plan Loans) as of such date of determination, minus the aggregate amount, as of the date of determination, of cash (from operations and not cash proceeds of any Indebtedness being incurred on such date or other borrowed funds) held (A) in accounts on the consolidated balance sheet of Pubco Guarantor and its consolidated Subsidiaries as of such date characterized as "unrestricted accounts" to the extent that (x) the same are subject to a Lien in favor of the Administrative Agent for the benefit of the Secured Parties and (y) the use thereof for application to payment of Indebtedness is not prohibited by Law or any contract to which any such Person is a party, and (B) without duplication, as the Equity Balance held under the Floor Plan Interest Reduction Arrangement reported on the consolidated balance sheet of Pubco Guarantor and its consolidated subsidiaries, plus (ii) Capitalized Rents to (b) Consolidated EBITDAR for such period.

"*Total Revolving Credit Outstandings*" means the aggregate Outstanding Amount of all Revolving Credit Loans, all Swingline Loans and all L/Obligations.

"*Trade Date*" means that date an assigning Lender enters into a binding agreement to sell and assign all or a portion of its rights and obligations under this Agreement.

"*Type*" means, with respect to any Loan, its character as a Base Rate Loan or a SOFR Rate Loan.

"*UK Financial Institution*" means any BRRD Undertaking (as such term is defined under the PRA Rulebook (as amended from time to time promulgated by the United Kingdom Prudential Regulation Authority) or any Person falling within IFPRU 11.6 of the FCA Handbook (as amended from time to time promulgated by the United Kingdom Financial Conduct Authority, which includes certain credit institutions and investment firms, and certain Affiliates of such credit institutions or investment firms.

"*UK Resolution Authority*" means the Bank of England or any other public administrative authority having responsibility for the resolution of any UK Financial Institution.

"*Unadjusted Benchmark Replacement*" means the applicable Benchmark Replacement excluding the related Benchmark Replacement Adjustment.

"*Uniform Commercial Code*" or "*UCC*" means the Uniform Commercial Code as adopted and in effect from time to time in the Governing State.

"*Unrestricted Cash and Equivalents*" means, at any date, the unrestricted cash and equivalents on the balance sheet of the Loan Parties that is subject to the security interest granted in favor of the Administrative Agent under the applicable Security Document, and excluding (x) any cash held by any Loan Party in escrow, trust or other fiduciary capacity for or on behalf of any other Person and (y) the Equity Balance.

"*USA Patriot Act*" means the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, Public Law 107-56.

"*U.S. Borrower*" means any Borrower that is a U.S. Person.

"*U.S. Person*" means any Person that is a "United States Person" as defined in Section 7701(a)(30) of the Code.

"U.S. Government Securities Business Day" means any day other than Saturday, Sunday or other day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in United States government securities.

"U.S. Tax Compliance Certificate" has the meaning specified in Section 2.10.7(b)(ii)(C).

"Used Unit Book Value" means, with respect to any Eligible Used Floor Plan Unit, the trade-in (wholesale) value of such Eligible Used Floor Plan Unit as determined by reference to the most recently published National Automobile Dealers Association RV Industry Appraisal Guide or such comparable report or source of information reasonably designated by the Administrative Agent.

"Value" means, with respect to Eligible Inventory, the value of such Eligible Inventory based on the lower of cost or market, as applicable, in accordance with GAAP.

"Vehicle" means any automobile or truck (other than a recreational vehicle or towable), approved for highway use by any state of the United States.

"Withholding Agent" means the Borrowers and the Administrative Agent.

"Write-Down and Conversion Powers" means, (a) with respect to any EEA Resolution Authority, the write-down and conversion powers of such EEA Resolution Authority from time to time under the Bail-In Legislation for the applicable EEA Member Country, which write-down and conversion powers are described in the EU Bail-In Legislation Schedule, and (b) with respect to the United Kingdom, any powers of the applicable Resolution Authority under the Bail-In Legislation to cancel, reduce, modify or change the form of a liability of any UK Financial Institution or any contract or instrument under which that liability arises, to convert all or part of that liability into shares, securities or obligations of such Person or any other Person, to provide that any such contract or instrument is to have effect as if a right had been exercised under it or to suspend any obligation in respect of that liability or any of the powers under that Bail-In Legislation that are related to or ancillary to any of those powers.

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, (a) any definition of or reference to any agreement, instrument or document herein shall be construed as referring to such agreement, instrument or other document as from time to time amended, supplemented or otherwise modified (subject to any restrictions on such amendments, supplements or modifications set forth herein), (b) any reference herein to any Person shall be construed to include such Person's successors and assigns, (c) 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, (d) all references herein to Articles, Sections, Exhibits and Schedules shall be construed to refer to Articles and Sections of, and Exhibits and Schedules to, this Agreement, (e) 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, (f) each reference to a time shall be a reference to the prevailing Eastern U.S. time, and (g) Article and Section headings and the Table of Contents used herein are for convenience of reference only, are not part of this Agreement and shall not affect the construction of, or be taken into consideration in interpreting, this Agreement.

Section 1.03. *[Reserved]*.

Section 1.04. *Accounting Principles.* (a) Except as otherwise provided in this Agreement, all computations and determinations as to accounting or financial matters and all financial statements to be delivered pursuant to this Agreement shall be made and prepared in accordance with GAAP (including principles of consolidation where appropriate), and all accounting or

financial terms shall have the meanings ascribed to such terms by GAAP. In the event GAAP changes after the date hereof in a manner that causes noncompliance with the covenants hereof, the parties hereto shall agree in good faith to modify the covenants and the related defined terms to compensate for such change in GAAP. Notwithstanding the foregoing, all leases and obligations of Pubco Guarantor and its Subsidiaries that are or would be characterized as operating leases or operating lease obligations in accordance with GAAP as in effect prior to the date of implementation of FASB ASU No. 2016-02, Lease (Topic 842) (whether or not such operating lease or operating lease obligations were in effect on such date) shall continue to be (or shall be, in the case of any such leases or obligations not in effect on such date) accounted for as operating leases and operating lease obligations (and not as capital leases, finance leases or Capitalized Lease Obligations) for all purposes under this Agreement and the other Credit Documents, regardless of any change in GAAP that would otherwise require such leases to be treated or recharacterized as capital leases or finance leases or such obligations to be treated or recharacterized (on a prospective or retroactive basis or otherwise) as finance lease obligations or Capitalized Lease Obligations and without giving effect to the implementation of FASB ASU No. 2016-02, Leases (Topic 842).

Section 1.05. *Proforma Calculations.* (a) All pro forma calculations required to be made hereunder giving effect to any Permitted Acquisition, Disposition, or issuance, incurrence or assumption of Indebtedness, or other transaction made during the Fiscal Quarter or Fiscal Year to which the required calculation relates shall, in each case, be calculated (i) as if such transaction was consummated on the first day of the relevant period and (ii) giving pro forma effect thereto and to the historical earnings and cash flows associated with the assets acquired or disposed of and any Indebtedness incurred and repaid in connection therewith, and any synergies or cost savings, in each case, in a method consistent with Regulation S-X of the Securities Act of 1933.

(b) As at any date that any financial covenants are required to be calculated under this Agreement (each, a "date of determination"), if the Borrowers or any of their Subsidiaries has consummated a Permitted Acquisition or a Disposition on or after the first day of the period as to which the calculation is required to be made (and on or before the last day of such period), then the calculation of the applicable financial covenants on the date of determination shall be made as if such Permitted Acquisition or Disposition had occurred on the first day of the applicable period (including, the inclusion of the Consolidated EBITDA of the target, excluding the Consolidated EBITDA of the division or assets disposed of, the inclusion of the Indebtedness incurred for the Permitted Acquisition and the exclusion of the Indebtedness repaid with the disposition).

Section 1.06. *Divisions.* For all purposes under the Credit Documents, in connection with any division or plan of division under Delaware law (or any comparable event under a different jurisdiction's laws): (a) if any asset, right, obligation or liability of any Person becomes the asset, right, obligation or liability of a different Person, then it shall be deemed to have been transferred from the original Person to the subsequent Person, and (b) if any new Person comes into existence, such new Person shall be deemed to have been organized on the first date of its existence by the holders of its Equity Interests at such time.

Section 1.07. *Reallocation; Effect of Amendment and Restatement* (a) Prior to the Closing Date, certain loans were previously made by the Existing Lender under the Existing Credit Agreement to the Borrowers under the Existing Credit Agreement which remain outstanding as of the date of this Agreement (such outstanding loans being hereinafter referred to as the "Existing Loans"). Subject to the terms and conditions set forth in this Agreement, the Borrowers and each of the Lenders agree that on the Closing Date, but subject to the satisfaction or waiver of the conditions precedent set forth in Section 4.01 and 4.02 hereof and the reallocation and other transactions described in this Section 1.07: (i)(A) all outstanding "Revolving Credit Loans" (as such term is defined in the Existing Credit Agreement) shall be deemed to be Revolving Credit Loans outstanding hereunder and (B) all outstanding "Floor Plan Loans" (as such term is defined in the Existing Credit Agreement) shall be deemed to be Floor Plan Loans outstanding hereunder, and (ii)(A) the commitments under the "Revolving Credit Commitment" (as defined in the Existing Credit Agreement) of each of the applicable Existing

Lenders shall be reallocated among the Lenders in accordance with their respective Revolving Credit Commitment Percentages (determined in accordance with the aggregate amount of their respective Revolving Credit Commitments as set forth opposite such Lender's name on Schedule 1.01 attached hereto) and (B) the Existing Loans that are "Floor Plan Loans" (as such term is defined in the Existing Credit Agreement) of each of the applicable Existing Lenders shall be reallocated among the Lenders in accordance with their respective Floor Plan Loan Commitment Percentages (determined in accordance with the aggregate amount of their respective Floor Plan Loan Commitments as set forth opposite such Lender's name on Schedule 1.01 attached hereto), and in order to effect such reallocations, all requisite assignments shall be deemed to be made in amounts from each Existing Lender to each Lender, as appropriate, with the same force and effect as if such assignments were evidenced by the applicable Assignment And Assumption (as defined in the Existing Credit Agreement) under the Existing Credit Agreement but without the payment of any related assignment fee, and no other documents or instruments shall be, or shall be required to be, executed in connection with such assignments (all of which such requirements are hereby waived).

(b) Upon this Agreement becoming effective pursuant to Section 4.01 and 4.02 hereof and the reallocation and other transactions described in this Section 1.07 from and after the Closing Date (i) all terms and conditions of the Existing Credit Agreement and any other "Credit Document" as defined therein, as amended by this Agreement and the other Credit Documents being executed and delivered on the Closing Date, shall be and remain in full force and effect, as so amended, and shall constitute the legal, valid, binding and enforceable obligations of the Loan Parties party thereto; (ii) the terms and conditions of the Existing Credit Agreement shall be amended as set forth herein and, as so amended, shall be restated in their entirety, but shall be amended only with respect to the rights, duties and obligations among the Borrowers, Lenders and Administrative Agent accruing from and after the Closing Date; (iii) this Agreement shall not in any way release or impair the rights, duties, Obligations or Liens created pursuant to the Existing Credit Agreement or any other loan document related thereto or affect the relative priorities thereof, in each case to the extent in force and effect thereunder as of the Closing Date, except as modified hereby or as modified hereafter in accordance with the terms hereof or by documents, instruments and agreements executed and delivered in connection herewith, and all of such rights, duties, Obligations and Liens are assumed, ratified and affirmed by the Borrowers; (iv) all indemnification obligations of each Borrower and each Guarantor under the Existing Credit Agreement and any other loan document related thereto shall survive the execution and delivery of this Agreement and shall continue in full force and effect for the benefit of Lenders, Administrative Agent, and any other Person indemnified under the Existing Credit Agreement or any other Credit Document at any time prior to the Closing Date; (v) the Obligations incurred under the Existing Credit Agreement shall, to the extent outstanding on the Closing Date, continue outstanding under this Agreement and shall not be deemed to be paid, released, discharged or otherwise satisfied by the execution of this Agreement, and this Agreement shall not constitute a refinancing, substitution or novation of such Obligations or any of the other rights, duties and obligations of the parties hereunder; (vi) the execution, delivery and effectiveness of this Agreement shall not operate as a waiver of any right, power or remedy of any lender or the administrative agent under the Existing Credit Agreement, nor constitute a waiver of any covenant, agreement or obligation under the Existing Credit Agreement, except to the extent that any such covenant, agreement or obligation is no longer set forth herein or is modified hereby; and (vii) any and all references in the loan documents to the Existing Credit Agreement shall, without further action of the parties, be deemed a reference to the Existing Credit Agreement, as amended and restated by this Agreement, and as this Agreement shall be further amended or amended and restated from time to time hereafter.

Section 1.08. *SOFR Rate.*

1.08.i. The Administrative Agent does not warrant or accept responsibility for, and shall not have any liability with respect to (a) the continuation of, administration of, submission of, calculation of or any other matter related to the Benchmark, any component definition thereof or rates referenced in the definition thereof or any alternative, successor or replacement rate thereto (including any Benchmark Replacement), including whether the composition or characteristics of any such alternative, successor or replacement rate (including any Benchmark Replacement) will be similar to, or produce the same value or economic equivalence of, or have the same volume or liquidity as, the Benchmark or any other Benchmark prior to its discontinuance or unavailability, or (b) the effect, implementation or

composition of any Benchmark Replacement Conforming Changes. The Administrative Agent may select information sources or services in its reasonable discretion to ascertain the Benchmark, in each case pursuant to the terms hereof, and shall have no liability to the Borrowers or any other person or entity for damages of any kind, including direct or indirect, special, punitive, incidental or consequential damages, costs, losses or expenses (whether in tort, contract or otherwise and whether at law or in equity), for any error or calculation of any such rate (or component thereof) provided by any such information source or service.

- 1.08.ii. Each Borrower acknowledges and understands that (i) Term SOFR is established, administered and regulated by third parties, and its continuing existence and ongoing viability as a source and basis for establishing contractual interest rates is entirely outside the control of the Administrative Agent, (ii) Term SOFR is a derivative of SOFR, based on expectations derived from the derivatives markets and dependent upon derivatives market liquidity, (iii) certain industry groups have advised that Term SOFR is not recommended for all financing facilities, and (iv), the Administrative Agent does not warrant or accept responsibility for, and shall not have any liability with respect to (a) the continuation of, administration of, submission of, calculation of or any other matter related to Term SOFR, or any component definition thereof or rates referenced in the definition thereof, or any alternative, successor or replacement rate thereto (including any Benchmark Replacement) or (b) the effect, implementation or composition of any Term SOFR Conforming Changes. Notwithstanding the above, each Borrower has knowingly and voluntarily requested and/or accepted utilization of Term SOFR for all purposes provided for herein, accepting any inherent risks associated with such utilization, and hereby waives any claims or defenses against the Administrative Agent in connection therewith.

ARTICLE 2 CREDIT FACILITIES

Section 1.01. *Floor Plan Loans* (a) Subject to the terms and conditions of this Agreement and the other Credit Documents, each of the Floor Plan Lenders severally agrees to make Floor Plan Loans in Dollars to the Floor Plan Borrowers as joint and several obligors from time to time on any Borrowing Date during the Availability Period for the Floor Plan Facility ;provided, however, that (i) with regard to each Floor Plan Lender, the Floor Plan Loan Exposure of such Floor Plan Lender shall not at any time exceed the amount of such Floor Plan Lender's Floor Plan Loan Commitment, (ii) the Total Floor Plan Loan Outstandings shall not at any time exceed the Floor Plan Line of Credit Dollar Cap, (iii) the aggregate outstanding principal amount of advances of proceeds of the Floor Plan Loans (including M&T Advances) used to finance (A) Used Floor Plan Units shall not exceed Ninety Million Dollars (\$90,000,000.00), and (B) Permitted Company Vehicles shall not exceed One Million Dollars (\$1,000,000.00); (iv) each Floor Plan Loan (including M&T Advances) shall be advanced against an individual Floor Plan Vehicle or Unit, subject, in each case, to the applicable Floor Plan Loan Advance Limit applicable to such Floor Plan Vehicle or Unit; (v) the aggregate principal amount of each advance of proceeds of the Floor Plan Loans (including M&T Advances) requested in each Loan Request shall not exceed the sum of the Floor Plan Loan Advance Limit amounts for each Floor Plan Vehicle or Unit to be financed on such Loan Request, and (vi) the Total Floor Plan Loan Outstandings shall not, at any time, exceed any of the limitations set forth in the Certificate of Designations. The Administrative Agent may at any time in its sole and absolute discretion establish limits on the aggregate outstanding amount of any Floor Plan Loans available to be used by the Floor Plan Borrowers to finance purchases of Eligible New Floor Plan Units from a particular Manufacturer, supplier or dealer. The Floor Plan Borrowers shall not request any advances of proceeds of the Floor Plan Loans which would cause the aggregate unpaid principal balances of the Floor Plan Loans (including M&T Advances) to exceed the above-stated limitations. In the event that the aggregate unpaid principal balances of the Floor Plan Loans (including M&T Advances) exceed the above-stated limitations in any respect, the Floor Plan Borrowers shall immediately make such payments to the Administrative Agent as will be sufficient to reduce the aggregate unpaid principal balances of the Floor Plan Loans to an aggregate amount which will not be in excess of such limitations. Subject to the application and satisfaction of the terms and conditions of this Agreement and of the other Credit Documents, during the Availability Period in respect of the Floor Plan Facility, the Floor Plan Borrowers may borrow, prepay, and reborrow the Floor Plan Loans in whole or in part.

(b) The Floor Plan Borrowers may request to reborrow any Floor Plan Loan against an individual Eligible Floor Plan Vehicle or Unit originally financed as an Eligible New Floor Plan Unit or Permitted Company Vehicle that is repaid in full before its scheduled maturity (based on mandatory curtailment payments due under Section 2.01.7, 2.01.8, and 2.01.9) (any such reborrowed Floor Plan Loan hereinafter called a "Reflooring Loan"). Reflooring Loans shall be at the sole discretion of the Administrative Agent, and in such amounts, at such advance rates, and subject to such conditions precedent (including without limitation, the absence of any Default, Event of Default or Material Adverse Change, and each of the other Conditions Precedent to funding of Floor Plan Loans under this Agreement and under the other Credit Documents) as the Administrative Agent may determine; provided, however, that any such Reflooring Loan shall not have terms less favorable to the Floor Plan Lender than the Floor Plan Loan that originally financed such Eligible New Floor Plan Unit or Permitted Company Vehicle.

(c) Each Floor Plan Loan extended by a Floor Plan Lender shall be in a principal amount equal to such Floor Plan Lender's Floor Plan Loan Commitment Percentage of the aggregate principal amount of the Floor Plan Loans requested on such occasion.

2.01.a *Floor Plan Loan Promissory Notes.* The joint and several obligations of the Floor Plan Borrowers to repay the Floor Plan Loans to each Floor Plan Lender shall be evidenced by a Floor Plan Loan Note. On the Closing Date, the Floor Plan Borrowers shall deliver a Floor Plan Loan Note executed by an Authorized Officer of each Floor Plan Borrower to each of the Floor Plan Lenders, with the face amount of such Floor Plan Loan Notes to be in the amount of the Floor Plan Loan Commitment of the respective Floor Plan Lender. Any Floor Plan Lender may request upon the Increase Effective Date a revised Floor Plan Loan Note in respect of a Floor Plan Increase.

2.01.b *Procedure For Floor Plan Loan Borrowings.* (a) The Floor Plan Borrowers may borrow Floor Plan Loans during the Availability Period in respect of the Floor Plan Facility, provided, that the Borrower Representative on behalf of the Floor Plan Borrowers delivers to the Administrative Agent or causes to be delivered to the Administrative Agent an irrevocable, written, fully completed Loan Request (or through such other online system as the Administrative Agent may allow in its sole discretion). Loan Requests must be received by the Administrative Agent prior to 10:00 a.m. Eastern Time one (1) Business Day prior to the requested Borrowing Date for any Floor Plan Vehicles or Units. Any Loan Request delivered to the Administrative Agent by the Borrower Representative on behalf of the Floor Plan Borrowers shall be in the form approved by the Administrative Agent executed by an Authorized Officer of the Borrower Representative. Each Loan Request shall specify: (a) the aggregate amount to be borrowed, (b) the requested Borrowing Date, (c) whether the borrowing is to be an Adjusted Daily SOFR Borrowing or an Adjusted Base Rate Borrowing, and (d) the required information and calculations evidencing compliance with the limitations set forth in Section 2.01 above, and shall be accompanied by the Floor Plan Borrowers' inventory worksheet and a copy of the title to any Eligible Used Floor Plan Unit. Loan Requests may be delivered to the Administrative Agent via facsimile or by other electronic transmission, it being agreed that the Administrative Agent may rely on the authority of the Person making any such request without receipt of any other confirmation. Unless M&T Bank elects to fund a submitted Loan Request as an M&T Advance in accordance with Section 2.02 of this Agreement, the Administrative Agent shall promptly notify each Floor Plan Lender of the Administrative Agent's receipt of each notice and the contents thereof. Each Floor Plan Lender shall make the amount of its *pro rata* share (calculated in accordance with its respective Floor Plan Loan Commitment Percentage) of each requested borrowing available to the Administrative Agent for the accounts of the Floor Plan Borrowers at the offices of the Administrative Agent specified in this Agreement prior to 2:00 pm (Eastern Time) on the Borrowing Date requested by the Borrower Representative in U.S. Dollars and in funds immediately available to the Administrative Agent.

(b) With respect to financing any Floor Plan Borrower's purchase of an Eligible New Floor Plan Unit or a Permitted Company Vehicle, each of the Floor Plan Borrowers hereby authorizes the Administrative Agent and M&T Bank (with respect to M&T Advances) to receive and receive and process funding requests directly from Manufacturers, compile such requests into a spreadsheet on the Administrative Agent's standard form and forward same to the Borrower Representative for approval.

Upon such approval, the Floor Plan Borrower authorizes the Administrative Agent (and M&T Bank with respect to M&T Advances) to pay the New Unit Invoice Amount on account of the relevant Eligible New Floor Plan Unit or Permitted Company Vehicle directly to the applicable Manufacturer or vendor. In the case of any other borrowing of Floor Plan Loans, including a Reflooring Loan, such borrowing will be made available thereafter by the Administrative Agent crediting the Commercial Account with the aggregate of the amounts made available to the Administrative Agent by the Floor Plan Lenders and in like funds as received by the Administrative Agent.

- 2.01.c *Overadvances.* If any Loan Request otherwise in compliance with the conditions set forth in this Agreement is presented as the basis for an advance of proceeds on account of the Floor Plan Loans which advance would cause (a) the aggregate principal amount of all Floor Plan Loans (including any M&T Advances) then outstanding, plus (b) the aggregate principal amount of such Loan Request together with all other pending unfunded Loan Requests as of such day to exceed the Floor Plan Line of Credit Dollar Cap or any sublimits thereunder as applicable to each respective Floor Plan Borrower as set forth in Section 2.07 hereof, then, in such event, the Floor Plan Borrowers shall either immediately reduce the amount of any pending Loan Requests (which are not invoices for Eligible New Floor Plan Units or Permitted Company Vehicles) or make a payment of principal on the unpaid principal balances of the Floor Plan Loans in an amount which would prevent the aggregate amounts described in (a) and (b) above from exceeding the aggregate Floor Plan Line of Credit Dollar Cap or such sublimits. If such Loan Request is pursuant to an invoice for an Eligible New Floor Plan Unit or Permitted Company Vehicle, such invoice shall be funded at such time as sufficient availability exists under the Floor Plan Loan Commitments.
- 2.01.d *Settlement Of Floor Plan Loans Among Floor Plan Lenders.* It is agreed that each Floor Plan Lender's funded portion of the aggregate outstanding principal balances of Floor Plan Loans is intended by the Floor Plan Lenders to be equal at all times to such Floor Plan Lender's respective Floor Plan Loan Commitment Percentage of the aggregate outstanding principal balances of the Floor Plan Loans. Notwithstanding such agreement, the several and not joint obligation of each Floor Plan Lender to extend Floor Plan Loans in accordance with the terms of this Agreement ratably in accordance with such Floor Plan Lender's Floor Plan Loan Commitment Percentage and each Floor Plan Lender's right to receive its ratable share of principal payments upon the Floor Plan Loans in accordance with its Floor Plan Loan Commitment Percentage, the Floor Plan Lenders agree that in order to facilitate the administration of this Agreement and the Credit Documents, settlement among the Floor Plan Lenders may take place periodically on Floor Plan Loan Adjustment Dates. On each Floor Plan Loan Adjustment Date payments shall be made by or to M&T Bank on account of the M&T Advances and by or to the other Floor Plan Lenders so that as of each Floor Plan Loan Adjustment Date, and after giving effect to the transactions to take place on such Floor Plan Loan Adjustment Date, each Floor Plan Lender's funded portion of the aggregate outstanding principal balance of the Floor Plan Loans shall equal such Floor Plan Lender's Floor Plan Loan Commitment Percentage of such aggregate balance.
- 2.01.e *Repayment Of Floor Plan Loans.* The Floor Plan Borrowers unconditionally, jointly and severally, promise to pay to the Administrative Agent for the accounts of the Floor Plan Lenders the then aggregate unpaid principal balances of each Floor Plan Loan of the Floor Plan Lenders on or before the Floor Plan Line of Credit Termination Date (or on any earlier date on which the Floor Plan Loans become due and payable as required by the stated provisions of this Agreement). The Borrowers unconditionally, jointly and severally, promise to pay to the Administrative Agent for the ratable accounts of the Floor Plan Lenders all interest which has accrued upon the unpaid principal balances of the Floor Plan Loans from time to time outstanding from the date of Closing until the date of payment in full of the Floor Plan Loans at the rates per annum and on the dates set forth in Section 2.07 of this Agreement. All sums due to the Floor Plan Lenders in connection with the Floor Plan Loans shall be paid in full on or before the Floor Plan Line of Credit Termination Date.
- 2.01.f *Payments Due Upon Sale or Ineligibility Of Floor Plan Vehicles or Units.* Upon the sale or other disposition of any Floor Plan Vehicle or Unit by any of the Floor Plan Borrowers, the

Floor Plan Borrowers shall pay in full the Floor Plan Loans made with respect to such sold Floor Plan Vehicle or Unit immediately upon the earliest to occur of: (a) with respect to any Floor Plan Vehicle or Unit for which cash has been received upon the sale or disposition thereof, within three (3) Business Days from receipt of payment, and (b) with respect to each Sale Dated Floor Plan Vehicle or Unit, within ten (10) days of the date such Floor Plan Vehicle or Unit was sold or otherwise disposed of. The Floor Plan Borrowers shall pay in full the Floor Plan Loans made with respect to any Floor Plan Vehicle or Unit within one (1) Business Day after such Floor Plan Vehicle or Unit ceases to qualify as an Eligible New Floor Plan Unit, Eligible Used Floor Plan Unit or Permitted Company Vehicle, as the case may be, as initially identified and financed under the Floor Plan Loans. Floor Plan Vehicles or Units shall also be subject to curtailment as set forth below.

- 2.01.g *Eligible New Floor Plan Unit Curtailment* If not previously sold or otherwise disposed of, each Eligible New Floor Plan Unit shall be paid in full on or before Applicable Curtailment Date 730, and the Floor Plan Borrowers promise to pay to the Administrative Agent for the accounts of the Floor Plan Lenders (a) 5% of the original principal amount of the Floor Plan Loans made as to such Floor Plan Unit on the Principal Payment Date in the 1st month following the Applicable Starting Date for such Floor Plan Unit, (b) 3% of the original principal amount of the Floor Plan Loans made as to such Floor Plan Unit on the Principal Payment Date in each of the 13th through 23rd months following the Applicable Starting Date, and (c) the full remaining balance of the original principal amount of the Floor Plan Loans made as to such Floor Plan Unit on the Principal Payment Due in the 24th month following the Applicable Starting Date.
- 2.01.h *Eligible Used Floor Plan Unit Curtailment* If not previously sold or otherwise disposed of, each Eligible Used Floor Plan Unit shall be paid in full on or before Applicable Curtailment Date 365, and the Floor Plan Borrowers promise to pay to the Administrative Agent for the accounts of the Floor Plan Lenders (a) 5% of the original principal amount of the Floor Plan Loans made as to such Floor Plan Unit on the Principal Payment Date in the 6th month following the Applicable Starting Date for such Floor Plan Unit, (b) 5% of the original principal amount of the Floor Plan Loans made as to such Floor Plan Unit on the Principal Payment Date in each of the 7th through 11th months following the Applicable Starting Date, and (c) the full remaining balance of the original principal amount of the Floor Plan Loans made as to such Floor Plan Unit on the Principal Payment Due in the 12th month following the Applicable Starting Date.
- 2.01.i *Permitted Company Vehicle Curtailment* If not previously sold or otherwise disposed of, each Permitted Company Vehicle shall be paid in full on or before Applicable Curtailment Date 730, and the Floor Plan Borrowers promise to pay to the Administrative Agent for the accounts of the Floor Plan Lenders (a) 2% of the original principal amount of the Floor Plan Loans made as to such Floor Plan Vehicle or Unit on the Principal Payment Date in each month beginning with the tenth (10th) day in the first month following the Applicable Starting Date and continuing thereafter on each tenth (10th) day of the month through and including the 23rd month following the Applicable Starting Date for such Floor Plan Unit, and (b) the full remaining balance of the original principal amount of the Floor Plan Loans made as to such Floor Plan Unit on the Principal Payment Due in the 24th month following the Applicable Starting Date.
- 2.01.j *Out Of Balance Floor Plan Vehicles or Units* To the extent that any Floor Plan Vehicle or Unit is Out Of Balance, the Floor Plan Borrowers shall immediately pay to the Administrative Agent for the accounts of the Floor Plan Lenders such sums as are necessary so that the outstanding balance of the Floor Plan Loans allocable to each such Floor Plan Vehicle or Unit is paid in accordance with Sections 2.01.6, 2.01.7, 2.01.8, and 2.01.9.
- 2.01.k *Deposit And Application Of Payment* All payments required to be made by the Floor Plan Borrowers as required in Sections 2.01.6, 2.01.7, 2.01.8, 2.01.9, and 2.01.10 shall be promptly delivered to the Administrative Agent in payment of the Floor Plan Loans, and shall be applied to the then outstanding principal balances of the Floor Plan Loans then allocated to the subject Floor Plan Vehicles or Units.

- 2.01.l *Permitted Purposes Of Floor Plan Loans.* The proceeds of the Floor Plan Loans shall be used by the Borrowers solely to finance the purchase and holding by the Floor Plan Borrowers of Floor Plan Vehicles or Units as set forth above in this Section 2.01 and subsections thereof.
- 2.01.m *Title Documents.* All original Manufacturer's or vendor's invoices and title documents evidencing the ownership of each Floor Plan Borrower of Floor Plan Vehicles or Units financed by the Floor Plan Loans, including, without limitation, the applicable Manufacturer's Certificates, shall be maintained in safekeeping by the respective Floor Plan Borrowers in a manner and location acceptable to the Administrative Agent, unless and until an Event Of Default has occurred and is continuing. After the occurrence and during the continuance of an Event Of Default, the Administrative Agent may request and the Floor Plan Borrowers shall deliver or cause to be delivered within two (2) Business Days of such request, all such original Manufacturer's Certificates and Manufacturer's and vendor's invoices and title documents being maintained by the Borrowers at the time of such request and, immediately, all such original Manufacturer's Certificates and Manufacturer's and vendor's invoices and title documents that later come into the possession of any of the Floor Plan Borrowers, to the Administrative Agent, and the Administrative Agent shall retain or hold all such original Manufacturer's Certificates and Manufacturer's and vendor's invoices and title documents so received. Thereafter, for so long as such Event Of Default shall be continuing, all such original Manufacturer's Certificates, Manufacturer's and vendor's invoices and title documents shall remain in the Administrative Agent's possession until the Floor Plan Loan advances in connection therewith or such ratable portion thereof in respect of a Floor Plan Vehicle or Unit sold by the Floor Plan Borrowers have been paid in full; provided that, upon the occurrence of an Event Of Default and during the continuance thereof, the Administrative Agent may transfer, as applicable, Manufacturer's Certificates and title documents delivered to facilitate the sale of Floor Plan Vehicles or Units.
- 2.01.n *Power of Attorney.* For the purpose of expediting the financing of Floor Plan Units and Permitted Company Vehicles in accordance with the terms of this Agreement and for other purposes relating to such financing transactions, each Floor Plan Borrower irrevocably constitutes and appoints the Administrative Agent and any of its officers, and each of them, severally, as its true and lawful attorneys-in-fact or attorney-in-fact with full authority to act on behalf of it, and in the name of, place, and stead of it, upon the occurrence and during the continuance of an Event Of Default, to prepare, execute, and deliver any and all instruments, documents, and agreements required to be executed and delivered by such Floor Plan Borrowers necessary to evidence borrowings of proceeds of the Floor Plan Loans hereunder and/or to evidence, perfect, or realize upon the Liens granted by this Agreement and/or any of the Credit Documents. The foregoing power of attorney shall be deemed to be coupled with an interest, and shall be irrevocable so long as this Agreement remains in effect or any Obligations remain outstanding. Each of said attorneys-in-fact shall have the power to act hereunder with or without the other. The Administrative Agent may, but shall not be obligated to, notify the Floor Plan Borrowers of any such instruments or documents the Administrative Agent has executed on behalf of any of the Floor Plan Borrowers prior to such execution.
- 2.01.o *Floor Plan Unused Commitment Fees.* For each Fiscal Quarter until the termination of the Floor Plan Loan Commitments, the Floor Plan Borrower jointly and severally promise to pay to the Administrative Agent for the ratable accounts of the Floor Plan Lenders (in proportion to such Floor Plan Lender's Floor Plan Loan Commitment) a per annum fee (the '*Floor Plan Unused Commitment Fee*') equal to (a) an amount equal to the average daily unused portion of the Floor Plan Loan Commitments (calculated as (i) the amount of the Aggregate Floor Plan Loan Commitments less (ii) the sum of the average daily aggregate principal amount drawn under the Floor Plan Loans), multiplied by (b) 0.15%, calculated on the basis of the actual number of days elapsed in a year of 360 days. Loan balances outstanding as M&T Advances shall be deemed usage with respect to the Floor Plan Commitments of M&T Bank. The Floor Plan Unused Commitment Fee shall be payable in arrears on the first Business Day of each succeeding Fiscal Quarter with the first of such payments to be scheduled for payment on April 1, 2023.
- 2.01.p *Permanent Reduction Of Floor Plan Line of Credit Dollar Cap.* The Floor Plan Borrowers shall have the right at any time, upon not less than ten (10) Business Days prior

written notice to the Administrative Agent, to permanently reduce, in whole or in part, without premium or penalty, the Floor Plan Line of Credit Dollar Cap provided that (a) each reduction shall be in an amount of not less than Ten Million Dollars (\$10,000,000.00), and (b) no reduction shall be permitted if, after giving effect thereto, and to any repayments of the Floor Plan Loans made on the effective date thereof, the sum of the aggregate principal balances of the Floor Plan Loans then unpaid and outstanding plus the aggregate unpaid balances of M&T Advances would exceed the Floor Plan Line of Credit Dollar Cap then in effect.

2.01.q *Floor Plan Interest Reduction Arrangement.* (a) In connection with the Floor Plan Line of Credit and at the Floor Plan Borrowers' request, the Administrative Agent and the Floor Plan Borrowers hereby enter into a floor plan aggregate interest reduction payment arrangement set forth in this Section (the "Floor Plan Interest Reduction Arrangement"), on the terms and subject to the conditions set forth in this Section, as a basis for potential reductions in interest payable on account of the Floor Plan Loans. The Floor Plan Interest Reduction Arrangement does not constitute a deposit account. Under the Floor Plan Interest Reduction Arrangement, the Floor Plan Borrowers may, at their election, deliver cash, checks or other good funds instruments to the Administrative Agent ("Equity Transaction") to be held as Collateral and security for the Obligations for the pro-rata benefit of the Floor Plan Lenders, and the Administrative Agent agrees to account to the Floor Plan Borrowers for the total of such deliveries (such deliveries, the "Equity Balance"). The Equity Balance shall not exceed 25% of the aggregate balances outstanding under the Floor Plan Loans.

(b) Absent any Default, Event of Default, or Material Adverse Change, the Floor Plan Borrowers may complete an Equity Transaction on any Business Day. Equity Transactions received by the Administrative Agent in immediately available funds at or prior to 3:00 p.m. shall be added to the Equity Balance on the same Business Day. Equity Transactions received by the Administrative Agent in immediately available funds after 3:00 p.m. will be added to the Equity Balance on the following Business Day. In the event that the Administrative Agent is notified of an insufficient funds transaction, the Administrative Agent shall reverse the respective Equity Transaction.

(c) Each monthly billing period for which an interest payment is due under the Floor Plan Line of Credit on account of the Floor Plan Loans, the Administrative Agent shall afford the Floor Plan Borrowers the benefit of a setoff against such interest due to the Floor Plan Lenders on account of the Floor Plan Loans (calculated on a pro-rata basis). Interest upon the Equity Balance shall be accrued on a daily basis based upon end of day cash balances and a rate equal to the interest rate then applicable to the Floor Plan Loans ("Equity Offset"). At the end of each month (or, at the election of the Administrative Agent, on the Floor Plan Loan Adjustment Date occurring in the fourth calendar week of any calendar month), the Equity Offset interest accrued shall be applied to accrued and unpaid interest on account of the Floor Plan Loans as billed by the Administrative Agent, reducing, pro-rata, the interest receivable of each Floor Plan Lender. Interest accrued in the Equity Offset shall not exceed the aggregate Loan interest receivable of the Floor Plan Lenders at any given time, and Equity Offset excess balances shall automatically transfer to a secondary non-interest bearing Equity Offset.

(d) The Administrative Agent on behalf of the Floor Plan Lenders shall have the use of any Equity Balance in its possession and may commingle any Equity Balance with other funds of the Administrative Agent.

(e) Each of the Floor Plan Borrowers hereby grants to the Administrative Agent for the benefit of the Floor Plan Lenders a continuing security interest in the Equity Balance and all accrued interest thereon and proceeds thereof, and acknowledges and agrees that the Equity Balance shall constitute Collateral under this Agreement and the Security Documents. The Administrative Agent shall have such rights to the Equity Balance as may be afforded by the Security Agreement and by applicable Law. The security interest in the Equity Balance and accrued interest and proceeds hereby granted by each of the Floor Plan Borrowers is in addition to any other rights of the M&T Bank, as Administrative Agent and otherwise, against any or all of the Floor Plan Borrowers, and shall be and remain under the exclusive possession, use, and control, and subject to rights of setoff, of M&T Bank in its various capacities hereunder and under the Security Documents.

(f) This Floor Plan Interest Reduction Arrangement may be terminated (i) by the Administrative Agent, (A) upon ten (10) days prior written notice to the Borrower Representative, and (B) in its sole discretion, without prior notice upon the occurrence of any Default, Event of Default, or Material Adverse Change, or a determination by the Administrative Agent that this Floor Plan Interest Reduction Arrangement would have an adverse effect on the Administrative Agent or any Floor Plan Lender, and (ii) by the Floor Plan Borrowers upon ten (10) days prior written notice from the Borrower Representative to the Administrative Agent. Upon any termination of the Floor Plan Interest Reduction Arrangement in the absence of any Default, Event of Default, or Material Adverse Change, the amounts held therein shall be applied to the payment of accrued and unpaid interest on account of the Floor Plan Loans, or, at the option of the Borrower Representative remitted to the Borrowers by deposit to the Commercial Account, and upon any termination of the Floor Plan Interest Reduction Arrangement upon the occurrence and/or during the continuance of any Default, Event of Default, or Material Adverse Change, the amounts held therein shall be applied to any balances of principal and/or interest due on account of the Floor Plan Loans or to any other Obligations, as the Administrative Agent shall determine, and in accordance with Section 8.05 of this Agreement. This Floor Plan Interest Reduction Arrangement, the Equity Balances and Equity Offset, and funds therein shall not, in any event, affect curtailments or other principal payments due on account of the Floor Plan Loans or reduce the outstanding amount of the Floor Plan Loans for purposes of determining availability under the Floor Plan Line of Credit.

(g) In order to induce the Administrative Agent to enter into the Floor Plan Interest Reduction Arrangement on the terms set forth above, each of the Floor Plan Borrowers hereby represents and warrants to the Administrative Agent and the Floor Plan Lenders that each of them is directly obligated for repayment of all amounts due under the Floor Plan Credit Facility and all of the other Obligations, and has a substantial interest in the satisfactory performance of the Floor Plan Credit Facility, the other Loans, and the Credit Documents.

2.01.r *Payments Due Upon Casualty Event* Within three (3) Business Days after the receipt by a Floor Plan Borrower of any Net Available Proceeds in respect of a Floor Plan Unit Casualty Event, such Floor Plan Borrower shall deliver to the Administrative Agent, or authorize the Administrative Agent to debit from a deposit account of such Floor Plan Borrower with the Administrative Agent, the amount of such Net Available Proceeds received by such Floor Plan Borrower (for the avoidance of doubt, any remaining principal amount of the Floor Plan Loan with respect to such Floor Plan Vehicle or Unit shall be paid in accordance with Section 2.01.9); provided that, in the case of less than total destruction or damage to the applicable Floor Plan Vehicle or Unit, in lieu of making such payment, the applicable Floor Plan Borrowers may elect to use such Net Available Proceeds received to promptly repair the physical destruction or damage to such Floor Plan Vehicle or Unit to the extent that the physical destruction or damage and/or any repairs made to remedy such destruction or damage does not void any applicable warranty with respect to such applicable Floor Plan Vehicle or Unit.

Section 1.02. *M&T Advances.*

(a) *Advances.* Between Floor Plan Loan Adjustment Dates, M&T Bank may (but shall not be obligated to) fund to the Floor Plan Borrower solely out of M&T Bank's own funds the entire principal amount of any Loan Request (any such funding being referred to as an "M&T Advance"). Each Floor Plan Lender shall purchase an irrevocable and unconditional participation in each M&T Advance, in an amount equal to such Floor Plan Lender's respective Floor Plan Loan Commitment Percentage of the principal amount of such M&T Advance, effective immediately upon the funding of each M&T Advance. Each Floor Plan Lender shall have the unconditional and irrevocable obligation to pay, and does hereby agree to pay, to M&T Bank, on each Floor Plan Loan Adjustment Date, an amount equal to such Floor Plan Lender's Floor Plan Loan Commitment Percentage of each M&T Advance, and settlement shall occur between M&T Bank and all other Floor Plan Lenders on each Floor Plan Loan Adjustment Date such that after each such settlement, the Floor Plan Lenders shall each hold that percentage of the then aggregated outstanding principal balances of the Floor Plan Loans equal to such Floor Plan Lender's respective Floor Plan Loan Commitment Percentage. Each Floor Plan Lender acknowledges and agrees that its obligation to acquire participations in M&T Advances and make payments to M&T Bank on account of such participations pursuant to this Section is absolute and unconditional and shall not be affected by any circumstance whatsoever, including the occurrence and

continuance of a Default or Event of Default (including, without limitation, the commencement of a proceeding under the Bankruptcy Code or other Debtor Relief Law with respect to any of Floor Plan Borrowers) or the reduction or termination of the Floor Plan Loan Commitments, and that each such payment shall be made without an offset, abatement, withholding or reduction whatsoever. All payments of principal, interest and any other amount with respect to each outstanding M&T Advance shall be payable to and received by the Administrative Agent for the account of M&T Bank. Any payments received by the Administrative Agent between Floor Plan Loan Adjustment Dates that in accordance with the terms of this Agreement are to be applied to the reduction of the outstanding aggregate principal balances of the Floor Plan Loans, shall be paid over to and retained by M&T Bank for such application to the outstanding M&T Advances and credited against the Floor Plan Lenders' respective purchases of participation interests in the respective M&T Advances, subject to the provisions of Section 2.14.

(b) *Automated Sweep Program.* M&T Bank may elect to process M&T Advances under any automated sweep program in effect at M&T Bank from time to time to facilitate automatic M&T Advances to cover submitted Loan Requests.

(c) *Repayment Obligations of Borrowers.* For the avoidance of doubt, the Floor Plan Borrowers hereby jointly and severally and unconditionally promise to pay to the Administrative Agent for the account of M&T Bank all amounts outstanding on account of the M&T Advances, together with accrued interest thereon, on the terms and subject to the conditions applicable to the Floor Plan Loans and the Floor Plan Loan Notes. Nothing in this Section 2.02, including but not limited to the purchase of participations in an M&T Advance pursuant to this Section 2.02, shall relieve the Floor Plan Borrowers of any obligation for payments under the Floor Plan Loans and Floor Plan Loan Notes, or under the M&T Advances, or for any default by the Floor Plan Borrowers in the payment thereof. The Floor Plan Borrowers hereby authorize the Administrative Agent, in its discretion, to apply the Equity Offset to payments due to M&T under the M&T Advances.

Section 1.01. *Revolving Credit Loans.* Subject to the terms and conditions of this Agreement and the other Credit Documents, each of the Revolving Credit Lenders severally agrees to make revolving credit loans (the "Revolving Credit Loans") to the Revolving Credit Borrowers as joint and several obligors from time to time during the Availability Period for the Revolving Credit Facility, in an aggregate amount outstanding not to exceed such Revolving Credit Lender's Revolving Credit Commitment Percentage multiplied by the Line Cap, provided, however, that after giving effect to any Revolving Borrowing, (a) the Total Revolving Credit Outstandings shall not at any time exceed the Revolving Credit Dollar Cap, (b) the aggregate Revolving Credit Exposure of any Revolving Credit Lender shall not exceed such Lender's Revolving Credit Commitment and (c) the Total Revolving Credit Outstandings shall not exceed the Line Cap. Each Revolving Credit Loan extended by a Revolving Credit Lender shall be in a principal amount equal to such Revolving Lender's Revolving Credit Commitment Percentage of the aggregate principal amount of the Revolving Credit Loans requested on such occasion. Subject to the application and satisfaction of the terms and conditions of this Agreement and of the other Credit Documents, the Borrowers may borrow, prepay, and reborrow the Revolving Credit Loans in whole or in part until the Revolving Credit Termination Date. Revolving Credit Loans may consist of Adjusted Base Rate Borrowings or a SOFR Borrowing at the Adjusted SOFR Rate, or a combination thereof, as the Borrowers may request in accordance with the terms hereof.

(a) *Revolving Credit Loan Promissory Notes.* The joint and several obligations of the Revolving Credit Borrowers to repay the Revolving Credit Loans to each Revolving Credit Lender shall be evidenced by a Revolving Credit Note. The Revolving Credit Borrowers shall deliver a Revolving Credit Note on the date of Closing to each of the Revolving Credit Lenders executed by an Authorized Officer of each Revolving Credit Borrower, with the face amount of each of such Revolving Credit Notes to be in the amount of the Revolving Credit Commitment of the respective Revolving Credit Lender. Any Revolving Credit Lender may request a Revolving Credit Note upon the Increase Effective Date in respect of a Revolving Credit Increase.

(b) *Procedure For Revolving Credit Loan Borrowings.* The Revolving Credit Borrowers may borrow proceeds of the Revolving Credit Loans during the Availability Period in respect of the Revolving Credit Facility, provided, that the Borrower Representative on behalf of the Revolving Credit Borrower delivers to the Administrative Agent an irrevocable, written, fully completed Loan Request executed by an Authorized Officer of the Borrower Representative (which Loan Request must be received by the Administrative Agent prior to 11:00 a.m. Eastern Time) (a) three (3) U.S. Government Securities Business Days prior to the requested Borrowing Date, if all or any part of the requested advances of proceeds of the Revolving Credit Loans are to be initially Adjusted SOFR Rate Borrowings, or (b) one (1) Business Day prior to the requested Borrowing Date if all of the requested advances of proceeds of the Revolving Credit Loans are to be initially Adjusted Base Rate Borrowings. Each Loan Request shall (A) specify: (i) the aggregate amount to be borrowed, (ii) the requested Borrowing Date, and (iii) whether the borrowing is to be an Adjusted SOFR Rate Borrowing, an Adjusted Base Rate Borrowing, or a combination thereof and (B) be accompanied by a Borrowing Base Certificate required by Section 5.09.14. The Loan Requests may be delivered to the Administrative Agent via facsimile or by other electronic transmission it being agreed that the Administrative Agent may rely on the authority of the Person making any such request without receipt of any other confirmation. The Administrative Agent shall promptly notify each Revolving Credit Lender of the Administrative Agent's receipt of each notice and the contents thereof. Each Revolving Credit Lender shall make the amount of its *pro rata* share (calculated in accordance with its respective Revolving Credit Commitment Percentage) of each requested borrowing available to the Administrative Agent for the accounts of the Revolving Credit Borrowers at the offices of the Administrative Agent specified in this Agreement prior to 1:00 pm (Eastern Time) on the Borrowing Date requested by the Borrowers in U.S. Dollars and in funds immediately available to the Administrative Agent. Such borrowing will be made available thereafter by the Administrative Agent crediting the Commercial Account with the aggregate of the amounts made available to the Administrative Agent by the Revolving Credit Lenders and in like funds as received by the Administrative Agent.

(c) *Repayment Of Revolving Credit Loans.* The Revolving Credit Borrowers unconditionally, jointly and severally, promise to pay to the Administrative Agent for the accounts of the Revolving Credit Lenders the then unpaid principal amount of each Revolving Credit Loan of the Revolving Credit Lenders on or before the Revolving Credit Termination Date (or on any earlier date on which the Revolving Credit Loans become due and payable as required by the stated provisions of this Agreement). The Revolving Credit Borrowers unconditionally, jointly and severally, promise to pay to the Administrative Agent for the ratable accounts of the Revolving Credit Lenders all interest which has accrued upon the unpaid principal amounts of the Revolving Credit Loans from time to time outstanding from the date of Closing until the date of payment in full of the Revolving Credit Loans at the rates per annum and on the dates set forth in Section 2.07 of this Agreement. All sums due to the Revolving Credit Lenders in connection with the Revolving Credit Loans shall be paid in full on or before the Revolving Credit Termination Date.

(d) *Permitted Purposes Of Revolving Credit Loans.* The proceeds of the Revolving Credit Loans shall be used by the Borrowers solely for the general working capital needs and for the general corporate purposes of the Borrowers and their Subsidiaries, including for Permitted Acquisitions and issuances of Letters of Credit.

(e) *Revolving Credit Unused Commitment Fees.* For each Fiscal Quarter until the termination of the Revolving Credit Commitments, the Revolving Credit Borrowers jointly and severally promise to pay to the Administrative Agent for the ratable accounts of the Revolving Credit Lenders a per annum fee (the "Revolving Credit Unused Commitment Fee") (calculated on the basis of the actual number of days elapsed in a year of 360 days) equal to (a) 0.15% times (b) the average daily unused portion of the Revolving Credit Commitments. In calculating the Revolving Credit Unused Commitment Fees, (x) the aggregate Stated Amount of L/C Obligations shall be deemed usage of Revolving Credit Commitments, but (y) Swingline Loans shall not be deemed usage of Revolving Credit Commitments. The Revolving Credit Unused Commitment Fee shall be payable in arrears on the first Business Day of each succeeding Fiscal Quarter with the first of such payments to be scheduled for payment on April 1, 2023.

(f) *Permanent Reduction Of Revolving Credit Dollar Cap.* The Revolving Credit Borrowers shall have the right at any time, upon not less than ten (10) Business Days prior written notice to the Administrative Agent, to permanently reduce, in whole or in part, without premium or penalty, the Revolving Credit Dollar Cap, provided that (a) each reduction shall be in an amount of not less than Two Hundred Fifty Thousand Dollars (\$250,000.00) or, if greater, a multiple of Fifty Thousand Dollars (\$50,000.00), and (b) no reduction shall be permitted if, after giving effect thereto, and to any repayments of the Revolving Credit Loans made on the effective date thereof, the sum of the aggregate principal balances of the Revolving Credit Loans then unpaid and outstanding plus the aggregate unpaid balances of Swingline Loans plus the aggregate amount of L/C Obligations outstanding would exceed the Line Cap then in effect.

(g) *Borrowing Base Overadvance.* If, on any Borrowing Base Test Date, the aggregate Revolving Credit Exposure of all Lenders exceed the Line Cap (such amount in excess of the Line Cap, the "Overexposure Amount"), then no later than the date that is one (1) Business Day following the date which a Borrowing Base Certificate has been delivered in respect of such Borrowing Base Test Date, the Revolving Credit Borrowers shall repay such outstanding Revolving Credit Loans, Swingline Loans and Reimbursement Obligations (and thereafter Cash Collateralize such outstanding L/C Obligations, to the extent remaining) in an amount equal to 100% of such Overexposure Amount to the Administrative Agent, which such amount shall be applied to the Revolving Credit Loans ratably in accordance with Section 2.08.3; provided, however, that the Revolving Credit Borrowers shall have an additional five (5) days to make any such repayment to the extent that the Overexposure Amount results from the establishment or modification of any Reserves or the modification of any eligibility standards pursuant to Section 2.21. All such repayments shall be applied (i) first, to prepay the outstanding Swingline Loans to the full extent thereof, (ii) second, to prepay the Revolving Credit Loans to the full extent thereof, (iii) third, to prepay outstanding Reimbursement Obligations, and (v) fourth, to Cash Collateralize Letters of Credit in an amount equal to the Minimum Collateral Amount.

Section 1.02. *Swingline Loan Subfacility.* During the Availability Period for the Revolving Credit Facility, subject to the terms and conditions set forth herein, the Swingline Lender agrees to make certain revolving credit loans (each, a "Swingline Loan" and collectively, the "Swingline Loans") to the Revolving Credit Borrowers in Dollars from time to time on any Business Day provided that, (a) the aggregate amount of Swingline Loans outstanding at any time shall not exceed the Swingline Committed Amount, (b) the Revolving Credit Exposure of any Revolving Credit Lender shall not exceed such Revolving Credit Lender's Revolving Credit Commitment, (c) the Total Revolving Credit Outstandings shall not exceed the Line Cap, and (d) the Total Revolving Credit Outstandings shall not exceed the Revolving Credit Dollar Cap. Swingline Loans may be repaid and reborrowed in accordance with the provisions of this Agreement. Notwithstanding the foregoing, the Swingline Lender shall not be required to make a Swingline Loan if any Credit Party shall have notified the Swingline Lender and the Revolving Credit Borrowers in writing at least one (1) Business Day prior to the Borrowing Date with respect to such Swingline Loan, that the conditions set forth in Section 4.02 have not been satisfied and such conditions remain unsatisfied as of the requested time of the making such Swingline Loan. Each Swingline Loan shall be due and payable in full on the earlier of (a) the Swingline Termination Date, or (b) such earlier maturity date as may be agreed to by the Swingline Lender and the Revolving Credit Borrowers. Swingline Loans may only be Adjusted Base Rate Borrowings and may not be SOFR Borrowings.

1.04.i. *Advances.* The Revolving Credit Borrowers shall request each Swingline Loan by a notification from an Authorized Officer of the Borrower Representative to the Administrative Agent and to the Swingline Lender by telephone (confirmed electronically) or electronically not later than 11:00 a.m. Eastern Time on the proposed Borrowing Date. Each such notice shall be irrevocable and shall specify (a) the aggregate principal amount to be borrowed, (b) the requested Borrowing Date, and (c) the requested maturity date of the requested Swingline Loan. The Swingline Lender will make the requested amount available promptly on the Borrowing Date, to the Administrative Agent (for the accounts of the Revolving Credit Borrowers) who, thereupon, will promptly make such amount available to the Revolving Credit Borrowers on such Borrowing Date in like funds as provided therein. Each Swingline Loan shall be in an amount not less than the applicable Minimum Borrowing Amount.

1.04.ii. *Repayment of Swingline Loans Upon Swingline Conversion Event.* Each Revolving Credit Borrower agrees to repay each Swingline Loan made to it within one Business Day of demand therefor by the Swingline Lender and, in any event, within five (5) Business Days after the date such Swingline Loan was made; provided, that the proceeds of a Swingline Loan may not be used to pay a Swingline Loan. Notwithstanding the foregoing, the Revolving Credit Borrowers shall repay the entire outstanding principal amount of, and all accrued but unpaid interest on, the Swingline Loans on the Swingline Termination Date (or such earlier date as the Swingline Lender and the Revolving Credit Borrowers may agree in writing). In lieu of demanding repayment of any outstanding Swingline Loan from the Revolving Credit Borrowers, the Swingline Lender may, on behalf of the Revolving Credit Borrowers (which hereby irrevocably directs the Swingline Lender to act on its behalf for such purpose), request a borrowing of Revolving Credit Loans that are Base Rate Loans from the Revolving Credit Lenders (with notice to the Borrower Representative) in an amount equal to the principal balance of such Swingline Loan. The minimum borrowing amount limitations contained in Section 2.04.1 shall not apply to any borrowing of such Revolving Credit Loans made pursuant to this subsection. The Swingline Lender shall give notice to the Administrative Agent of any such borrowing of Revolving Credit Loans not later than 11:00 a.m. at least one Business Day prior to the proposed date of such borrowing. Promptly after receipt of such Loan Notice from the Swingline Lender under the immediately preceding sentence, the Administrative Agent shall notify each Revolving Credit Lender and the Borrower Representative of the proposed borrowing. Not later than 10:00 a.m. on the proposed date of such borrowing, each Revolving Credit Lender will make available to the Administrative Agent at the offices of the Administrative Agent specified in this Agreement for the account of the Swingline Lender, in immediately available funds, the proceeds of the Revolving Credit Loan to be made by such Revolving Credit Lender. The Administrative Agent shall pay the proceeds of such Revolving Credit Loans to the Swingline Lender which shall apply such proceeds to repay such Swingline Loan. Each Revolving Credit Lender irrevocably agrees to extend its *pro rata* share of the requested Revolving Credit Loans notwithstanding (a) that the amount of the borrowing may not satisfy the Minimum Borrowing Amount for Revolving Credit Loans, (b) that a Default or Event of Default may exist, (c) the failure of any request or deemed request for the Revolving Credit Loans to be timely made, (d) that the date of such borrowing is not the date on which Revolving Credit Loans are otherwise permitted to be made, or (e) any reduction or termination of the Revolving Credit Commitments.

1.04.iii. *Participations.* Immediately upon the making of a Swingline Loan, each Revolving Credit Lender shall be deemed to have purchased, and hereby irrevocably and unconditionally agrees to purchase, from the Swingline Lender, without recourse or warranty, an undivided interest and participation to the extent of such Revolving Credit Lender's Revolving Credit Commitment Percentage of such Swingline Loan. In the event that outstanding Swingline Loans cannot be repaid with the proceeds of Revolving Credit Loans pursuant to Section 2.04.2 for any reason (including, without limitation, as a result of the commencement of a proceeding under the Bankruptcy Code or other Debtor Relief Laws with respect to the Borrowers), the Revolving Credit Lenders will, as of the date such proposed borrowing otherwise would have occurred but adjusted for any payments received in respect of such Swingline Loan(s) by or for the account of the Revolving Credit Borrowers on or after such date and prior to such purchase, immediately fund their respective participations in the outstanding Swingline Loans as necessary to cause such Revolving Credit Lenders to share in such Swingline Loan(s) proportionately in accordance with their respective Revolving Credit Commitment Percentages in respect of the Revolving Credit Commitments. Any amounts received by the Swingline Lender from the Revolving Credit Borrowers (or from any other Person on behalf of the Revolving Credit Borrowers) in respect of a Swingline Loan after receipt by the Swingline Lender of the proceeds of a sale of participations therein shall be promptly remitted to the Administrative Agent; any such amounts received by the Administrative Agent shall be promptly remitted by the Administrative Agent to the applicable Revolving Credit Lenders that shall have made their payments pursuant to this Section and to the Swingline Lender, as their interests may appear. The purchase of participations in a Swingline Loan pursuant to this Section shall not relieve the Revolving Credit Borrowers of any default by the Revolving Credit Borrowers in the payment thereof provided, however, that in the event any such payment received by the Administrative Agent is subsequently set aside or is required to be refunded, returned or repaid, such Revolving Credit Lender will repay to the Administrative Agent its proportionate share thereof.

1.04.iv. *Obligations Absolute.* A Revolving Credit Lender's obligation to purchase such a participation in a Swingline Loan shall be absolute and unconditional and shall not be affected by any circumstance whatsoever, including without limitation, (i) any claim of setoff, counterclaim, recoupment,

defense or other right which such Revolving Credit Lender or any other Person may have or claim against the Administrative Agent, any Swingline Lender or any other Person whatsoever, (ii) the occurrence or continuation of a Default or Event of Default (including without limitation, any of the Defaults or Events of Default described in Sections 7.01.7 or 7.01.8), or the termination of any Revolving Credit Lender's Revolving Credit Commitment, (iii) the existence (or alleged existence) of an event or condition which has had or could have a Material Adverse Change, (iv) any breach of any Credit Document by the Administrative Agent, any Lender, any Borrower or any other Loan Party, or (v) any other circumstance, happening or event whatsoever, whether or not similar to any of the foregoing. If such amount is not in fact made available to the Swingline Lender by any Revolving Credit Lender, the Swingline Lender shall be entitled to recover such amount on demand from such Revolving Credit Lender, together with accrued interest thereon for each day from the date of demand thereof, at the Federal Funds Rate. If such Revolving Credit Lender does not pay such amount forthwith upon the Swingline Lender's demand therefor, and until such time as such Revolving Credit Lender makes the required payment, the Swingline Lender shall be deemed to continue to have outstanding Swingline Loans in the amount of such unpaid participation obligation for all purposes of the Credit Document (other than those provisions requiring the other Revolving Credit Lenders to purchase a participation therein). Further, such Revolving Credit Lender shall be deemed to have assigned any and all payments made of principal and interest on its Revolving Credit Loans, and any other amounts due it hereunder, to the Swingline Lender to fund Swingline Loans in the amount of the participation in Swingline Loans that such Revolving Credit Lender failed to purchase pursuant to this Section until such amount has been purchased (as a result of such assignment or otherwise).

Section 1.03. *Letter of Credit Subfacility.* During the Availability Period for the Revolving Credit Commitments, subject to the terms and conditions set forth in this Agreement, an Authorized Officer of the Borrower Representative may request on behalf of the Revolving Credit Borrowers the issuance of, and the Issuing Bank in reliance upon the agreements of the Revolving Credit Lenders set forth in Section 2.05.3 agrees to issue, Letters of Credit for the accounts of the Revolving Credit Borrowers or any of its Subsidiaries, in a form acceptable to the Issuing Bank, at any time and from time to time on any Business Day from the Closing Date through, but not including the L/C Expiration Date *provided, however*, that the Issuing Bank shall not be obligated to issue any Letter of Credit if after giving effect to such issuance, (a) the aggregate amount of L/C Obligations (after giving effect to any requested issuance) exceeds the Letter of Credit Sublimit, (b) the Revolving Credit Exposure of any Lender exceeds such Lender's Revolving Credit Commitment or (c) the aggregate Revolving Credit Exposure of all Lenders exceeds the Line Cap. In the event of any inconsistency between the terms and conditions of this Agreement and the terms and conditions of any form of Letter of Credit Application or other L/C Document submitted by the Borrowers to, or entered into by the Borrowers with, the Issuing Bank relating to any Letter of Credit, the terms and conditions of this Agreement shall control.

1.05.i. *Request for Issuance; Amendment; Renewal; Extension; Certain Conditions.* To request the issuance of a Letter of Credit (or the amendment, renewal or extension of an outstanding Letter of Credit), an Authorized Officer of the Borrower Representative on behalf of the applicable Revolving Credit Borrower or Revolving Credit Borrowers shall deliver to the Issuing Bank and the Administrative Agent (reasonably in advance of the requested date of issuance, amendment, renewal or extension) a written notice requesting the issuance of a Letter of Credit, or identifying the Letter of Credit to be amended, renewed or extended together with a Letter of Credit Application, and specifying the proposed date of issuance, amendment, renewal or extension (which shall be a Business Day), the date on which such Letter of Credit is to expire (which shall comply with Section 2.05.2), the amount of such Letter of Credit, the name and address of the beneficiary thereof and such other information as shall be necessary to prepare, amend, renew or extend such Letter of Credit. Such written notice may be transmitted electronically or by facsimile, if arrangements for doing so have been approved by the Issuing Bank. Upon receipt of the Letter of Credit Application executed by an Authorized Officer of the Borrower Representative, the Issuing Bank shall process such Letter of Credit Application and issue the Letter of Credit requested thereby, provided all fees and expenses in connection with such Letter of Credit have been paid and all other conditions precedent to the issuance of Letters of Credit have been satisfied and, provided further, the Issuing Bank shall not be required to issue any Letter of Credit earlier than three (3) Business Days after receipt by the Issuing Bank of the Letter of Credit Application and of all of

the certificates, documents and other papers and information required by the Issuing Bank which relate thereto. The Issuing Bank shall promptly furnish a copy of each Letter of Credit to the Administrative Agent and to the Borrower Representative. A Letter of Credit shall be issued, amended, renewed or extended only if (and, upon issuance, amendment, renewal or extension of each Letter of Credit, the Revolving Credit Borrowers shall be deemed to represent and warrant that), after giving effect to such issuance, amendment, renewal or extension, the provisos set forth in Section 2.05(a) through (g) are satisfied. The Issuing Bank shall not be obligated to amend any Letter of Credit if the Issuing Bank would not be required at such time to issue such Letter of Credit in its amended form under the terms of this Agreement. Upon the issuance by the Issuing Bank of a Letter of Credit and until such Letter of Credit shall have expired or been cancelled, the Revolving Credit Commitment of each Revolving Credit Lender shall be deemed to be utilized for all purposes of this Agreement in an amount equal to the product of (i) such Revolving Credit Lender's Revolving Credit Commitment Percentage and (ii) the sum of (A) the Stated Amount of such Letter of Credit plus (B) without duplication of any amounts included under clause (A), any related Reimbursement Obligations then outstanding.

1.05.ii. *Expiration Date.* Each Letter of Credit shall expire at or prior to the close of business on the earlier of (a) the date that is 365 days after the date of the issuance of such Letter of Credit (or, in the case of any renewal or extension thereof, 365 days after such renewal or extension) and (b) the L/C Expiration Date provided that any Letter of Credit may provide for the automatic renewal thereof for additional 365-day periods (which shall in no event extend beyond the L/C Expiration Date).

1.05.iii. *Agreement of Lenders To Purchase Proportionate Share of Letters of Credit.* Upon receipt by the Issuing Bank from the beneficiary of a Letter of Credit issued by the Issuing Bank of any demand for payment under such Letter of Credit and the Issuing Bank's determination that such demand for payment complies with the requirements of such Letter of Credit, the Issuing Bank shall promptly notify the applicable Revolving Credit Borrower or the Borrower Representative and the Administrative Agent of the amount to be paid by the Issuing Bank as a result of such demand and the date on which payment is to be made by the Issuing Bank to such beneficiary in respect of such demand; provided, however, that the Issuing Bank's failure to give, or delay in giving, such notice shall not discharge the applicable Revolving Credit Borrower in any respect from the applicable Reimbursement Obligation. In order to induce the Issuing Bank to issue Letters of Credit for the accounts of the Borrowers in accordance with the terms of this Agreement, each Revolving Credit Lender unconditionally and irrevocably agrees to accept and purchase and hereby accepts and purchases from the Issuing Bank, on the terms and conditions hereinafter stated, for such Lender's own account and risk an undivided interest and participation equal to such Lender's Revolving Credit Commitment Percentage in the Issuing Bank's obligations and rights under each Letter of Credit issued hereunder and the amount of each L/C Disbursement of the Issuing Bank.

1.05.iv. *Reimbursement Obligations of the Borrowers.* Each Revolving Credit Lender unconditionally and irrevocably covenants to the Issuing Bank that, if an L/C Disbursement is made by the Issuing Bank with respect to any Letter of Credit for which the Issuing Bank is not immediately reimbursed in full by the Revolving Credit Borrowers, such Lender shall pay to the Administrative Agent, for the account of the Issuing Bank, upon the demand by the Administrative Agent, an amount equal to such Lender's Revolving Credit Commitment Percentage of the unreimbursed amount of such L/C Disbursement not later than 1:00 p.m. Eastern Time on the Business Day specified by the Administrative Agent in its demand for payment. Any payment made by a Lender pursuant to this Section 2.05.3 to reimburse the Issuing Bank for any L/C Disbursement shall not constitute a Loan and shall not relieve the Borrowers of their joint and several obligations to reimburse such L/C Disbursement; provided, however, that the Revolving Credit Borrowers unconditionally and irrevocably, jointly and severally, covenant to reimburse the Issuing Bank by paying to the Administrative Agent, for the account of the Issuing Bank, the amount of such L/C Disbursement by the not later than 12:00 noon on (i) the Business Day that the Revolving Credit Borrowers receive notice of such drawing, if such notice is received by the Revolving Credit Borrowers prior to 10:00 a.m., or (ii) the Business Day immediately following the day that the Revolving Credit Borrowers receive such notice, if such notice is not received prior to such time, for the amount of (x) such L/C Disbursement and (y) any amounts incurred by such Issuing Bank in connection with such payment; provided, further, that in respect of any drawing under any Letter of Credit, the maximum amount that any Revolving Credit Lender shall be required to fund, whether as a Revolving Credit Loan or as a participation, shall not exceed such Revolving Credit Lender's Revolving Credit

Commitment Percentage of such drawing except as otherwise provided in Section 2.14. Each Revolving Credit Lender's obligation to make such payments to the Administrative Agent under this subsection, and the Administrative Agent's right to receive the same for the account of the Issuing Bank, shall be absolute, irrevocable and unconditional and shall not be affected in any way by any circumstance whatsoever, including without limitation, (i) the failure of any other Revolving Credit Lender to make its payment under this subsection, (ii) the financial condition of the Revolving Credit Borrowers or any other Loan Party, (iii) the existence of any Default or Event of Default, including any Event of Default described in Section 7.01.7 or 7.01.8, (iv) the termination of the Revolving Credit Commitments or (v) the delivery of Cash Collateral. Each such payment to the Administrative Agent for the account of the Issuing Bank shall be made without any offset, abatement, withholding or deduction whatsoever.

1.05.v. *Borrowers' Reimbursement Obligations Are Absolute.* The Revolving Credit Borrowers' joint and several reimbursement obligations hereunder shall be absolute and unconditional under all circumstances and irrespective of any set-off, counterclaim or defense to payment which the Revolving Credit Borrowers may have or have had against the Administrative Agent, the Issuing Bank, any of the Lenders, any beneficiary of a Letter of Credit or any other Person. The Revolving Credit Borrowers agree and acknowledge that none of the Administrative Agent, the Issuing Bank, or the Lenders shall be responsible for, nor shall the Revolving Credit Borrowers' duties and obligations hereunder under the Credit Documents be affected by, among other things (a) the form, validity, sufficiency, accuracy, genuineness or legal effect of any documents or of any endorsements thereon presented in connection with any draft upon a Letter of Credit, even though such documents shall in fact prove to be invalid, fraudulent or forged, (b) any dispute between or among any Revolving Credit Borrower and any beneficiary of any Letter of Credit or any other party to which such Letter of Credit may be transferred, or (c) any claims whatsoever of the Revolving Credit Borrowers against any beneficiary of such Letter of Credit or any such transferee. None of the Administrative Agent, the Issuing Bank, or any of the Lenders shall be liable for any error, omission, interruption or delay in transmission, dispatch or delivery of any message or advice, however transmitted, in connection with the issuance, administration, or payment of any drafts presented against any Letter of Credit. The Revolving Credit Borrowers agree and acknowledge that any action taken or omitted by the Administrative Agent, the Issuing Bank, or the Revolving Credit Lenders under or in connection with any Letter of Credit or the related drafts or documents shall be binding on the Revolving Credit Borrowers and shall not result in any liability of any of the Administrative Agent, the Issuing Bank, or the Revolving Credit Lenders to the Borrowers, absent gross negligence or willful misconduct. In furtherance and not in limitation of the foregoing, the Issuing Bank 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 the Issuing Bank shall not 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.

1.05.vi. *Applicability of ISP98.* Unless otherwise expressly agreed by the Issuing Bank and the Revolving Credit Borrowers, when a Letter of Credit is issued the rules of the ISP shall apply to each standby Letter of Credit.

1.05.vii. *Interim Interest.* If the Issuing Bank shall make any L/C Disbursement, then, unless the Revolving Credit Borrowers shall reimburse such L/C Disbursement in full on the date such L/C Disbursement is made, the unpaid amount thereof shall bear interest, for each day from and including the date such L/C Disbursement is made to but excluding the date that the Revolving Credit Borrowers reimburse such L/C Disbursement at the Adjusted Base Rate then applicable to Revolving Credit Loans; provided that the Default Rate shall apply during any continuing Event of Default. Interest accrued pursuant to this Section shall be for the account of the Issuing Bank, except that interest accrued on and after the date of payment by any Lender pursuant to Section 2.05.3 to purchase a participation from the Issuing Bank shall be for the account of such purchasing Lender to the extent of such payment.

1.05.viii. *Cash Collateralization.* Upon the request of the Administrative Agent (a) if the Issuing Bank has honored any full or partial drawing request under any Letter of Credit and such drawing has resulted in Reimbursement Obligation (unless such Reimbursement Obligation has been reimbursed by the proceeds of a Revolving Credit Loan in accordance with Section 2.05.4), or (b) if, as of the L/C Expiration Date, any Letter of Credit for any reason remains outstanding and partially or wholly undrawn,

or (c) a continuing Event of Default exists and the Loans have been accelerated and have become due and payable in accordance with Section 8.01 of this Agreement, the Borrowers shall immediately Cash Collateralize all then outstanding L/C Obligations (in an amount determined as of the date of such Reimbursement Obligation or the L/C Expiration Date or the date of acceleration of the Loans, as the case may be), but an amount not less than 110% of the outstanding L/C Obligations, unless otherwise agreed by the Issuing Bank and the Required Revolving Credit Lenders.

1.05.ix. *Letter of Credit Fees.* The Borrowers shall pay to the Administrative Agent, for the ratable accounts of the Lenders, letter of credit fees (the "Letter of Credit Fees") on the aggregate daily Stated Amount of each outstanding Letters of Credit at the rate equal to the Applicable Margin applicable to Revolving Credit Loans for SOFR Rate Loans then in effect, provided, that upon the implementation of the Default Rate and for so long as the same shall continue, the Letter of Credit Fees shall be increased to the Default Rate. Letter of Credit Fees shall be payable (a) quarterly in arrears on the last Business Day of each Fiscal Quarter occurring during the term of this Agreement, and (b) on the last day of the Availability Period for the Revolving Credit Commitments. The Borrowers shall pay to the Administrative Agent, for the sole account of the Issuing Bank, those fees specified in the Fee Letter, plus such fronting fees and customary issuance, presentation amendment and processing fees and all standard costs or charges of the Issuing Bank relating to letters of credit, as are from time to time in effect. Such fees and costs and charges shall be due and payable on demand and shall be nonrefundable.

1.05.x. *Letters of Credit Issued for Other Loan Parties or Subsidiaries.* Notwithstanding that a Letter of Credit issued or outstanding hereunder is in support of any obligations of, or is for the account of another Loan Party or a Subsidiary of a Borrower or of another Loan Party, each Revolving Credit Borrower shall be jointly and severally obligated with all other Borrowers to reimburse the Issuing Bank hereunder for any and all drawings under such Letter of Credit. Each Revolving Credit Borrower hereby acknowledges that the issuance of Letters of Credit for the accounts of other Loan Parties and Subsidiaries of such Borrower and any other Loan Party inures to the benefit of such Borrower, and that its business derives substantial benefits from the businesses of such other Loan Parties and Subsidiaries.

Section 1.04. [Reserved].

Section 1.05. *Interest Terms Applicable To The Loans.* Interest shall accrue upon the unpaid principal balances of the Loans until the Loans have been repaid in full at the rate or rates described below in this Section 2.07. The Borrowers promise to pay to the Administrative Agent for the ratable benefit of the Lenders in each Class all accrued interest owing in respect of such Class of Loans in arrears on the applicable Interest Payment Dates.

1.07.i. *Adjusted Base Rate.* Swingline Loans advanced and outstanding shall bear interest at the Adjusted Base Rate. Absent a timely election by the Borrower Representative of a SOFR Borrowing in accordance with Section 2.07.2 of this Agreement, the unpaid balances of the Floor Plan Loans (including M&A Advances) and Revolving Credit Loans, including any balances of any Adjusted SOFR Rate Borrowings for which the applicable Interest Period has expired without effective continuation, shall be deemed automatically to bear interest at the Adjusted Base Rate. Changes in the Adjusted Base Rate shall be made when and as changes in the Base Rate occur. Each election by the Borrower Representative of an Adjusted Base Rate Borrowing shall be in the Minimum Borrowing Amount, or any multiple thereof. Payments on account of Adjusted Base Rate Borrowings shall be due and payable in arrears monthly on the Interest Payment Date in each consecutive month.

1.07.ii. *SOFR Borrowing Option* Subject to the terms of this Section, interest may accrue at the election of the Borrower Representative (a) with respect to Revolving Credit Loans, at the Adjusted SOFR Rate for Interest Periods and on portions of the unpaid principal balances of the Revolving Credit Loans, selected by the Borrower Representative and (b) with respect to Floor Plan Loans, at the Adjusted Daily SOFR Rate on the principal balances outstanding of the Floor Plan Loans. With respect to the Revolving Credit Loans, the Borrowers shall have the option to elect a series of consecutive Interest Periods applicable to portions of the unpaid principal balances of Revolving Credit Loans to be designated at the time of an initial election for SOFR Borrowings; provided that SOFR shall be redetermined on the terms set forth in this Agreement for each Interest Period and interest payments

shall be made at the end of each Interest Period. For the avoidance of doubt, the SOFR Borrowing option shall not be available for Swingline Loans.

(I) *Interest Payment and Computation.*

Interest shall accrue from and including the first day of each Interest Period selected by the Borrower Representative to (but not including) the last day of such Interest Period at the Adjusted SOFR Rate determined as applicable to such Interest Period upon the amount of the unpaid principal balances of the Revolving Credit Loan. SOFR Rate Borrowings shall be due and payable in arrears on each applicable Interest Payment Date.

(II) *Interest Payment and Computation (Floor Plan Loans).*

Subject to the last sentence of this clause (b) and to the operation and effect of Sections 2.07.4 and 2.07.5 hereof, the principal balance of any advanced and outstanding Floor Plan Loans shall bear interest at the Adjusted Daily SOFR Rate. With respect to the Floor Plan Loans, there shall only be one (1) applicable interest rate in effect for all of the Floor Plan Loans at any time and each interest rate election shall apply to the entire aggregate unpaid principal balances of the Floor Plan Loans. Payments on account of interest applicable to Floor Plan Loans shall be applied by the Administrative Agent to outstanding balances of such Loans accruing or having accrued interest at the Adjusted Daily SOFR Rate and balances of such Loans accruing or having accrued interest at the Adjusted Base Rate, in such order or proportion as the Administrative Agent, in its sole discretion, shall determine. Adjusted Daily SOFR Borrowings on account of Floor Plan Loans shall be due and payable monthly in arrears on the Interest Payment Date in each consecutive month.

(c) *Continuation and Conversion.* Provided that no Default or Event of Default has occurred and is then continuing, the Borrower Representative shall have the option to (a) convert at any time, subject to the notice requirements herein, all or any portion of any outstanding Base Rate Loans (other than Swingline Loans) in a principal amount equal to \$2,000,000.00 or any whole multiple of \$1,000,000.00 in excess thereof (or such lesser amount as shall represent all of the Base Rate Loans then outstanding) into one or more SOFR Rate Loans and (b) upon the expiration of any Interest Period therefor, (i) convert all or any part of any outstanding SOFR Rate Loans in a principal amount equal to \$1,000,000.00 or a whole multiple of \$500,000.00 in excess thereof (or such lesser amount as shall represent all of the SOFR Rate Loans then outstanding) into Base Rate Loans (other than Swingline Loans) or (ii) continue any SOFR Rate Loans as SOFR Rate Loans, provided that, unless notice otherwise given by the Borrower Representative to convert or continue any SOFR Rate Loans, upon the expiration of any Interest Period in respect of such SOFR Rate Loans, such SOFR Rate Loans shall automatically continue as SOFR Rate Loans having the same Interest Period as such expiring Interest Period. Whenever the Borrower Representative desires to convert or continue Loans as provided above (other than an automatic continuation of a SOFR Rate Loan as provided in clause (b)(i) above), the Borrower Representative shall give the Administrative Agent irrevocable prior written notice in the form attached as Exhibit I (a "Notice of Conversion/Continuation") not later than 11:00 a.m. three (3) U.S. Government Securities Business Days before the day on which a proposed conversion or continuation of such Loan is to be effective specifying (A) the Loans to be converted or continued, and, in the case of any SOFR Rate Loan to be converted or continued, the last day of the Interest Period therefor, (B) the effective date of such conversion or continuation (which shall be a Business Day), (C) the principal amount of such Loans to be converted or continued, and (D) in the case of any SOFR Rate Loans, the Interest Period to be applicable to such converted or continued SOFR Rate Loans. If the Borrower Representative fails to deliver a timely Notice of Conversion/Continuation with respect to a SOFR Rate Loan prior to the end of the Interest Period therefor, then, unless such SOFR Rate Loan is repaid as provided herein, the Borrower Representative shall be deemed to have selected that such SOFR Rate Loan shall automatically be continued as SOFR Rate Loans having the same Interest Period as such expiring Interest Period. If the Borrower Representative requests a conversion or continuation of, a SOFR Rate Loan, but fails to specify an Interest Period, it will be deemed to have specified an Interest Period of one month. Notwithstanding anything to the contrary herein, a Swingline Loan may not be converted to a

Eurocurrency Rate Loan. The Administrative Agent shall promptly notify the affected Lenders of such Notice of Conversion/Continuation.

(d) *Manner of Payment.* Except as otherwise expressly provided herein, each payment by a Borrower on account of the principal of or interest on the Loans or of any fee, commission or other amounts (including the Reimbursement Obligation) payable to the Lenders under this Agreement shall be made not later than 1:00 p.m. on the date specified for payment under this Agreement to the Administrative Agent at the Administrative Agent's Office for the account of the Lenders entitled to such payment in Dollars, and shall be made without any setoff, counterclaim or deduction whatsoever. Any payment received after 1:00 p.m. shall be deemed to have been made on the next succeeding Business Day for all purposes. Upon receipt by the Administrative Agent of each such payment, the Administrative Agent shall distribute to each such Lender at its address for notices set forth herein its Pro Rata Share in respect of the relevant facility (or other applicable share as provided herein) of such payment and shall wire advice of the amount of such credit to each Lender. Each payment to the Administrative Agent on account of the principal of or interest on the Swingline Loans or of any fee, commission or other amounts payable to the Swingline Lender shall be made in like manner, but for the account of the Swingline Lender. Each payment to the Administrative Agent of any Issuing Bank's fees shall be made in like manner, but for the account of such Issuing Bank. Each payment to the Administrative Agent of Administrative Agent's fees or expenses shall be made for the account of the Administrative Agent and any amount payable to any Lender under Sections 2.07.3, 2.10, 2.11 or 10.08 shall be paid to the Administrative Agent for the account of the applicable Lender. Subject to the definitions of Interest Period and Interest Payment Date, if any payment under this Agreement shall be specified to be made upon a day which is not a Business Day, it shall be made on the next succeeding day which is a Business Day and such extension of time shall in such case be included in computing any interest if payable along with such payment. Notwithstanding the foregoing, if there exists a Defaulting Lender each payment by the Borrowers to such Defaulting Lender hereunder shall be applied in accordance with Section 2.14.1(b).

1.07.iii. *Breakage Costs.* The Borrowers jointly and severally promise to compensate the Lenders from time to time, upon demand from any Lender through the Administrative Agent, for all losses, expenses, lost earnings, costs and liabilities (including all interest paid to lenders of funds borrowed by the Lenders to carry SOFR Borrowings) which any of the Lenders sustains if: (1) any repayment or prepayment of any SOFR Borrowings (including any payment resulting from the acceleration of the Loans in accordance with the terms of this Agreement or from an assignment required by Section 2.11 of this Agreement) or any conversion of SOFR Borrowings for any reason occurs on a date which is not a Business Day and, with respect to any SOFR Borrowing on account of a Revolving Credit Loan is not the last day of an Interest Period; or (2) any failure by the Borrowers to borrow a SOFR Borrowing or convert an Adjusted Base Rate Borrowing to a SOFR Borrowing on a date for such borrowing or conversion specified in the relevant notice of election given by the Borrower Representative to the Administrative Agent in accordance with the terms of this Agreement.

1.07.iv. *Illegality.* If the Administrative Agent or the Required Lenders shall determine that the introduction of any law (statutory or common), treaty, rule, regulation, guideline or determination of an arbitrator or of a governmental authority or in the interpretation or administration thereof, has made it unlawful, or that any central bank or other governmental authority has asserted that it is unlawful for any of the Lenders to make Loans at the SOFR Rate and/or the Daily SOFR Rate, then on notice thereof by the Administrative Agent to the Borrower Representative, the Administrative Agent may suspend the making of Loans at the SOFR Rate and the Daily SOFR Rate until the Administrative Agent shall have notified the Borrower Representative that the circumstances giving rise to such determination shall no longer exist. If the Administrative Agent or the Required Lenders shall determine that it is unlawful to maintain any Loans at the SOFR Rate and/or the Daily SOFR Rate, the Borrowers shall immediately convert all outstanding SOFR Rate Borrowings and/or Adjusted Daily SOFR Borrowings, as applicable, to Adjusted Base Rate Borrowings or pay to the Administrative Agent for the benefit of the Lenders the aggregate principal amount of all affected Loans then outstanding at the SOFR Rate or Daily SOFR Rate, together with accrued interest and related Credit Party Expenses.

1.07.v. *Termination Of Right To Elect SOFR Borrowings.* Notwithstanding anything to the contrary set forth in this Agreement, and without limiting any other rights and remedies of the Lenders, the Required Lenders during any continuing Default or Event of Default may suspend the right

of the Borrowers to elect any new SOFR Borrowing or to convert any Adjusted Base Rate Borrowing into a SOFR Borrowing, to permit any SOFR Borrowing to be renewed as a SOFR Borrowing, or to permit any SOFR Borrowing at the Adjusted Daily SOFR Rate to continue as a SOFR Borrowing, in which case, all SOFR Borrowings, other than SOFR Borrowings at the Adjusted Daily SOFR Rate, shall be converted on the last days of the respective Interest Periods therefor or continue as the case may be, as Adjusted Base Rate Borrowings, and all SOFR Borrowings at the Adjusted Daily SOFR Rate shall be converted to Adjusted Base Rate Borrowings on the date selected by the Required Lenders.

1.07.vi. *Calculation Of Interest.* Interest shall be calculated upon Adjusted Base Rate Borrowings on the basis of a 365 or 366 days per year factor applied to the actual days on which there exists an unpaid balance of the Adjusted Base Rate Borrowings. Interest shall be calculated upon SOFR Borrowing on the basis of a 360 day per year factor applied to the actual days on which there exists an unpaid balance of the SOFR Borrowing.

1.07.vii. *Default Interest.*

- (1) During the existence of an Event of Default under Sections 7.01.1, 7.01.7 or 7.01.8, automatically and without the requirement of any notice, and at the request of the Administrative Agent or the Required Lenders during the existence of any other Event of Default, the principal amount of all Loans outstanding, Reimbursement Obligations and all fees and other Obligations owed hereunder, including, to the extent permitted by applicable law, any interest payments on the Loans, shall thereafter bear interest (including post-petition interest in any proceeding under the Debtor Relief Laws or other applicable bankruptcy laws) payable on demand at the applicable Default Rate; provided, in the case of Loans accruing interest at the SOFR Rate (other than Floor Plan Loans), upon the expiration of the Interest Period in effect at the time any such increase in interest rate is effective such Loans shall thereupon accrue interest at the Base Rate and shall thereafter bear interest payable upon demand at the Default Rate. Payment or acceptance of the increased rates of interest provided for in this Section 2.07.7 is not a permitted alternative to timely payment and shall not constitute a waiver of any Event of Default or otherwise prejudice or limit any rights or remedies of Administrative Agent or any Lender. Imposition of the Default Rate may, at the election of the Required Lenders, be applied retroactively to the date of the occurrence of the Event of Default.
- (2) Without limiting any other rights and remedies available to the Credit Parties by this Agreement or applicable Laws, accrued and unpaid interest on past due amounts (including interest on past due interest) shall be due and payable upon demand.

1.07.viii. *Maximum Rate Of Interest.* Any provision contained in the Credit Documents to the contrary notwithstanding, the Lenders shall not be entitled to receive or collect, nor shall the Borrowers be obligated to pay, interest, fees, or charges thereunder in excess of the maximum rate of interest permitted by any applicable Law, and if any provision of this Agreement, the Notes or any of the other Credit Documents is construed or held by any court of law or Governmental Authority having jurisdiction to permit or require the charging, collection or payment of any amount of interest in excess of that permitted by such Laws, the provisions of this Section shall control and shall override any contrary or inconsistent provision. The intention of the parties is to at all times conform strictly with all applicable usury requirements and other Laws limiting the maximum rates of interest which may be lawfully charged upon the Loans. The interest to be paid pursuant to the Notes shall be held subject to reduction to the amount allowed under said usury or other Laws as now or hereafter construed by the courts having jurisdiction, and any sums of money paid in excess of the interest rate allowed by applicable Law shall be applied in reduction of the principal amount owing pursuant to the Notes.

1.07.ix. *Late Payment Charges.* Any payment of principal, interest or fees due upon any of the Loans (including any final payment) which is received by the Administrative Agent more than fifteen (15) calendar days after its due date shall incur a late payment charge equal to five percent (5%) of the amount of the payment due, which charge shall be immediately due and payable. The existence of the right by the Lenders to receive a late payment charge shall not be deemed to constitute a grace period or provide any right to the Borrowers to make a payment other than on such payment's scheduled due date.

1.07.x.Effect of Benchmark Transition Event.

(I) *Benchmark Replacement.* Notwithstanding anything to the contrary herein or in any other Credit Document, if a Benchmark Transition Event and its related Benchmark Replacement Date have occurred prior to the Reference Time in respect of any setting of the then-current Benchmark, then (x) if a Benchmark Replacer is determined in accordance with clause (1) of the definition of "Benchmark Replacement" for such Benchmark Replacement Date, such Benchmark Replacement will replace such Benchmark for all purposes hereunder and under any Credit Document in respect of such Benchmark setting and subsequent Benchmark settings, without any amendment or further action or consent of any other party hereto or to any other Credit Document, and (y) if a Benchmark Replacement is determined in accordance with clause (2) of the definition of "Benchmark Replacement" for such Benchmark Replacement Date, the Administrative Agent may unilaterally amend the terms of this Agreement to replace the then-current Benchmark with a Benchmark Replacement in accordance with the terms of this Agreement, with any such amendment to become effective as soon as practicable for the Administrative Agent and upon notice to the Borrower, without any further action or consent of the Borrower. No replacement of the Term SOFR Reference Rate (or the then-current Benchmark) with a Benchmark Replacement pursuant to clause (y) above will occur prior to the earlier of (i) the applicable Benchmark Replacement Date and (ii) if such Benchmark Transition Event is a public statement or publication of information of a prospective event, the 180th day prior to the expected date of such event as of such public statement or publication of information (or if the expected date of such prospective event is fewer than 180 days after such statement or publication, the date of such statement or publication). Borrower shall pay reasonable out-of-pocket costs (including reasonable attorneys' fees) incurred by the Administrative Agent in connection with any amendment and related actions, negotiation, documentation or enforcement of the terms hereof or any related matters contemplated in this Section 2.07.10.

(II) *Benchmark Replacement Conforming Changes.* In connection with the implementation or administration of a Benchmark Replacement, the Administrative Agent will have the right to make Benchmark Replacement Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Credit Document, any amendments implementing such Benchmark Replacement Conforming Changes will become effective without any further action or consent of any other party to this Agreement. Administrative Agent shall not be liable to any party hereto for any Benchmark Replacement Conforming Changes it makes in good faith.

(III) *Notices; Standards for Decisions and Determinations.* The Administrative Agent will promptly notify the Borrower Representative and the Lenders of (i) the implementation of any Benchmark Replacement and (ii) the effectiveness of any Benchmark Replacement Conforming Changes. Any determination, decision or election that may be made by the Administrative Agent or, if applicable, any Lender (or group of Lenders) pursuant to this Section, including any determination with respect to a tenor, rate or adjustment, or of the occurrence or non-occurrence of an event, circumstance or date, and any decision to take or refrain from taking any action or any selection, will be conclusive and binding on all parties hereto absent manifest error, and may be made in its or their sole discretion and without consent from any other party to this Agreement or other Credit Document (except, in each case, as expressly required pursuant to this Section) and shall not be a basis of any claim of liability of any kind or nature by any party hereto, all such claims being hereby waived individually by each party hereto.

(IV) *Unavailability of Tenor or Benchmark.* Notwithstanding anything to the contrary herein or in any other Credit Document, at any time (including in connection with the implementation of a Benchmark Replacement), (i) if the then-current Benchmark is a term rate and either (A) any tenor for such Benchmark is not displayed on a screen or other information service that publishes such rate from time to time as selected by the Administrative Agent in its reasonable discretion or (B) the regulatory supervisor for the administrator of such Benchmark has provided a public statement or publication of information announcing that any tenor for such Benchmark is or will be no longer representative, then the Administrative Agent may modify the definition of "Interest Period" (or any similar or analogous definition) for any Benchmark settings at or after such time to remove such unavailable or nonrepresentative tenor and (ii) if a tenor that was removed pursuant to clause (i) above either (A) is subsequently displayed on a screen or information service for a Benchmark (including a Benchmark Replacement) or (B) is not, or is no longer, subject to an announcement that it is or will no longer be representative for a Benchmark (including a Benchmark Replacement), then the Administrative Agent

may modify the definition of "Interest Period" (or any similar or analogous definition) for all Benchmark settings at or after such time to reinstate such previously removed tenor.

(V) *Benchmark Unavailability Period* Upon the Borrower's receipt of notice of the commencement of a Benchmark Unavailability Period and until a Benchmark Replacement is determined in accordance with this Section 2.07.10, the Borrower Representative may revoke any pending request for a SOFR Rate Loan, or conversion to, or continuation of, SOFR Rate Loans to be made, converted or continued during any Benchmark Unavailability Period and, failing that, (i) the Borrowers will be deemed to have converted any such request into a request for a Borrowing of or conversion to Base Rate Loans and (ii) any outstanding affected SOFR Rate Loans will be deemed to have been converted into Base Rate Loans immediately. During a Benchmark Unavailability Period, Period or at any time that a tenor for the then-current Benchmark is not an Available Tenor, the component of the Base Rate based upon the then-current Benchmark or such tenor for such Benchmark, as applicable will not be used in any determination of the Base Rate.

1.07.xi. *Adjusted Term SOFR Conforming Changes* In connection with the use or administration of Term SOFR, the Administrative Agent will have the right to make Term SOFR Conforming Changes from time to time and, notwithstanding anything to the contrary herein, any amendments implementing such Term SOFR Conforming Changes will become effective without any further action or consent of the Borrowers or any other party hereto. The Administrative Agent will promptly notify the Borrower Representative of the effectiveness of any Term SOFR Conforming Changes.

1.07.xii. *Changed Circumstances*. Subject Section 2.07.10, in connection with any SOFR Rate Loan, a request therefor, a conversion to or a continuation thereof or otherwise, if for any reason (i) the Administrative Agent shall determine (which determination shall be conclusive and binding absent manifest error) that if Term SOFR is utilized in any calculations hereunder or under any other Loan Document with respect to any Obligations, interest, fees, commissions or other amounts, reasonable and adequate means do not exist for ascertaining Term SOFR and the applicable Interest Period with respect to a proposed SOFR Rate Loan on or prior to the first day of such Interest Period, (ii) the Administrative Agent shall determine (which determination shall be conclusive and binding absent manifest error) that deposits are not being offered to banks in the London or other applicable offshore interbank market for the applicable Interest Period, or (iii) the Required Lenders shall determine (which determination shall be conclusive and binding absent manifest error) that if Term SOFR is utilized in any calculations hereunder or under any other Loan Document with respect to any Obligations, interest, fees, commissions or other amounts, Term SOFR does not adequately and fairly reflect the cost to such Lenders of making or maintaining such Loans during the applicable Interest Period and, in such case, the Required Lenders have provided notice of such determination to the Administrative Agent, then, in each case, the Administrative Agent shall promptly give notice thereof to the Borrower Representative. Upon notice thereof by the Administrative Agent to the Borrower Representative, any obligation of the Lenders to make SOFR Rate Loans, and any right of the Borrower Representative to convert any Loan or continue any Loan as an SOFR Rate Loan, shall be suspended (to the extent of the affected Interest Periods) until the Administrative Agent (with respect to clause (iii), at the instruction of the Required Lenders) revokes such notice. Upon receipt of such notice, (A) the Borrower Representative may revoke any pending request for a borrowing of, conversion to or continuation of SOFR Rate Loans (to the extent of the affected SOFR Rate Loans or affected Interest Periods) or, failing that, in the case of a request for a borrowing of an affected SOFR Rate Loan, the Borrower Representative will be deemed to have converted any such request into a request for a borrowing of or conversion to Base Rate Loans in the amount specified therein and (B) any outstanding affected SOFR Rate Loans will be deemed to have been converted into Base Rate Loans at the end of the applicable Interest Period. Upon any such prepayment or conversion, the Borrower Representative shall also pay accrued interest on the amount so prepaid or converted, together with any additional amounts required pursuant to Section 2.07.3.

Section 1.06. *Pro Rata Treatment And Payments*.

1.08.i. *Distribution Of Payments To Lenders*. Except as otherwise expressly provided to the contrary by the terms of this Agreement, all payments (including prepayments) to be made by the Borrowers in respect of a Class hereunder, whether on account of principal, interest, fees

or otherwise shall be made without set-off or counterclaim and shall be made prior to 12:00 Noon on the due date thereof to the Administrative Agent for the accounts of the Lenders in such Class at the Administrative Agent's offices in Buffalo, New York in Dollars and in immediately available funds. The Administrative Agent shall promptly distribute to each Lender in such Class by wire transfer such Lender's *pro rata* share of each of such payments in like funds as received for such Class. The Administrative Agent may assume that the Borrowers have made such payments on the applicable date in accordance herewith and may, in reliance upon such assumption, distribute to the Lenders or to the Issuing Bank, as the case may be, the amount due. In such event, if the Borrowers have not in fact made such payments, then each of the Lenders or the Issuing Bank, as the case may be, severally agrees to repay to the Administrative Agent forthwith on demand the amount so distributed to such Lender or the Issuing Bank, in immediately available funds with interest thereon for each day from and including the date such amount is distributed to it to but excluding the date of payment to the Administrative Agent, at the greater of the Federal Funds Rate or a rate determined by the Administrative Agent in accordance with banking industry customs and rules on interbank compensation.

1.08.ii. *Funding Of Loans.* The Lenders agree that the Administrative Agent may assume that each Lender will fund timely its *pro rata* portion of each borrowing requested by the Borrowers in accordance with the terms of this Agreement and that the Administrative Agent may, in reliance upon such assumption, make available to the Borrowers a corresponding amount. In such event, if a Lender has not in fact made its share of the applicable borrowing available to the Administrative Agent, then the applicable Lender and the Borrowers severally agree to pay to the Administrative Agent forthwith on demand such corresponding amount in immediately available funds with interest thereon, for each day from and including the date such amount is made available to the Borrowers to but excluding the date of payment to the Administrative Agent, at (a) in the case of a payment to be made by such Lender, the greater of the Federal Funds Rate or a rate determined by the Administrative Agent in accordance with banking industry customs and rules on interbank compensation, plus any administrative, processing or similar fees customarily charged by the Administrative Agent in connection with the foregoing, and (b) in the case of a payment to be made by the Borrowers, the interest rate applicable to Adjusted Base Rate Borrowings. 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 share included in the subject 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.

1.08.iii. *Ratable Sharing.* Except to the extent otherwise provided herein: (a) each Borrowing from the Revolving Credit Lenders under Section 2.03 shall be made from the Revolving Credit Lenders, each payment of the fees under Section 2.03.5 shall be made for the account of the Revolving Credit Lenders, and each termination or reduction of the amount of the Revolving Credit Commitments under Section 2.03.6 shall be applied to the respective Revolving Credit Commitments of the Revolving Credit Lenders, pro rata according to the amounts of their respective Revolving Credit Commitments; (b) each payment or prepayment of principal of Revolving Credit Loans shall be made for the account of the Revolving Credit Lenders pro rata in accordance with the respective unpaid principal amounts of the Revolving Credit Loans held by them, provided that, subject to Section 2.14, if immediately prior to giving effect to any such payment in respect of any Revolving Credit Loans the outstanding principal amount of the Revolving Credit Loans shall not be held by the Revolving Credit Lenders pro rata in accordance with their respective Revolving Credit Commitments in effect at the time such Revolving Credit Loans were made, then such payment shall be applied to the Revolving Credit Loans in such manner as shall result, as nearly as is practicable, in the outstanding principal amount of the Revolving Credit Loans being held by the Revolving Credit Lenders pro rata in accordance with such respective Revolving Credit Commitments; (c) each Borrowing from the Floor Plan Lenders under Sections 2.01 shall be made from the Floor Plan Lenders and each termination or reduction of the amount of the Floor Plan

Commitments shall be applied to the respective Floor Plan Commitments of the Floor Plan Lenders, pro rata according to the amounts of their respective Floor Plan Commitments; (d) each payment or prepayment of principal of any Floor Plan Loans shall be made for the account of the Floor Plan Lenders, pro rata in accordance with the respective unpaid principal amounts of Floor Plan Loans held by them; (e) each payment of interest on any Floor Plan Loans shall be made for the account of the Floor Plan Lenders, pro rata in accordance with the amounts of interest on Floor Plan Loans, then due and payable to the respective Floor Plan Lenders; (f) the conversion and continuation of Revolving Credit Loans (other than conversions provided for by Sections 2.07.4) shall be made pro rata among the Revolving Credit Lenders, according to the amounts of their respective Revolving Credit Loans, and the then current Interest Period for each Lender's portion of each such Loan of such Type and Class shall be coterminous; (g) the Revolving Credit Lenders' participation in, and payment obligations in respect of, Swingline Loans under Section 2.04, shall be in accordance with their respective Applicable Percentages for Revolving Credit Commitments; and (i) the Revolving Credit Lenders' participation in, and payment obligations in respect of, Letters of Credit under Section 2.05, shall be in accordance with their respective Applicable Percentages for Revolving Credit Commitments. All payments of principal, interest, fees and other amounts in respect of the Swingline Loans shall be for the account of the Swingline Lender only (except to the extent any Lender shall have acquired a participating interest in any such Swingline Loan pursuant to Section 2.04.1(d), in which case such payments shall be pro rata in accordance with such participating interests).

1.08.iv. *Setoffs, Counterclaims, Other Payments.* If any Lender shall, by exercising any right of setoff or counterclaim or otherwise, obtain payment in respect of any principal of or interest on any of the Loans made by it, or the participations in L/C Obligations or in Swingline Loans held by it resulting in such Lender receiving payment greater than its *pro rata* share thereof as provided herein, then the Lender receiving such greater proportion shall (a) notify the Administrative Agent of such fact, and (b) purchase (for cash at face value in Dollars) participations in the Loans and participations in the L/C Obligations and Swingline Loans of the other Lenders, or make such other adjustments as shall be equitable, so that the benefit of all such payments shall be shared by the Lenders ratably in accordance with the aggregate amount of principal of and accrued interest on their respective Loans and other amounts owing them provided that:

(i) if any such participations are purchased and all or any portion of the payment giving rise thereto is recovered, such participations shall be rescinded and the purchase price restored to the extent of such recovery, without interest; and

(ii) the provisions of this Section 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 (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 or participations in L/C Obligations or Swingline Loans to any assignee or participant, other than to the Borrowers or any Subsidiaries thereof (as to which the provisions of this Section shall apply).

Each Loan Party consents to the foregoing and agrees, to the extent it may effectively do so under applicable Law, that any Lender acquiring a participation pursuant to the foregoing arrangements may exercise against such Loan Party rights of setoff and counterclaim with respect to such participation as fully as if such Lender were a direct creditor of such Loan Party in the amount of such participation.

SECTION 8. *Application Of Payments* Except as expressly required to the contrary by the terms of this Agreement, all payments received upon the Loans may be applied first to Credit Party Expenses, next to late payment charges, then to accrued interest and the unpaid principal balances of the Loans, or in such other order as elected by the Required Lenders.

SECTION 10. *Increased Costs.*

1.10.i. *Increased Costs Generally.* If any Change In Law shall:

(a) impose, modify or deem applicable any reserve, special deposit, compulsory loan, insurance charge or similar requirement against assets of, deposits with or for the account of, or credit extended or participated in by, any Lender (except any reserve requirement reflected in the Adjusted SOFR Rate or the Issuing Bank;

(b) subject any Recipient to any Taxes (other than (i) Indemnified Taxes, (ii) Taxes described in clauses (b) through (d) of the definition of Excluded Taxes and (iii) Connection Income Taxes) on its loans, loan principal, letters of credit, commitments, or other obligations, or its deposits, reserves, other liabilities or capital attributable thereto; or

(c) impose on any Lender or the Issuing Bank or the London Interbank Market any other condition, cost or expense (other than Taxes) affecting this Agreement or any SOFR Borrowing made by such Lender or any Letter of Credit or participation therein;

and the result of any of the foregoing shall be to increase the cost to such Lender, the Issuing Bank, or such other Recipient of making, converting to or continuing or maintaining any Loan (or of maintaining its obligation to make any such Loan), or to increase the cost to such Lender, the Issuing Bank, or such other Recipient of participating in, issuing or maintaining any Letter of Credit (or of maintaining its obligation to participate in or to issue any Letter of Credit), or to reduce the amount of any sum received or receivable by such Lender, the Issuing Bank, or such other Recipient hereunder (whether of principal, interest or any other amount) then, upon the request of such Lender, the Issuing Bank, or such other Recipient, the Borrowers agree to pay to such Lender, the Issuing Bank, or such other Recipient, as the case may be, such additional amount or amounts as will compensate such Lender, the Issuing Bank, or such other Recipient, as the case may be, for such additional costs incurred or reduction suffered.

1.10.ii. *Capital Requirements.* If any Lender or the Issuing Bank determines that any Change in Law affecting such Lender or the Issuing Bank or any lending office of such Lender or such Lender's or the Issuing Bank's holding company, if any, regarding capital or liquidity requirements has or would have the effect of reducing the rate of return on such Lender's or the Issuing Bank's capital or on the capital of such Lender's or the Issuing Bank's holding company, if any, as a consequence of this Agreement, the Commitments of such Lender or the Loans made by, or participations in Letters of Credit or Swingline Loans held by, such Lender, or the Letters of Credit issued by the Issuing Bank, to a level below that which such Lender or the Issuing Bank or such Lender's or the Issuing Bank's holding company could have achieved but for such Change in Law (taking into consideration such Lender's or the Issuing Bank's policies and the policies of such Lender's or the Issuing Bank's holding company with respect to capital adequacy), then from time to time the Borrowers agree to pay to such Lender or the Issuing Bank, as the case may be, such additional amount or amounts as will compensate such Lender or the Issuing Bank or such Lender's or the Issuing Bank's holding company for any such reduction suffered.

1.10.iii. *Certificate for Reimbursement.* A certificate of a Lender or the Issuing Bank setting forth the amount or amounts necessary to compensate such Lender or the Issuing Bank or its holding company, as the case may be, as specified in this Section 2.10 and delivered to the Borrowers shall be conclusive absent manifest error. The Borrowers promise to pay such Lender or the Issuing Bank, as the case may be, the amount shown as due on any such certificate within ten (10) days after receipt thereof.

1.10.iv. *Delay in Requests.* Failure or delay on the part of any Lender or the Issuing Bank to demand compensation pursuant to this Section shall not constitute a waiver of such Lender's or the Issuing Bank's right to demand such compensation, provided that the Borrowers shall not be required to compensate a Lender or the Issuing Bank pursuant to this Section for any increased costs incurred or reductions suffered more than twelve (12) months prior to the date that such Lender or the Issuing Bank, as the case may be, notifies the Borrowers of the Change in Law giving rise to such increased costs or reductions and of such Lender's or the Issuing Bank's intention to claim compensation therefor (except that, if the Change in Law giving rise to such increased costs or reductions is retroactive, then the twelve (12) month period referred to above shall be extended to include the period of retroactive effect thereof).

SECTION 11. *Taxes.*

1.11.i. *Defined Terms*. For purposes of this Section, the term "Lender" includes any Issuing Bank and the term "applicable Law" includes FATCA.

1.11.ii. *Payments Free of Taxes*. Any and all payments by or on account of any obligation of any Loan Party under any Credit Document shall be made without deduction or withholding for any Taxes, except as required by applicable Law. If any applicable Law (as determined in the good faith discretion of an applicable Withholding Agent) 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 applicable Loan Party 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) the applicable Recipient receives an amount equal to the sum it would have received had no such deduction or withholding been made.

1.11.iii. *Payment of Other Taxes by the Loan Parties*. The Loan Parties shall timely pay to the relevant Governmental Authority in accordance with applicable Laws, or at the option of the Administrative Agent timely reimburse it for the payment of, any Other Taxes.

1.11.iv. *Indemnification*. The Loan Parties shall indemnify each Recipient, within 10 days after demand therefor, for the full amount of any Indemnified Taxes (including Indemnified Taxes imposed or asserted on or attributable to amounts payable under this Section) payable or paid by such Recipient or required to be withheld or deducted from a payment to such Recipient and any reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to the Borrowers by a Recipient (with a copy to the Administrative Agent), or by the Administrative Agent on its own behalf or on behalf of a Recipient, shall be conclusive absent manifest error.

1.11.v. *Indemnification by the Lenders*. Each Lender shall severally indemnify the Administrative Agent, within ten (10) days after demand therefor, for (a) any Indemnified Taxes attributable to such Lender (but only to the extent that any Loan Party has not already indemnified the Administrative Agent for such Indemnified Taxes and without limiting the obligation of the Loan Parties to do so), (b) any Taxes attributable to such Lender's failure to comply with the provisions of Section 10.03 relating to the maintenance of a Participant Register and (c) any Excluded Taxes attributable to such Lender, in each case, that are payable or paid by the Administrative Agent in connection with any Credit 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 Credit 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 Section 2.11.5.

1.11.vi. *Evidence of Payments*. As soon as practicable after any payment of Taxes by any Loan Party to a Governmental Authority pursuant to this Section, such Loan Party 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.

1.11.vii. *Status of Lenders*.

(a) Any Lender that is entitled to an exemption from or reduction of withholding Tax with respect to payments made under any Credit Document shall deliver to the Borrowers and the Administrative Agent, at the time or times reasonably requested by the Borrowers or the Administrative Agent, such properly completed and executed documentation reasonably requested by

the Borrowers or the Administrative Agent as will permit such payments to be made without withholding or at a reduced rate of withholding. In addition, any Lender, if reasonably requested by the Borrowers or the Administrative Agent, shall deliver such other documentation prescribed by applicable Law or reasonably requested by the Borrowers or the Administrative Agent as will enable the Borrowers or the Administrative Agent to determine whether or not such Lender is subject to backup withholding or information reporting requirements. Notwithstanding anything to the contrary in the preceding two sentences, the completion, execution and submission of such documentation (other than such documentation set forth below) shall not be required if in the Lender's reasonable judgment such completion, execution or submission would subject such Lender to any material unreimbursed cost or expense or would materially prejudice the legal or commercial position of such Lender.

(b) Without limiting the generality of the foregoing, in the event that the Borrowers are U.S. Borrowers,

(i) any Lender that is a U.S. Person shall deliver to the Borrowers and the Administrative Agent on or prior to the date on which such Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrowers or the Administrative Agent), executed copies of IRS Form W-9 certifying that such Lender 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 thereafter upon the reasonable request of the Borrowers 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 Credit Document, executed copies of IRS Form W-8BEN or W-8BEN-E, as applicable, establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the "interest" article of such tax treaty and (y) with respect to any other applicable payments under any Credit Document, IRS Form W-8BEN or W-8BEN-E, as applicable, establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the "business profits" or "other income" article of such tax treaty;

(B) executed copies of IRS Form W-8ECI;

(C) in the case of a Foreign Lender claiming the benefits of the exemption for portfolio interest under Section 881(c) of the Code, (x) a 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 the Borrowers 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 (y) executed copies of IRS Form W-8BEN or W-8BEN-E, as applicable; or

(D) to the extent a Foreign Lender is not the beneficial owner, executed copies of IRS Form W-8IMY, accompanied by IRS Form W-8ECI, IRS Form W-8BEN or W-8BEN-E, as applicable, a U.S. Tax Compliance Certificate substantially in the form of Exhibit J-2 or Exhibit J-3, IRS Form W-9, and/or other certification documents from each beneficial owner, as applicable; provided that if the Foreign Lender is a partnership and one or more direct or indirect partners of such Foreign Lender are claiming the portfolio interest exemption, such Foreign Lender may provide a U.S. Tax Compliance Certificate substantially in the form of Exhibit 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 thereafter upon the reasonable request of the Borrowers or the Administrative Agent), executed copies 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 Lender under any Credit Document would be subject to U.S. federal withholding Tax imposed by FATCA if such Lender were to fail to comply with the applicable reporting requirements of FATCA (including those contained in Section 1471(b) or 1472(b) of the Code as applicable), such Lender 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 the Borrowers 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 the Borrowers 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 Lender has complied with such Lender's obligations under FATCA or to determine the amount to deduct and withhold from such payment. Solely for purposes of this clause (iv), "FATCA" shall include any amendments made to FATCA after the date of this Agreement.

Each Lender 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.

1.11.viii. *Treatment of Certain Refunds.* If any party determines, in its sole discretion exercised in good faith, that it has received a refund of any Taxes as to which it has been indemnified pursuant to Section 2.11 of this Agreement (including by the payment of additional amounts pursuant to Section 2.11), it shall pay to the indemnifying party an amount equal to such refund (but only to the extent of indemnity payments made under this Section with respect to the Taxes giving rise to such refund), 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). Such indemnifying party, upon the request of such indemnified party, shall repay to such indemnified party the amount paid over pursuant to this Section 2.11.8 (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 to such Governmental Authority. Notwithstanding anything to the contrary in this Section 2.11.8, in no event will the indemnified party be required to pay any amount to an indemnifying party pursuant to this Section 2.11.8 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 had not been deducted, withheld or otherwise imposed and the indemnification payments or additional amount with respect to such Tax had never been paid. This Section 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.

1.11.ix.*Survival*. Each party's obligations under this Section 2.11 shall survive the resignation or replacement of the Administrative Agent or any assignment of rights by, or the replacement of, a Lender, the termination of the Commitments and the repayment, satisfaction or discharge of all obligations under any Credit Document.

SECTION 12. *Mitigation Obligations; Replacement of Lenders.*

1.12.i.*Designation of a Different Lending Office*. If any Lender requests compensation under Section 2.10, or requires the Borrowers to pay any Indemnified Taxes or additional amounts to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 2.11, then such Lender shall (a) at the request of the Borrowers) use reasonable efforts to designate a different lending office for funding or booking its Loans hereunder or to assign its rights and obligations hereunder to another of its offices, branches or affiliates, if, in the judgment of such Lender, such designation or assignment (i) would eliminate or reduce amounts payable pursuant to Section 2.10 or 2.11, as the case may be, in the future, and (ii) would not subject such Lender to any unreimbursed cost or expense and would not otherwise be disadvantageous to such Lender. The Borrowers hereby agree to pay all reasonable costs and expenses incurred by any Lender in connection with any such designation or assignment.

1.12.ii.*Replacement of Lenders*. If any Lender requests compensation under Section 2.10, or if the Borrowers are required to pay any Indemnified Taxes or additional amounts to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 2.11 and, in each case, such Lender has declined or is unable to designate a different lending office in accordance with Section 2.12.1, or if any Lender is a Defaulting Lender or a Non-Consenting Lender, then the Borrowers may, at their sole expense and effort, upon notice to such Lender and the Administrative Agent, require such Lender to assign and delegate, without recourse (in accordance with and subject to the restrictions contained in, and consents required by, Section 10.02), all of its interests, rights (other than its existing rights to payments pursuant to Section 2.10 or Section 2.11) and obligations under this Agreement and the related Credit Documents to an Eligible Assignee that shall assume such obligations (which assignee may be another Lender, if a Lender accepts such assignment); provided that:

- (a) the Borrowers shall have paid to the Administrative Agent the administrative fee (if any) specified in Section 10.02;
- (b) such Lender shall have received payment of an amount equal to the outstanding principal of its Loans and participations in L/C Disbursements, accrued interest thereon, accrued fees and all other amounts payable to it hereunder and under the other Credit Documents (including any amount under Section 2.07.3) from the assignee (to the extent of such outstanding principal and accrued interest and fees) or the Borrowers (in the case of all other amounts);
- (c) in the case of any such assignment resulting from a claim for compensation under Section 2.10 or payments required to be made pursuant to Section 2.11, such assignment will result in a reduction in such compensation or payments thereafter;
- (d) such assignment does not conflict with applicable Laws; and
- (e) in the case of any assignment resulting from a Lender becoming a Non-Consenting Lender, the applicable assignee shall have consented to the applicable amendment, waiver or consent.

SECTION 13. *Certain Credit Support Events.* Upon the request of the Administrative Agent or the Issuing Bank (a) if the Issuing Bank has honored any full or partial drawing request under any Letter of Credit and such drawing has resulted in a Reimbursement Obligation, or (b) if, as of the L/C Expiration Date, any L/C Obligation for any reason remains outstanding, the Borrowers shall, in each case, immediately Cash Collateralize the then Outstanding Amount of all L/C Obligations.

SECTION 14. *Defaulting Lenders.*

1.14.i. *Defaulting Lender Adjustments* Notwithstanding anything to the contrary contained in this Agreement, if any Lender becomes a Defaulting Lender, then, until such time as such Lender is no longer a Defaulting Lender, to the extent permitted by applicable Laws:

(a) *Waivers and Amendments.* Such Defaulting Lender's right to approve or disapprove any amendment, waiver or consent with respect to this Agreement shall be restricted as set forth in the definition of Required Lenders, Required Revolving Credit Lenders and Required Floor Plan Lenders.

(b) *Defaulting Lender Waterfall.* Any payment of principal, interest, fees or other amounts received by the Administrative Agent for the account of such Defaulting Lender (whether voluntary or mandatory, at maturity, pursuant to Article 8 or otherwise) or received by the Administrative Agent from a Defaulting Lender pursuant to Section 10.07 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 such Defaulting Lender to the Administrative Agent hereunder; *second*, to the payment on a *pro rata* basis of any amounts owing by such Defaulting Lender to any Issuing Bank to M&T Bank as the provider of the M&T Advances hereunder or Swingline Lender hereunder; *third*, to Cash Collateralize the Issuing Bank's Fronting Exposure or M&T Bank's Fronting Exposure with respect to such Defaulting Lender in accordance with Section 2.14; *fourth*, as the Borrowers may request (so long as no Default or Event of Default exists), to the funding of any Loan in respect of which such 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 deposit account and released *pro rata* in order to (i) satisfy such Defaulting Lender's potential future funding obligations with respect to Loans under this Agreement and (ii) Cash Collateralize the Issuing Bank's future Fronting Exposure with respect to such Defaulting Lender with respect to future Letters of Credit issued under this Agreement and future M&T Advances, in accordance with Section 2.13; *sixth*, to the payment of any amounts owing to M&T Bank as the provider of the M&T Advances hereunder, the Lenders, the Issuing Banks or Swingline Lenders as a result of any judgment of a court of competent jurisdiction obtained by M&T Bank as the provider of the M&T Advances hereunder, any Lender, the Issuing Banks or Swingline Lenders against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligation under this Agreement; *seventh*, so long as no Default or Event of Default exists, to the payment of any amounts owing to the Borrowers as a result of any judgment of a court of competent jurisdiction obtained by the Borrowers against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement; and *eighth*, to such 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 Disbursements in respect of which such Defaulting Lender has not fully funded its appropriate share, and (y) such Loans were made or the related Letters of Credit were issued at a time when the conditions set forth in Section 4.02 were satisfied or waived, such payment shall be applied solely to pay the Loans of, and L/C Disbursements 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 Disbursements owed to, such Defaulting Lender until such time as all Loans and funded and unfunded participations in M&T Advances, L/C Obligations and Swingline Loans are held by the Lenders *pro rata* in accordance with the Commitments under the Applicable Credit Facility without giving effect to Section 2.14.1(d). 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 Section 2.14.1(e) shall be deemed paid to and redirected by such Defaulting Lender, and each Lender irrevocably consents hereto.

(c) *Certain Fees.*

(i) No Defaulting Lender shall be entitled to receive a Floor Plan Unused Commitment Fee or a Revolving Credit Unused Commitment Fee for any period during which that Lender is a Defaulting Lender.

(ii) Each Defaulting Lender shall be entitled to receive Letter of Credit Fees for any period during which that Lender is a Defaulting Lender only to the limited extent allocable to its Revolving Credit Commitment Percentage of the stated amount of Letters of Credit for which it has provided Cash Collateral pursuant to Section 2.14.1(e).

(iii) With respect to any Floor Plan Unused Commitment Fee, Revolving Credit Unused Commitment Fee, or Letter of Credit Fee not required to be paid to any Defaulting Lender pursuant to clauses (i) or (ii) above, the Borrowers shall (x) pay to each Non-Defaulting Lender that portion of any such fee otherwise payable to such Defaulting Lender that has been reallocated to such Non-Defaulting Lender pursuant to clause (d) below, (y) pay to the Issuing Bank and the Swingline Lender, as applicable, the amount of any such fee otherwise payable to such Defaulting Lender to the extent allocable to such Issuing Bank's or Swingline Lender's Fronting Exposure to such Defaulting Lender, and (z) not be required to pay the remaining amount of any such fees.

(d) *Reallocation of Participations to Reduce Fronting Exposure.* All or any part of such Defaulting Lender's participation in (a) M&T Advances shall be reallocated among the Non-Defaulting Lenders in accordance with their respective Floor Plan Loan Commitment Percentages (calculated without regard to such Defaulting Lender's Floor Plan Loan Commitments) but only to the extent that such reallocation does not cause the aggregate Outstanding Amount of the Floor Plan Loan of any Non-Defaulting Lender to exceed such Non-Defaulting Lender's Floor Plan Loan Commitment and (b) in the case of a Defaulting Lender that is a Revolving Credit Lender, all or any part of such Defaulting Lender's participation in L/C Obligations and Swingline Loans shall be reallocated among the Non-Defaulting Lenders that are Revolving Credit Lenders in accordance with their respective Revolving Credit Commitment Percentages, determined without regard to such Defaulting Lender's Revolving Credit Commitment) but only to the extent that such reallocation does not cause the aggregate Revolving Credit Exposure of any such Non-Defaulting Lender to exceed such Non-Defaulting Lender's Revolving Credit Commitment. 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. Operation of the allocations provided in Section 2.14 above shall not be deemed to result in a default of any Borrower's obligations to a Defaulting Lender under this Agreement or any other Credit Document.

(e) *Cash Collateral, Repayment of Swingline Loans and M&T Advances.*

(i) If the reallocation described in the immediately preceding subsection (d) above cannot, or can only partially, be effected, the Borrowers of the applicable Class shall, without prejudice to any right or remedy available to them hereunder or under law, (I) in respect of the Revolving Credit Facility (x) first, prepay Swingline Loans in an amount equal to the Swingline Lender's Fronting Exposure and (y) second, Cash Collateralize the Issuing Bank's Fronting Exposure in accordance with the procedures set forth in this subsection and (II) in respect of the Floor Plan Facility, prepay the M&T Advances in an amount equal to M&T Bank's Fronting Exposure as the lender of M&T Advances.

(ii) At any time that there shall exist a Revolving Credit Lender that is a Defaulting Lender, within one (1) Business Day following the written request of the Administrative Agent or the Issuing Bank (with a copy to the Administrative Agent), the Revolving Credit Borrowers shall Cash Collateralize the Issuing Bank's Fronting Exposure with respect to such Defaulting Lender (determined after giving effect to the immediately preceding subsection (d) and any Cash Collateral provided by such Defaulting Lender) in an amount not less than the aggregate Fronting Exposure of the Issuing Bank with respect to Letters of Credit issued and outstanding at such time.

(iii) All Cash Collateral (other than credit support not constituting funds subject to deposit) provided under Section 2.14 shall be maintained in blocked, non-interest bearing deposit accounts maintained at M&T Bank. The Revolving Credit Borrowers, and to the extent provided by any Defaulting Lender, such Defaulting Lender, hereby grant to the Administrative Agent, for the benefit of the Issuing Bank, and agree to maintain, a first priority security interest in all such Cash Collateral as security for the Defaulting Lenders' obligation to fund participations in respect of Letter of Credit Liabilities, to be applied pursuant to the immediately following clause (iv). The Floor Plan Borrowers, and to the extent provided by any Defaulting Lender, such Defaulting Lender, hereby grant to the Administrative Agent, for the benefit of the Administrative Agent and M&T Bank as the lender of M&T Advances, and agree to maintain, a first priority security interest in all such Cash Collateral as security for the Defaulting Lenders' obligation to fund participations in respect of M&T Advances, to be applied pursuant to the immediately following clause (iv). If at any time the Administrative Agent determines that Cash Collateral in the Cash Collateral Account is subject to any right or claim of any Person other than the Administrative Agent, M&T Bank as lender of M&T Advances and the Issuing Bank as herein provided, or that the total amount of such Cash Collateral is less than the aggregate Fronting Exposure of the Issuing Bank with respect to Letters of Credit issued and outstanding at such time and of M&T Bank as lender of M&T Advances, the Revolving Credit Borrowers and/or Floor Plan Borrowers, as applicable, will, promptly upon demand by the Administrative Agent, pay or provide to the Administrative Agent additional Cash Collateral in an amount sufficient to eliminate such deficiency (after giving effect to any Cash Collateral provided by the Defaulting Lender).

(iv) Notwithstanding anything to the contrary contained in this Agreement, Cash Collateral provided under this Section 2.14 in respect of Letters of Credit shall be applied to the satisfaction of the Defaulting Lender's obligation to fund participations in respect of Letter of Credit Liabilities (including, as to Cash Collateral provided by a Defaulting Lender, any interest accrued on such obligation) for which the Cash Collateral was so provided, prior to any other application of such property as may otherwise be provided for herein. Notwithstanding anything to the contrary contained in this Agreement, Cash Collateral provided under this Section 2.14 in respect of M&T Advances shall be applied to the satisfaction of the Defaulting Lender's obligation to fund participations in respect of M&T Advances (including, as to Cash Collateral provided by a Defaulting Lender, any interest accrued on such obligation) for which the Cash Collateral was so provided, prior to any other application of such property as may otherwise be provided for herein.

(v) Cash Collateral (or the appropriate portion thereof) provided to reduce the Issuing Bank's Fronting Exposure shall no longer be required to be held as Cash Collateral pursuant to this subsection following (x) the elimination of the applicable Fronting Exposure (including by the termination of Defaulting Lender status of the applicable Revolving Credit Lender), or (y) the determination by the Administrative Agent and the Issuing Bank that there exists excess Cash Collateral; provided that, subject to the immediately preceding subsection (b), the Person providing Cash Collateral and the Issuing Bank may (but shall not be obligated to) agree that Cash Collateral shall be held

to support future anticipated Fronting Exposure or other obligations and provided further that to the extent that such Cash Collateral was provided by a Revolving Credit Borrower, such Cash Collateral shall remain subject to the security interest granted pursuant to the Credit Documents. Cash Collateral (or the appropriate portion thereof) provided to reduce M&T Bank's Fronting Exposure in respect of M&T Advances shall no longer be required to be held as Cash Collateral pursuant to this subsection following (x) the elimination of the applicable Fronting Exposure (including by the termination of Defaulting Lender status of the applicable Floor Plan Lender), or (y) the determination by the Administrative Agent and M&T Bank as the lender of M&T Advances, that there exists excess Cash Collateral; provided that, subject to the immediately preceding subsection (b), the Person providing Cash Collateral and M&T Bank as the lender of M&T Advances, may (but shall not be obligated to) agree that Cash Collateral shall be held to support future anticipated Fronting Exposure or other obligations and provided further that to the extent that such Cash Collateral was provided by a Floor Plan Borrower, such Cash Collateral shall remain subject to the security interest granted pursuant to the Credit Documents.

1.14.ii. *Defaulting Lender Cure*. If the Borrower Representative, the Administrative Agent, Issuing Bank, Swingline Lender and M&T Advance Lender as the provider of the M&T Advances each agree in writing that a Lender is no longer a Defaulting Lender, the Administrative Agent will so notify the parties hereto whereupon as of the effective date specified in such notice and subject to any conditions set forth therein (which may include arrangements with respect to any Cash Collateral), that Lender will, to the extent applicable, purchase at par that portion of outstanding Loans of the other Lenders or take such other actions as the Administrative Agent may determine to be necessary to cause, as applicable, (i) the M&T Advances and funded and unfunded participations in M&T Advances to be held pro rata by the Floor Plan Lenders in accordance with their respective Floor Plan Commitment Percentages (determined without giving effect to Section 2.14.1(d)), (ii) the funded and unfunded participations in Letters of Credit and Swingline Loans to be held pro rata by the Revolving Credit Lenders in accordance with their Revolving Credit Commitment Percentages (determined without giving effect to the immediately preceding subsection Section 2.14.1(d)) and (iii) the Loans of each Class to be held by the Lenders of such Class pro rata as if there had been no Defaulting Lenders of such Class, whereupon such Lender will cease to be a Defaulting Lender provided that no adjustments will be made retroactively with respect to fees accrued or payments made by or on behalf of the 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 having been a Defaulting Lender.

1.14.iii. *New Swingline Loans/Letters of Credit/M&T Advances* Without limiting the discretion of the M&T Advance Lender whether or not to make a M&T Advance (as set forth in Section 2.02.1), so long as any Lender (other than M&T Advance Lender or any of its Affiliates) under the Floor Plan Facility is a Defaulting Lender, M&T Advance Lender shall not be required to fund any M&T Advance. So long as any Lender is a Defaulting Lender, (a) the Swingline Lender shall not be required to fund any Swingline Loans unless it is satisfied that it will have no Fronting Exposure after giving effect to such Swingline Loan and (b) the Issuing Bank shall not be required to issue, extend, renew or increase any Letter of Credit unless it is satisfied that it will have no Fronting Exposure after giving effect thereto.

SECTION 15. *Fees*. The Borrowers promise to pay to M&T Bank for M&T Bank's own account such fees as are required by the terms of the Fee Letter.

SECTION 16. *Payments*. All payments received by the Credit Parties which are to be applied to reduce the Obligations shall be provisional and shall not be considered final unless and until such payment is not subject to avoidance under any provision of the Bankruptcy Code, as amended, including Sections 547 and 550, or any other Debtor Relief Law. If any payment is avoided or set aside under any provision of the Bankruptcy Code, including Sections 547 and 550 thereof, or any other Debtor Relief Law, the payment shall be considered not to have been made for all purposes of this Agreement and the Credit Parties shall adjust their respective records to reflect the fact that the avoided payment was not made and has not been credited against the Obligations.

SECTION 17. *Advancements*. If the Borrowers or any other Loan Party fail to perform any of their respective agreements or covenants contained in the Credit Documents or if the Borrowers or any other Loan Party fails to protect or preserve the Collateral or any other security for the Obligations or the

status and priority of the Liens of the Credit Parties in the Collateral or in any other security for the Obligations, the Administrative Agent for the account of the Lender may make advances to perform the same on behalf of the Borrowers or other Loan Party to protect or preserve the Collateral or any other security for the Obligations or the status and priority of the Liens of the Credit Parties in the Collateral or in any other security for the Obligations, and all sums so advanced shall immediately upon such advance become secured by the Liens granted in the Credit Documents and any other security for the Obligations, and shall become part of the principal amount owed to the Lenders with interest to be assessed at the Default Rate. The Borrowers promise to repay on demand all sums so advanced on the Borrowers' behalf, plus all expenses or costs incurred by the Administrative Agent, on account of the Lenders, including reasonable legal fees, with interest thereon. The provisions of this Section shall not be construed to prevent the institution of the rights and remedies of the Administrative Agent upon the occurrence of an Event of Default. The authorization contained in this Section is not intended to impose any duty or obligation on the Administrative Agent or any other Credit Party to perform any action or make any advancement on behalf of the Borrowers and is intended to be for the sole benefit and protection of the Credit Parties. Notwithstanding anything herein to the contrary, no Lender shall be required to fund any advances under this Section if such advance would cause the aggregate outstanding exposure of such Lender to exceed such Lender's Commitment.

SECTION 18. *Co-Borrower Provisions.*

1.18.i. *Borrower Representative.* To facilitate administration of the Loans, the Borrower Representative (a) is designated and appointed by each of the other Borrowers as its representative and agent on its behalf (the "Borrower Representative") and (ii) accepts such appointment as the Borrower Representative, in each case and with full power and authority to issue, execute, deliver and acknowledge as appropriate, Loan Requests, notices of election and make the interest rate elections set forth therein, and certificates including Compliance Certificates, and to give instructions with respect to the disbursement of the proceeds of the Loans, give and receive all other notices and consents hereunder or under any of the other Credit Documents and take all other actions (including in respect of compliance with covenants) or behalf of any Borrower or Borrowers under the Credit Documents. The Administrative Agent and each Lender may regard any notice or other communication pursuant to any Credit Document from the Borrower Representative as a notice or communication from all Borrowers. Each warranty, covenant, agreement and undertaking made on behalf of any Borrower by the Borrower Representative shall be deemed for all purposes to have been made by such Borrower and shall be binding upon and enforceable against such Borrower to the same extent as if the same had been made directly by such Borrower. This power-of-attorney is coupled with an interest and cannot be revoked, modified or amended without the prior written consent of the Required Lenders. The Administrative Agent and each Lender may regard any notice or other communication pursuant to any Credit Document from the Borrower Representative as a notice or communication from all Borrowers. Each warranty, covenant, agreement and undertaking made on behalf of a Borrower by the Borrower Representative shall be deemed for all purposes to have been made by such Borrower and shall be binding upon and enforceable against such Borrower to the same extent as if the same had been made directly by such Borrower.

1.18.ii. *Subordination.* Each Borrower hereby subordinates all Intercompany Indebtedness that it may have from or against any other Borrower or other Loan Party, and any successor or assign of any other Borrower or other Loan Party, including, without limitation, any trustee, receiver or debtor-in-possession, howsoever arising, due or owing and whether heretofore, now or hereafter existing, to all of the Obligations of the other Borrower or the other Loan Parties owed to the Credit Parties.

1.18.iii. *Postponement of Subrogation.* Until all of the Obligations are paid in full, no Borrower shall have any right of subrogation, reimbursement or indemnity whatsoever, nor any right of recourse to security for any of the Obligations, and nothing shall discharge or satisfy the liability of a Borrower hereunder, until the full, final and absolute payment and performance of all of the Obligations at any time after all Commitments of the Lenders under this Agreement are terminated. All present and future debts and obligations of each Borrower to any other Loan Party are hereby waived and postponed in favor of and subordinated to the full payment and performance of all present and future Obligations.

1.18.iv. *No Discharge.* No Obligation of any Borrower or other Loan Party shall be affected, discharged or impaired by any of the following (a) bankruptcy, disability, dissolution,

incompetence, death, insolvency, liquidation, or reorganization of any other Borrower or any Loan Party; (b) any defense of any other Borrower or Loan Party to payment or performance of any or all of the Obligations or enforcement of any or all rights of the Administrative Agent and the Lenders in the Collateral; (c) discharge, modification of the terms of, reduction in the amount of, or stay of enforcement of any or all liens and encumbrances in the Collateral or any or all Obligations in any bankruptcy, insolvency, reorganization, or other legal proceeding or by application of any applicable Laws; (d) any claim or dispute by any other Borrower or other Loan Party concerning the occurrence of an Event of Default, performance of any Obligations, or any other matter; (e) any waiver or modification of any provision of the Credit Documents that affects any other Borrower or other Loan Party, whether or not such waiver or modification affects all Borrowers and/or all Loan Parties; (f) the cessation of liability, release or discharge of any other Borrower or any other Loan Party or other obligor for any reason; (g) the perfection or failure to perfect, release or discharge of any Collateral or other security; (h) the exercise or failure to exercise any rights or remedies pursuant to the Credit Documents by the Administrative Agent or the Required Lenders or any election of remedies by the Administrative Agent or the Required Lenders; (i) any invalidity, irregularity or unenforceability in whole or in part of any of the Credit Documents or any limitation of the liability of any Borrower or any other Loan Party under the Credit Documents, including any claim that the Credit Documents were not duly authorized, executed, or delivered on behalf of any Borrower or any other Loan Party; (j) any other acts or omissions by the Administrative Agent or any Lender that result in or could result in the release or discharge of any other Borrower or any other Loan Party; or (k) the occurrence of any other event or the existence of any other condition that by operation of law or otherwise could result in the release or discharge of a surety, guarantor, or other persons secondarily liable on an obligation.

1.18.v. *Waivers*. Each Borrower unconditionally waives: (a) any requirement that the Administrative Agent or the Required Lenders first make demand upon, or seek to enforce or exhaust remedies against any (i) other Borrower or any other Loan Party; (ii) the Collateral or other property of any Borrower or any other Loan Party; or (iii) other Person, before demanding payment from or seeking to enforce the Obligations against such Borrower; (b) any requirement of applicable Law that might operate to limit any Borrower's liability under, or the enforcement of, the Obligations; (c) diligence, presentment, protest, demand for performance, notice of acceptance, notice of nonperformance, notice of intent to accelerate, notice of acceleration, notice of protest, notice of dishonor, notice of extension, renewal, alteration or amendment, notice of acceptance of the Credit Documents, notice of default under any of the Credit Documents (except as provided in the Credit Documents), and a other notices whatsoever, except for notices specifically required pursuant to other provisions of the Credit Documents; (d) any obligation of the Administrative Agent or any Lender to provide any Borrower any information, including any information concerning any other Borrower or any other Loan Party or any Collateral; and (e) any other claim or defense that otherwise would be available based on principles of suretyship or guarantee or otherwise governing secondary obligations.

1.18.vi. *Cross-Guaranty; Joint and Several Liability of Co-Borrowers*.

- (1) *Floor Plan Borrowers*. Each Floor Plan Borrower shall be jointly and severally liable as a primary obligor, and not merely as surety, for any and all Floor Plan Loans and Obligations under and in connection with the Floor Plan Facility and/or hereafter owed to the Administrative Agent, M&T Advance Lender, in its capacity as a lender of the M&T Advances, and the Floor Plan Lenders, in each case, whether voluntary or involuntary and however arising, whether direct or acquired by any Floor Plan Lender by assignment or succession, whether due or not due, absolute or contingent, liquidated or unliquidated, determined or undetermined.
- (2) *Revolving Credit Borrowers*. Each Revolving Credit Borrower shall be jointly and severally liable as a primary obligor, and not merely as surety, for any and all Revolving Credit Loans and Obligations under and in connection with the Revolving Credit Facility and now or hereafter owed to the Administrative Agent, the Swingline Lender, the Issuing Bank, and the Revolving Credit Lenders, in each case, whether voluntary or involuntary and however arising, whether

direct or acquired by any Revolving Credit Lender by assignment or succession, whether due or not due, absolute or contingent liquidated or unliquidated, determined or undetermined.

- (3) *Benefit to Each Borrower.* Each Borrower represents and warrants to and covenants with the Lenders that (i) the Borrowers are engaged in operations that require financing on a joint basis and, accordingly, each Borrower will materially benefit, directly or indirectly, from the extension of the Loans by the Lenders; (ii) the Loans have been offered to the applicable Borrowers on the basis set forth in this Agreement and would not be available to the Borrowers on an individual basis without the credit support of the other Loan Parties on the terms and conditions stated herein; (iii) the benefits received by each Borrower are reasonably equivalent to the obligations undertaken by such Borrower and (iv) the delivery of funds to any Borrower in connection with the Loans under this Agreement shall constitute valuable consideration and reasonably equivalent value to all Borrowers.

(d) *Cross-Guaranty.* Each Borrower guarantees to the Credit Parties the payment in full of all of the Obligations owned by each of the other Borrowers and further guarantees the due performance by each of the other Borrowers of its respective duties and covenants made in favor of the Credit Parties in this Agreement and in the other Credit Documents. Each Borrower agrees that neither this cross guaranty nor the joint and several liability of the Borrowers provided in this Agreement nor the Credit Parties' liens and rights in any of the Collateral shall be impaired or affected by any modification, supplement, extension or amendment of any contract or agreement to which the parties hereto may hereafter agree, nor by any modification, release or other alteration of any of the rights of the Credit Parties with respect to any of the Collateral, nor by any delay, extension of time, renewal, compromise or other indulgence granted by the Administrative Agent or the Lenders with respect to any of the Obligations, nor by any other agreements or arrangements whatever with the other Borrowers or with any other Person, each Borrower hereby waiving all notice of any such delay, extension, release, substitution, renewal, compromise or other indulgence, and hereby consenting to be bound thereby as fully and effectively as if it had expressly agreed thereto in advance. Except as may be expressly stated in this Agreement to the contrary, the liability of each Borrower hereunder is direct and unconditional as to all of the Obligations (except as may be expressly stated in this Agreement to the contrary), and may be enforced without requiring the Credit Parties first to resort to any other right, remedy or security.

1.18.vii. *Obligations Among Loan Parties.* WITHOUT LIMITATION OF THE FOREGOING, EACH BORROWER SHALL BE JOINTLY AND SEVERALLY LIABLE TO THE ADMINISTRATIVE AGENT, ISSUING BANK, SWINGLINE LENDER, M&T ADVANCE LENDER AND THE OTHER LENDER PARTIES, IN EACH CASE, SOLELY TO THE EXTENT EXPRESSLY SET FORTH IN SECTION 2.18.6 AND, IN EACH SUCH CASE, REGARD TO ANY ALLOCATION OF LOSSES AND LIABILITIES PURSUANT TO THIS SUBSECTION OR OTHERWISE AND, IN CONNECTION THEREWITH, EACH BORROWER HAS EXPRESSLY ASSUMED THE RISK THAT SUCH BORROWER'S ACTUAL LIABILITY MAY EXCEED SUCH BORROWER'S *PRO RATA* SHARE AND THAT OVERPAYMENTS MAY NOT ACTUALLY BE REIMBURSED OR INDEMNIFIED. Subject to the foregoing, the Borrowers agree that the provisions of this subsection are intended to provide for an allocation of the Obligations among Borrowers of each Class. Accordingly, as among the Borrowers of each Class, if any Borrower under such Class (the "Overpaying Borrower") pays (whether directly or by application of Collateral), or is otherwise held liable for, Loans and related Obligations in connection with Loans under the Applicable Credit Facility, in each case, in excess of its pro rata share for the Overpaying Borrower, the other Borrowers under such Applicable Credit Facility will pay the amount of such excess to the Overpaying Borrower and will indemnify the Overpaying Borrower for, from and against any claims, damages, loss or liability arising from or related to such overpayment. The value to each Borrower of the rights and claims against the other applicable Borrowers provided above under this Section 2.18.7 is intended, to the extent permitted under applicable Law, to prevent any Borrower from being rendered "insolvent" solely by virtue of the joint and several liability it may be subject to under Section 2.18.7. The rights and obligations among Borrowers pursuant to this subsection shall survive the payment and performance of the Obligations.

SECTION 19. *Swap Obligations; Keepwell.* Notwithstanding anything to the contrary contained in this Agreement or any of the other Credit Documents, Swap Obligations of any Loan Party that is not an Eligible Contract Participant shall not include any Excluded Swap Liabilities *provided however*, to the extent that a Loan Party is an Eligible Contract Participant, such Loan Party (in addition to its other Obligations and agreements hereunder), 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 Loan Party in respect of the Swap Obligations. The obligations of each Loan Party, to the extent that it is an Eligible Contract Participant, under this Section 2.19 shall remain in full force and effect until the indefeasible payment in full in cash of all of the Obligations and termination of this Agreement and the other Credit Documents. Each Loan Party, to the extent that such Loan Party is an Eligible Contract Participant, intends that this Section 2.19 constitute, and this Section 2.19 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 CEA.

SECTION 20. *Acknowledgment and Consent to Bail-In of Affected Financial Institutions* Notwithstanding anything to the contrary in any Credit Document or in any other agreement, arrangement or understanding among any such parties, each party hereto acknowledges that any liability of any Affected Financial Institution arising under any Credit Document, to the extent such liability is unsecured, may be subject to the write-down and conversion powers of the applicable Resolution Authority and agrees and consents to, and acknowledges and agrees to be bound by:

- (a) the application of any Write-Down and Conversion Powers by the applicable Resolution Authority to any such liabilities arising hereunder which may be payable to it by any party hereto that is an Affected 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 Affected Financial Institution, its parent undertaking, or a bridge institution that may be issued to it or otherwise conferred on it, and that such shares or other instruments of ownership will be accepted by it in lieu of any rights with respect to any such liability under this Agreement or any other Credit Document; or
 - (iii) the variation of the terms of such liability in connection with the exercise of the write-down and conversion powers of the applicable Resolution Authority.

SECTION 21. *Reserves.* The Administrative Agent may modify eligibility standards and establish and modify Reserves against the Borrowing Base, acting in its Permitted Discretion and upon at least five (5) Business Days' (or three (3) Business Days, if such modification or Reserve is imposed to address information reflected in a Borrowing Base Certificate delivered in accordance with Section 4.02 in connection with a funding of Revolving Credit Loans, prior to the applicable Borrowing Date applicable to such Loan) prior written notice to the Borrower Representative. In no event shall Reserves or adjustments to eligibility criteria duplicate Reserves or adjustments already accounted for in determining eligibility criteria under the definitions of Eligible Accounts, Eligible Contracts In Transit, Eligible Equipment, and Eligible Inventory. Notwithstanding anything herein to the contrary, any Reserve or eligibility criteria established or modified by the Administrative Agent shall have a reasonable relationship to circumstances, conditions, events or contingencies which are the basis for such Reserve, as reasonably determined by the Administrative Agent in good faith and in its Permitted Discretion; provided that circumstances, conditions, events or contingencies known to the Administrative Agent as of the Closing Date shall not be the basis for any such establishment or modification after the Closing Date unless such Reserves or eligibility criteria are in categories or of the type set forth as a line item on the Borrowing Base Certificate delivered on the Closing Date or relate to changes in law coming into force after the Closing Date.

SECTION 22. *Increase in Commitments.*

1.22.i.*Request for Increase.* Upon notice to the Administrative Agent, the Borrower Representative, on behalf of the applicable Borrowers, may from time to time, request (i) to increase the existing aggregate Floor Plan Loan Commitments by requesting new floor plan loan commitments to be added to the Floor Plan Facility (each such increase a "*Floor Plan Increase*") and (ii) to increase the existing aggregate Revolving Credit Commitments by requesting new revolving credit commitments to be added to the Revolving Credit Facility (each such increase a "*Revolving Credit Increase*" and, together with a Floor Plan Increase and a Revolving Credit Increase, each a "*Facility Increase*"); provided that (i) the aggregate principal amount of all such Facility Increases effected after the Closing Date shall not exceed One Hundred Fifty Million Dollars (\$150,000,000.00), (ii) any such request for a Facility Increase shall be in a minimum amount of Fifty Million Dollars (\$50,000,000.00) or such lesser amount as the Administrative Agent may agree to in its sole discretion, (iii) such Facility Increase in respect of the Floor Plan Loan Commitments and Revolving Credit Facility shall be on the same terms and pursuant to the same documentation applicable to the Floor Plan Loan Commitments and Revolving Credit Facility, as applicable (except to the extent of any upfront, arranger or similar fees) and (iv) no Lender shall have any obligation to increase its Commitments with respect to a Facility Increase or to provide a commitment with respect to a Facility Increase.

1.22.ii.*Incremental Lenders.* Facility Increases may be provided, by any existing Lender (but no existing Lender will have an obligation to make any Facility Increase) or by any Additional Lender (each such existing Lender or Additional Lender providing such Facility Increase, in such capacity, an "*Incremental Lender*"); provided that the Administrative Agent shall have consented to such Additional Lender's providing such Facility Increase to the extent such consent, if any, would be required under Section ~~Error! Reference source not found.~~10.02 for an assignment of Loans or Commitments, as applicable, to such Additional Lender.

1.22.iii.*Effective Date and Allocations.*

- (1) With respect to each Facility Increase, the Administrative Agent and the Borrower Representative shall determine the effective date (the "*Increase Effective Date*") and the final allocation of such Facility Increase. The Administrative Agent shall promptly notify (i) the Incremental Lenders of the amount and Class of such Facility Increase and the Increase Effective Date, and (ii) the Incremental Lenders of the final allocation of such Facility Increase.
- (2) On any Increase Effective Date on which a Floor Plan Increase is effected, with respect to Floor Plan Loan Commitments of an Incremental Lender, each of the existing Floor Plan Lenders shall automatically and without further act be deemed to have assigned to such Incremental Lender, and such Incremental Lender shall automatically and without further act be deemed to have purchased and assumed at the principal amount thereof, such interests in the Floor Plan Loans outstanding on such Increase Effective Date as shall be necessary in order that, after giving effect to all such assignments on the assumptions, the Floor Plan Loans will be held by existing Floor Plan Lenders and Incremental Lenders in respect of such Floor Plan Increase ratably in accordance with their respective Floor Plan Loan Commitment Percentages after giving effect to such Floor Plan Increase. The Administrative Agent and the Lenders hereby agree that the minimum borrowing, pro rata borrowing and pro rata payment requirements contained elsewhere in this Agreement shall not apply to the transactions effected pursuant to this paragraph. Any increase in Floor Plan Loan Commitments under this Section 2.22 as a result of a Floor Plan Increase shall increase the Floor Plan Line of Credit Dollar Cap on a dollar for dollar basis.
- (3) On any Increase Effective Date on which a Revolving Credit Increase is effected, with respect to Revolving Credit Commitments of an Incremental Lender, each of the existing Revolving Credit Lenders shall automatically and without further act be deemed to have assigned to such Incremental Lender and such Incremental Lender shall automatically and without further act be deemed to have purchased and assumed at the principal amount thereof, such interests in the Revolving Credit Loans outstanding on such Increase Effective Date as shall be necessary in order that, after giving effect to all such

assignments and assumptions, the Revolving Credit Loans will be held by existing Revolving Credit Lenders and Incremental Lenders in respect of such Revolving Credit Increase ratably in accordance with their respective Revolving Credit Commitment Percentages after giving effect to such Revolving Credit Increase. The Administrative Agent and the Lenders hereby agree that the minimum borrowing, pro rata borrowing and pro rata payment requirements contained elsewhere in this Agreement shall not apply to the transactions effected pursuant to this paragraph. Any increase in Revolving Credit Commitments under this Section 2.22 as a result of a Revolving Credit Increase shall increase the Revolving Credit Dollar Cap on a dollar for dollar basis.

1.22.iv. *Conditions to Effectiveness of Facility Increase.* As a condition precedent to the effectiveness of any Facility Increase, the Borrower Representative shall deliver to the Administrative Agent one or more certificates dated as of the Increase Effective Date duly executed by an Authorized Officer of the Borrower Representative or the applicable Loan Parties (a) certifying and attaching the resolutions adopted by each applicable Loan Party approving or consenting to such Facility Increase, and (b) certifying that, after giving effect pro forma effect to such Facility Increase, the Borrowers are in compliance with financial covenants set forth in Sections 6.12, 6.13 and 6.14 (assuming (x) that the entire amount of such Facility Increase is funded and (y) that the cash proceeds of such Facility Increase will be excluded for netting purposes and for purposes of determining Consolidated Current Assets in such determination of pro forma compliance with the financial covenants under Section 6.14) as of the most recently ended fiscal month for which financial statements have been or were required to be delivered pursuant to Section 5.09.2, (ii) no Default or Event of Default shall have occurred and be continuing, and (iii) the representations and warranties contained in this Agreement and the other Credit Documents shall be true and correct in all material respects (or in all respects to the extent that any representation or warranty is qualified by materiality). With respect to any Facility Increase, all conditions precedent set forth in ~~Error! Reference source not found.~~4.02 hereof shall have been satisfied. The proceeds of any Revolving Credit Increases shall be used for the purposes set forth in ~~Error! Reference source not found.~~4.6.10. The proceeds of Floor Plan Increases shall be used only as set forth in Section 2.01.12.

1.22.v. *Required Terms.*

- (1) Any Facility Increase in respect of any Class shall be on the same terms applicable to the Class of Commitments or Loans, as applicable, to which such Facility Increase applies (other than with respect to upfront fees, arranger and similar fees).
- (2) Any Facility Increase in respect of any Class shall constitute Obligations and will be secured and guaranteed with the other Obligations on a pari passu basis.

1.22.vi. *Conflicting Provisions.* This Section 2.22 shall supersede any provisions in ~~Error! Reference source not found.~~10.01 to the contrary.

1.22.vii. *Incremental Amendment.* Commitments and Loans in respect of Facility Increases of any Class shall become Commitments or Loans (and in the case of a Facility Increase to be provided by an existing Lender, an increase in such Lender's applicable Commitment) of such Class under this Agreement pursuant to an amendment (an "*Incremental Amendment*") to this Agreement and, as appropriate, the other Credit Documents, executed by the applicable Borrowers, each Incremental Lender providing such Commitments, the Administrative Agent (and each such Incremental Lender shall be recorded in the Register by the Administrative Agent and, to the extent such Person is not a Lender prior to such date, shall be subject to the requirements of Section 10.02 of this Agreement). The Incremental Amendment may, without the consent of any other Loan Party or Lender, effect such amendments to this Agreement and the other Credit Documents as may be necessary or appropriate in the reasonable opinion of the Administrative Agent and the Borrower Representative, to effect the provisions of this Section 2.22. In connection with any Incremental Amendment, the Borrowers shall, if reasonably requested by the Administrative Agent, deliver customary reaffirmation agreements, such amendments to the Security Documents and/or legal opinions with respect thereto, in each case, as may be reasonably requested by such Agent in order to ensure that such Facility Increases are provided with the benefit of the applicable Credit Documents.

**ARTICLE 3
REPRESENTATIONS AND WARRANTIES**

The Borrowers make the following representations and warranties to the Credit Parties as of the Closing Date and, as of each date on which any Floor Plate Loans, M&T Advance, Revolving Credit Loans, Swingline Loan or other Loan is requested or made or any Letter of Credit is requested or issued (for purposes hereof each extension or other amendment of a Letter of Credit shall constitute an issuance thereof), and as of each date on which any Loan or portion of a Loan is converted to or continued as a SOFR Borrowing:

Section 1.01. *Organization and Qualification.* Each Loan Party and each Subsidiary of each Loan Party (a) is a corporation or limited liability company duly organized or formed, validly existing and, as applicable, in good standing under the Laws of the state of incorporation or organization of such Loan Party or Subsidiary, (b) has the lawful power to own or lease its properties and to engage in the business it presently conducts or proposes to conduct, and (c) is duly licensed or qualified and in good standing in all jurisdictions where the property owned or leased by it or the nature of the business transacted by it makes such licensing or qualification necessary (except to the extent that the failure to be licensed, qualified or in good standing is not likely to cause a Material Adverse Change).

Section 1.02. *Capitalization and Ownership.* As of the Closing Date, the authorized Capital Stock and the issued and outstanding Capital Stock of the respective Loan Parties consists of those shares of common stock or other interests described in the Collateral Information Certificate given as of the Closing Date, having such par value as may be indicated therein, of which that number of shares or other interests indicated therein as issued and outstanding are in fact issued and outstanding. All of the Capital Stock of the Loan Parties indicated as issued and outstanding has been validly issued and is fully paid and nonassessable. As of the Closing Date, there are no options, warrants or other rights outstanding to purchase any Capital Stock of any Loan Party, except as disclosed by the Collateral Information Certificate.

Section 1.03. *Subsidiaries.* No Loan Party nor any Subsidiary of a Loan Party has any Subsidiaries as of the Closing Date, except as otherwise set forth in the Collateral Information Certificate given as of the Closing Date. Each Loan Party has good and marketable title to all the Capital Stock of any Subsidiary which such Loan Party owns, free and clear of any Lien other than Permitted Encumbrances. All of the issued and outstanding shares of Capital Stock of each Subsidiary of the respective Loan Parties are fully paid and non-assessable. There are no options, warrants or other rights outstanding to purchase any shares of Capital Stock of any Subsidiary of any Loan Party (except any Designated Real Estate Subsidiary) nor are any securities or Equity Interests of any Subsidiary convertible into or exchangeable for their Capital Stock. Except for any investments in such assets permitted under the provisions of this Agreement, no Loan Party owns directly or indirectly any Capital Stock of any other Person, no Subsidiary, is a partner (general or limited) of any partnership, and no Subsidiary is a party to any joint venture and or otherwise owns (beneficially or of record) any Equity Interest or similar interest in any other Person.

Section 1.04. *Power and Authority.* Each of the Loan Parties has the full power and authority to enter into, execute, deliver, carry out and perform this Agreement and the Credit Documents to which it is a party, to incur the Indebtedness contemplated by the Credit Documents and to perform its respective obligations under the Credit Documents to which it is a party and all of such actions have been duly authorized in each instance by all necessary corporate or other organizational proceedings.

Section 1.05. *Validity and Binding Effect.* This Agreement has been, and each Credit Document, when executed and delivered by the respective Loan Parties, will have been, duly and validly executed and delivered by the Loan Parties which are signatories thereto. This Agreement and each of the other Credit Documents executed and delivered by the respective Loan Parties will, upon such execution and delivery, constitute the legal, valid and binding obligations of such Loan Parties, enforceable against the respective Loan Parties in accordance

with their respective terms, subject to applicable bankruptcy, insolvency, reorganization moratorium or similar Laws affecting the rights of creditors generally and to the effect of general principles of equity whether applied by a court of Law or equity.

Section 1.06. *No Conflict.* Neither the execution and delivery by any Loan Party of any Credit Documents to which it is a party, nor the consummation of the transactions herein or therein contemplated, nor compliance with the terms and provisions hereof or thereof by the Borrowers or the other Loan Parties will (a) conflict with, constitute a default under or result in any breach of (i) the terms and conditions of the Organization Documents of any Loan Party, including but not limited to the Amended Charter and the Certificate of Designations or (ii) any Law or any agreement or instrument or order, writ, judgment, injunction or decree to which any Loan Party is a party or by which it is bound or to which it is subject, which conflict, default or breach would cause a Material Adverse Change, or (b) result in the creation or enforcement of any Lien upon any property (now or hereafter acquired) of any of the Loan Parties (other than Liens securing the Obligations and the Permitted Encumbrances). For the avoidance of doubt, the Loan Parties have given all notices and obtained all consents required under the Organization Documents of Pubco Guarantor in connection with this Agreement and the transactions contemplated hereby.

Section 1.07. *Litigation.* There are no actions, suits, proceedings or investigations pending or, to the knowledge of the Borrowers, threatened against any Loan Party or any Subsidiary, at law or in equity, before any Governmental Authority which individually or in the aggregate, could be reasonably expected to result in any Material Adverse Change; and (b) no Loan Party or Subsidiary is in violation of any order, writ, injunction or decree of any Governmental Authority, the violation of which could reasonably be expected to result in any Material Adverse Change.

Section 1.08. *Financial Statements; Financial Projections.*

1.08.i. *Financial Statements.* The Historical Financial Statements and the financial statements delivered pursuant to Section 5.09.2, (a) were prepared in accordance with GAAP (except as disclosed therein); and (b) fairly present in all material respects the results of operations and the changes in financial positions of the Persons covered thereby for the periods covered thereby in accordance with GAAP, subject, in the case of clause (ii) of the definition of Historical Financial Statements, to the exceptions set forth therein and the absence of footnotes and normal year-end adjustments.

1.08.ii. *Books and Records.* (a) The books of account and other financial records of the Borrowers and their Subsidiaries as in effect on the Closing Date are correct and complete in all material respects, represent actual, bona fide transactions and have been maintained in accordance with sound business and accounting practices; and (b) as of the Closing Date, the Borrowers and their Subsidiaries maintain an adequate system of internal accounting controls and does not engage in or maintain any off-the-books accounts or transactions.

1.08.iii. *Absence of Material Liability.* As of the Closing Date, the Loan Parties and their Subsidiaries do not have any Indebtedness or material liabilities of any kind, whether direct or indirect, fixed or contingent or otherwise which is not disclosed upon the most recent consolidated and consolidating financial statements of the Parent Guarantor and its Subsidiaries which have been provided to the Administrative Agent for the benefit of the Credit Parties; other than executory obligations under contracts, leases, or other agreements which GAAP would not require to be set forth in the consolidated and consolidating financial statements of the Parent Guarantor and its Subsidiaries.

1.08.iv. *Financial Projections.* The Borrowers have delivered to the Credit Parties financial projections of the Loan Parties and their Subsidiaries for the period commencing January 1, 2023 and ending December 31, 2025 (the "Projections"). Such projections set forth in the judgment of the Borrowers a reasonable range of possible results in light of the history of the businesses of the Loan Parties and their Subsidiaries, and present reasonably foreseeable conditions and the intentions of the management of the Loan Parties and their Subsidiaries.

In the reasonable judgment of the Borrower, such projections accurately reflect the liabilities of the Loan Parties and their Subsidiaries on the Closing Date after giving effect to the transactions contemplated by that Agreement. No events have occurred since the preparation of the projections which would cause the projections, taken as a whole, not to be reasonably attainable.

SECTION 23. *Margin Stock.* No Loan Parties and no Subsidiary of a Borrower engages or intends to engage principally, or as one of its important activities, in the business of incurring Indebtedness or extending credit to others for the purpose, immediately, incidentally or ultimately, of purchasing or carrying "margin stock" (within the meaning of Regulation U issued by the Federal Reserve Board). No part of the proceeds of any Loan or other extension of credit hereunder has been or will be used to purchase or carry any margin stock or to extend credit to others for the purpose of purchasing or carrying any margin stock or to refund or retire Indebtedness originally incurred for such purpose. As of the Closing Date no Loan Parties and no Subsidiary of a Loan Party intends to hold any margin stock.

SECTION 10. *Full Disclosure.* Neither this Agreement nor any Credit Document, nor any certificate, statement, agreement or other document furnished by the Loan Parties to the Administrative Agent for the benefit of the Credit Parties, contains any misstatement of a material fact or omits to state a material fact necessary in order to make the statements contained herein and therein, in light of the circumstances under which they were made, not misleading. There is no fact known to the Borrowers which materially adversely affects the business, property, assets, financial condition, results of operations or prospects of the Borrowers and their Subsidiaries (except any Designated Real Estate Subsidiary), taken as a whole, which has not been set forth in this Agreement or the Credit Documents or in the certificates, statements, agreements or other documents furnished in writing to the Administrative Agent for the benefit of the Credit Parties before or at the date hereof in connection with the transactions contemplated hereby and thereby. As of the Closing Date, the information included in the Beneficial Ownership Certification is true and correct in all respects.

SECTION 11. *Tax Returns and Payments.* All federal and state tax returns that are required by applicable Law to be filed by the Loan Parties and their Subsidiaries have been filed or properly extended. All taxes, assessments and other governmental charges levied upon the Loan Parties and their Subsidiaries, or any of their respective properties, assets, income or franchises which are due and payable have been paid in full other than (a) those presently payable without penalty or interest, (b) those which are being contested in good faith by appropriate proceedings, and (c) those which, if not paid, would not, in the aggregate, constitute a Material Adverse Change; and as to each of items (a), (b) and (c) the Loan Parties and their Subsidiaries have established reserves for such claims as have been determined to be adequate by application of GAAP consistently applied. There are no agreements or waivers extending the statutory period of limitations applicable to any consolidated federal income tax returns of the Loan Parties and their Subsidiaries for any period.

SECTION 12. *Consents and Approvals.* No consent, approval, exemption, order or authorization of, or a registration or filing with any Governmental Authority or any other Person (including but not limited to Coliseum or any other Preferred Stockholder) is required by any Law or any agreement (other than the Credit Documents) in connection with the execution, delivery and carrying out of this Agreement and the Credit Documents to which any Loan Party is a party.

SECTION 13. *No Event of Default; Compliance with Instruments* No event has occurred and is continuing and no condition exists or will exist after giving effect to the Loans which constitutes an Event of Default or a Default. No Loan Party or Subsidiary of a Loan Party is in violation of any term of its Organizational Documents.

SECTION 14. *Compliance with Laws.* Each of the Loan Parties and their respective Subsidiaries are in compliance in all material respects with all applicable Laws in all jurisdictions in which any of the Loan Parties or their Subsidiaries are presently or will be doing business, the non-compliance with which would be likely to cause a Material Adverse Change.

SECTION 15. *ERISA Compliance.*

1.15.i. *Plans and Contributions.* Each Plan is in compliance in all material respects with the applicable provisions of ERISA, the Code and other federal or state Laws. Each Plan that is intended to qualify under Section 401(a) of the Code has received a favorable determination letter from the IRS or an application for such a letter is currently being processed by the IRS with respect thereto and, to the best knowledge of the Borrowers, nothing has occurred which would prevent, or cause the loss of, such qualification. The Loan Parties and each ERISA Affiliate have made all required contributions to each Plan subject to Section 412 of the Code, and no application for a funding waiver or an extension of any amortization period pursuant to Section 412 of the Code has been made with respect to any Plan.

1.15.ii. *Pending Claims.* There are no pending or, to the best knowledge of the Borrowers, threatened claims, actions or lawsuits, or action by any Governmental Authority, with respect to any Plan that could reasonably be expected to result in a Material Adverse Change. There has been no Prohibited Transaction or violation of the fiduciary responsibility rules with respect to any Plan that has resulted or could reasonably be expected to result in a Material Adverse Change.

1.15.iii. *ERISA Events.* (a) No ERISA Event has occurred or is reasonably expected to occur and (b) no Borrower and no ERISA Affiliate has engaged in a transaction that could reasonably be expected to be subject to Section 4069 or 4212(c) of ERISA.

SECTION 16. *Title to Properties.* Each Loan Party and each Subsidiary has (i) good, sufficient and legal title to, (ii) valid leasehold interests in (in the case of leasehold interests in real or personal property), and (iii) all of the respective properties and assets reflected in their respective Historical Financial Statements and in the most recent financial statements delivered pursuant to Section 4.01, Section 5.01.1 or Section 5.08.2, in each case except for assets disposed of since the date of such financial statements in the ordinary course of business if occurring prior to the Closing Date or as otherwise permitted under Section 6.04 or Section 6.05. All such properties and assets are free and clear of Liens other than Permitted Encumbrances.

SECTION 17. *Insurance.* There are in full force and effect for the benefit of the Loan Parties and their Subsidiaries insurance policies and bonds providing adequate coverage from reputable and financially sound insurers in amounts sufficient to insure the assets and risks of the Loan Parties and their Subsidiaries in accordance with prudent business practices in the respective industries of the Loan Parties and their Subsidiaries. As of the Closing Date, and, as of each subsequent reaffirmation of this representation and warranty, except as otherwise previously disclosed in writing to the Administrative Agent, no notice has been given or claim made and to the knowledge of the Loan Parties, no grounds exist, to cancel or void any of such policies or bonds or to reduce the coverage provided thereby.

SECTION 18. *Employment Matters.* Each Loan Party and each Subsidiary of a Loan Party is in material compliance with all employee benefit plans, employment agreements, collective bargaining agreements and labor contracts and all Laws applicable thereto. There are no outstanding grievances, arbitration awards or appeals relating to any of the foregoing plans, agreements or contracts, or, to the knowledge of the Borrowers, threatened strikes, picketing, handbilling or other work stoppages or slowdowns at facilities of any Loan Party or any Subsidiary of a Loan Party which could reasonably be expected to result in any Material Adverse Change. All payments due or to become due from any Loan Party or the Subsidiary of the Loan Party on account of obligations in respect of employee health and welfare insurance which could reasonably be expected to result in any Material Adverse Change if not paid have been paid or, in the case of such amounts not yet due, have been recorded as liabilities on the books of the Borrowers and their Subsidiaries.

SECTION 19. *Solvency.* As of the Closing Date, and as of the date of each advance of the proceeds of any Loan and each issuance or renewal of any Letter of Credit, as the case may be, and after giving effect to such advances or issuances or renewals, each of the Loan Parties and each Subsidiary of a Loan Party, taken as a whole is, and will remain, Solvent.

SECTION 20. *Material Contracts; Burdensome Restrictions* Except as otherwise disclosed on Schedule 3.20 and, in each instance in which the representations and warranties of this Section are given or deemed given on a date subsequent to the Closing Date, as theretofore otherwise disclosed in writing to the Administrative Agent for the benefit of the Credit Parties, all material contracts relating to the

business operations of the Loan Parties and their Subsidiaries, are valid, binding and enforceable upon the Loan Parties and their Subsidiaries, and to the knowledge of the Borrowers, the other parties thereto, without any material defaults thereunder.

SECTION 21. *Patents, Trademarks, Copyrights, Licenses, Etc.* Each Loan Party and each Subsidiary of a Loan Party owns or possesses all the patents, trademarks, service marks, trade names, copyrights, licenses, registrations, franchises, permits and rights, including but not limited to agreements with Manufacturers and other suppliers of Floor Plan Units, and other vendors which are materially necessary to own and operate its assets and to carry on its business as presently conducted and as planned to be conducted by such Loan Party (the "IP Rights"), without known possible, alleged or actual conflict with the rights of others. No Authorized Officer of the Loan Parties has knowledge that the use of the IP Rights in connection with such businesses materially infringes or misappropriates the intellectual property rights of any other Person. No slogan or other advertising device, product, process, method, substance, part or other material now employed, or now contemplated to be employed, by a Loan Party or any of its Subsidiaries in the conduct of their respective businesses as currently conducted infringes upon any material intellectual property rights held by any other Person.

SECTION 22. *Liens.* The Security Documents, together with such filings and other actions required to be taken hereby or by the applicable Security Documents are effective to create legal, valid and enforceable Liens (subject to Permitted Encumbrances) in the Collateral described therein in favor of the Administrative Agent for the benefit of the Credit Parties and (i) when financing statements and other filings in appropriate form are filed in the offices required by the applicable provision of the Security Documents and (ii) upon the taking of possession or control by the Administrative Agent of such Collateral with respect to which a security interest may be perfected only by possession or control (which such possession or control shall be given to the Administrative Agent to the extent required by the Security Documents), the Liens created by the Security Documents shall constitute fully perfected first-priority Liens on, and security interests in all right, title and interest of the grantors in such Collateral to the extent perfection can be obtained by filing financing statements or taking possession or control, in each case subject to no other Liens and the Liens created thereunder are entitled to all applicable rights and benefits provided by applicable Law.

SECTION 23. *Environmental Compliance.*

1.23.i. Each Loan Party and its Subsidiaries have been and are in compliance with all material Environmental Laws, including obtaining and complying with all required Environmental Permits, other than non-compliances;

1.23.ii. no Loan Party nor any of its Subsidiaries nor any property currently, or, to the knowledge of the Authorized Officers of the Loan Parties, previously owned, operated or leased by or for each Loan Party or any of its Subsidiaries is subject to any pending or threatened, in writing, written claim, order, legally-binding agreement with any Governmental Authority to conduct any remedial Action pursuant to Environmental Law, written notice of violation or written notice of potential liability or, to the knowledge of any Authorized Officer of any Loan Party, is the subject of any pending governmental investigation of which a Loan Party or any of its Subsidiaries have written notice, in each case under or pursuant to Environmental Laws;

1.23.iii. as of the Closing Date, no Loan Party nor any of its Subsidiaries operates their respective currently owned or leased real property as a treatment or storage or disposal facility requiring a permit under the Resource Conservation and Recovery Act, 42 U.S.C. §6901 et seq., the regulations thereunder or any statute analog;

1.23.iv. no Authorized Officer of any Loan Party has knowledge of any environmental conditions arising out of or relating to the operations or ownership of a Loan Party or any of its Subsidiaries at the property currently owned, operated or leased by a Loan Party or any of its Subsidiaries that would be reasonably expected to have resulted in any material Environmental Liabilities that are not specifically included in the financial information furnished to the Lenders, unless such liabilities are reasonably expected to be (i) covered by environmental liability insurance or (ii) subject to an indemnity satisfactory to the Borrower Representative from, to the extent that the board of directors of Pubco

Guarantor has determined in good faith to be appropriately credit worthy in relation to the potential amount of such liabilities, any Person that is not an Affiliate of any Loan Party;

1.23.v.as of the Closing Date, no material Environmental Lien has attached to any property of a Loan Party or its Subsidiaries and, to the knowledge of any Authorized Officer of any Loan Party, no facts, circumstances or conditions exist that would result in such a Lien; and

1.23.vi.no Loan Party nor any of its Subsidiaries is undertaking, either individually or together with other potentially responsible parties, as of the Closing Date, any investigation or assessment or remedial action relating to any actual or threatened release of Hazardous Materials at any location or disposal site, either voluntarily or pursuant to the order of any Governmental Authority or the requirements of any Environmental Law; and all Hazardous Materials generated, used, treated, handled or stored at, or transported to or from, any property currently or, during the period of ownership or operation by a Loan Party or any of its Subsidiaries, formerly owned or operated by a Loan Party or any of its Subsidiaries have been disposed of by a Loan Party or any of its Subsidiaries.

SECTION 24. *Anti-Corruption; Anti-Terrorism.* No Loan Party nor any Subsidiary is a Sanctioned Person. No Loan Party nor any Subsidiary (a) has any of its assets in a Sanctioned Country or in the possession, custody or control of a Sanctioned Person, in either case, in violation of any Sanctions; (b) does business in or with, or derives any of its income from investments in or transactions with, any Sanctioned Country or Sanctioned Person, in either case, in violation of any Anti-Terrorism Law or Sanctions; or (c) engages in any dealings or transactions prohibited by any Anti-Terrorism Law or Sanctions. No Loan Party nor any Subsidiary, nor, to the knowledge of Borrowers, any Director, officer or employee thereof, is in violation in any material respect of (A) Sanctions or (B) the USA Patriot Act. Each Loan Party and each Subsidiary has conducted its businesses in material compliance with the United States Foreign Corrupt Practices Act of 1977. No proceeds of any Loan made or Letter of Credit issued hereunder will be used to fund any operations in, finance any investments or activities in, or make any payments to, a Sanctioned Person, in each case, in violation of applicable Sanctions.

SECTION 25. *Affected Financial Institution.* Neither the Borrowers nor any other Loan Party is an Affected Financial Institution.

SECTION 26. *Beneficial Ownership.* As of the Closing Date, the information included in the Beneficial Ownership Certification (if any) is true and correct in all respects.

SECTION 27. *Covered Entities.* No Loan Party is a Covered Entity.

ARTICLE 4 CONDITIONS PRECEDENT

Section 1.01. *Conditions to Closing.* The obligations of each Lender to make any advances of proceeds of the Loans, the obligations of M&T to make M&T Advances, and the obligations of the Issuing Bank to issue any Letters of Credit hereunder are subject to the satisfaction on or before the Closing Date of the following conditions precedent:

1.01.i. *Closing Submissions.* The Administrative Agent's receipt of the following, each properly executed by an Authorized Officer of the signing Loan Party, each dated either the Closing Date (or, in the case of certificates of governmental officials, a recent date before the Closing Date) and each in form and substance reasonably satisfactory to the Administrative Agent and its counsel:

- (a) executed counterparts of this Agreement, the Security Agreement, the Guaranty Agreement and the other Credit Documents;
- (b) Notes executed by the Borrowers in favor of each Lender;
- (c) one or more Guaranty Agreements executed by each of the Guarantors;

(d) (i) such certificates of resolutions or other action, incumbency certificates and/or other certificates of Authorized Officers of each Loan Party as the Administrative Agent may require evidencing the identity, authority and capacity of each Authorized Officer thereof authorized to act as a Authorized Officer in connection with this Agreement and the other Credit Documents to which such Loan Party is a party and (ii) a copy of the Organization Documents certified as of a recent date by the appropriate governmental official, each certified as true and complete by an Authorized Officer of the applicable Loan Party;

(e) such documents and certifications (including certified copies of the Organization Documents of the Loan Parties) as the Administrative Agent may reasonably require to evidence that each Loan Party is duly organized or formed, and that each Loan Party is validly existing, in good standing and qualified to engage in business in each jurisdiction where its ownership, lease or operation of properties or the conduct of its business requires such qualification;

(f) a favorable opinion of counsel to the Loan Parties addressed to the Administrative Agent and the Lenders in form and substance satisfactory to the Administrative Agent;

(g) a certificate of an Authorized Officer of each Loan Party stating that all notices, consents, licenses, approvals, and agreements required in connection with the execution, delivery and performance by such Loan Party and the validity against such Loan Party of the Credit Documents to which it is a party, including notices to, and consents, and approvals required from Manufacturers, OEM and other vendors and suppliers of Floor Plan Vehicles and Units and a statement identifying all of such Manufacturers, OEM, vendors and suppliers of Floor Plan Vehicles, and shall have been duly given or received, and that any such consents, licenses, approvals, and agreements shall be in full force and effect upon giving effect to the Credit Documents and the transactions contemplated by this Agreement;

(h) a certificate signed by an Authorized Officer of the Loan Parties or the Borrower Representative certifying (i) the absence of any continuing Defaults or Events of Default, (ii) satisfaction of all conditions precedent to Closing hereunder, (iii) solvency, and (iv) all shareholder and corporate consents and approvals (including any consents required under the Amended Charter and compliance with all requirements with respect to the Loans and other credit accommodations set forth in the Certificate of Designations), and all material governmental and third party consents and approvals required in connection with the Closing Date Transactions (all of which shall be final with no waiting period to expire or ongoing governmental inquiry or investigation) shall have been received and there does not exist any action, suit, investigation, litigation or proceeding pending or threatened in any court or before any arbitrator or governmental authority that challenges the credit facilities or any other transaction involving any of the Loan Parties;

(i) a duly completed Compliance Certificate, including calculations of the financial covenants set forth therein in a manner reasonably satisfactory to the Administrative Agent, signed by an Authorized Officer of the Loan Parties in form and substance satisfactory to the Administrative Agent evidencing, as of the last day of the most recently completed month ending at least 30 days prior to the Closing Date, (i) a Total Net Leverage Ratio not be greater than 3.00:1.00, (ii) a Consolidated Fixed Charge Coverage Ratio not to be less than 1.25:1.00 and (iii) a Consolidated Current Ratio not less than 1.15:1.00, in each case after giving *pro forma* effect to the Closing Date Transactions;

(j) the Historical Financial Statements and the Projections;

(k) (i) UCC search results with respect to the Loan Parties and the Subsidiaries showing no Liens except Permitted Encumbrances (or Liens with respect to Indebtedness to be repaid on or prior to the Closing Date) and (ii) searches of ownership of intellectual property owned by the Loan Parties in the United States Patent and Trademark Office and the United States Copyright Office and such patent/trademark/copyright filings as requested by the Administrative Agent in order to perfect the Administrative Agent's security interest in such intellectual property;

(l) such deposit account control agreements as are required pursuant to the Security Documents;

(m) all documentation and other information required by any Lenders or the Issuing Bank to evidence or facilitate both the Borrowers' and each Lender's compliance with all applicable Laws and regulations, including, all "know your customer" rules in effect from time to time pursuant to the Bank Secrecy Act, the USA Patriot Act and other applicable Laws on or prior to the date which is five (5) Business Days prior to the Closing Date;

(n) at least five days prior to the Closing Date, any Borrower that qualifies as a "legal entity customer" under the Beneficial Ownership Regulation shall deliver a Beneficial Ownership Certification in relation to such Borrower;

(o) certificates in form and substance satisfactory to the Administrative Agent evidencing insurance (including flood insurance to the extent applicable) which insurance shall name the Administrative Agent as additional insured and include lender loss payee endorsements for property and casualty policies, as applicable;

(p) UCC-1 financing statements for filing in all places required by applicable Law to perfect the Liens of the Administrative Agent for the benefit of the Credit Parties under the Security Documents as a perfected Lien as to items of Collateral in which a security interest may be perfected by the filing of a UCC-1 financing statement,

(q) an executed Collateral Information Certificate by Borrower Representative for itself and for each Loan Party completed giving pro forma effect to the Closing Date Transactions, and

(r) such other assurances, certificates, documents, consents or opinions as the Administrative Agent, the Issuing Bank, or the Required Lenders reasonably may require.

1.01.ii.*Fees.* Any fees required to be paid on or before the Closing Date shall have been paid.

1.01.iii.*Credit Party Expenses.* The Borrowers shall have paid in full all Credit Party Expenses to the extent invoiced prior to or on the Closing Date.

1.01.iv.*No Material Adverse Change.* No material adverse change shall have occurred in the business, condition (financial or otherwise), prospects, assets, operations, liabilities (contingent or otherwise) or properties of Pubco Guarantor, Parent Guarantor, or the Borrowers and their respective Subsidiaries, taken as a whole since December 31, 2021.

Without limiting the generality of the provisions of Section 9.02.4 of this Agreement, for purposes of determining compliance with the conditions specified in this Section 4.01, each Lender that has signed this Agreement shall be deemed to have consented to, approved, accepted and 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 objections thereto.

Section 1.02. *Conditions To Advances Of Proceeds Of Loans And Issuances Of Letters Of Credit After Closing Date* The obligations of each Lender and of the Issuing Bank to honor any request for the advance of any proceeds of the Loans or the issuance or reissuance of any Letters of Credit after the Closing Date or request to renew or amend any Letter of Credit after the Closing Date, shall be subject to the satisfaction of the following conditions precedent:

1.02.i.*Representations And Warranties.* The representations and warranties of the Loan Parties contained in Article 3 of this Agreement or in any other Credit Document, or which are contained in any document furnished at any time under or in connection herewith or therewith, shall be true and correct in all material respects (and, in the case of any representation or warranty that is qualified by

materiality or Material Adverse Change, shall be true and correct in all respects) on and as of the date of any such advance of proceeds of the Loans or issuance of Letters of Credit, except to the extent that such representations and warranties specifically refer to an earlier date, in which case they shall be true and correct in all material respects (and, in the case of any representation or warranty that is qualified by materiality or Material Adverse Change, shall be true and correct in all respects) as of such earlier date.

1.02.ii.*Absence Of Defaults And Events Of Default*. No continuing Default or Event of Default shall exist, or would result from such requested advance or issuance.

1.02.iii.*No Material Adverse Changes*. No Material Adverse Changes shall have occurred since the Closing Date and be continuing.

1.02.iv.*Loan Request*. With respect to any borrowing of Loans (other than any borrowing of Floor Plan Loans or issuance of any Letter of Credit), the Administrative Agent shall have received (x) a Loan Request as required by the terms of this Agreement and (y) a Borrowing Base Certificate calculated as of the last day of the calendar month ended at least thirty (30) days (or such lesser number of days as the Borrower Representative may elect in its discretion) prior to the Borrowing Date demonstrating Availability on the proposed date of such Borrowing and/or issuance, amendment, extension or renewal of a Letter of Credit sufficient to cover the amount of such Borrowing and/or issuance, amendment, extension or renewal of such Letter of Credit.

Each request for the advance of proceeds of the Loans or for the issuance or reissuance of any Letters of Credit shall be deemed automatically to be a representation and warranty of the Borrowers that the conditions specified in this Section 4.02 have been satisfied on and as of the date of the request.

ARTICLE 5 AFFIRMATIVE COVENANTS

Each Borrower agrees that until the payment and satisfaction in full of all of the Obligations, it will comply with and cause the other Loan Parties and each other Subsidiary to comply with the covenants set forth in this Article 5.

Section 1.01. *Payment and Performance*. Each Borrower promises that all Obligations shall be paid and performed in full when and as due.

Section 1.02. *Insurance*. The Borrowers and each Loan Party shall obtain and maintain and shall cause their respective Subsidiaries to obtain and maintain such insurance coverages as are reasonable, customary and prudent for businesses engaged in activities similar to the business activities in which it is engaged. Without limitation to the foregoing, the Borrowers and the other Loan Parties shall each maintain fire and casualty insurance covering the Collateral and their respective assets in amounts satisfactory to the Administrative Agent consistent with prudent practices and sufficient to prevent any co-insurance liability (which amount shall be the full insurable value of the assets and properties insured unless the Administrative Agent in writing agrees to a lesser amount), naming the Administrative Agent for the benefit of the Credit Parties as sole lender loss payee and/or additional insured with respect to the Collateral and such assets, with insurance companies and upon policy forms which are acceptable to and approved by the Administrative Agent. The Loan Parties shall submit to the Administrative Agent originals or certified copies of the casualty insurance policies and paid receipts evidencing payment of the premiums due on the same. The casualty insurance policies shall be endorsed so as to make them non-cancellable unless thirty (30) days prior notice of cancellation is provided to the Administrative Agent.

Section 1.03. *Collection Of Accounts; Sale Of Inventory* The Loan Parties shall collect their respective Accounts and sell their respective Inventory only in the ordinary course of their respective businesses, subject to customary credit and collection policies.

Section 1.04. *Notice Of Litigation And Proceedings* The Borrowers and each other Loan Party shall give prompt notice to the Administrative Agent of any action, suit, citation, violation,

direction, notice or proceeding before any court or governmental department, commission, board, bureau, agency or instrumentality, domestic or foreign, affecting such Loan Party, or the assets or properties thereof, which, if determined adversely to such Loan Party (a) could require it to pay over more than \$2,500,000 or deliver assets the value of which exceeds that sum, or (b) could reasonably be expected to cause a Material Adverse Change.

Section 1.05. *Payment Of Liabilities To Third Persons* Each Borrower and each other Loan Party shall pay when and as due, or within applicable grace periods, all liabilities due to third persons, except when the amount thereof is being contested in good faith by appropriate proceedings and with adequate reserves therefor being set aside by it.

Section 1.06. *Notice Of Change Of Business Location Or Of Jurisdiction of Organization; Notice of Name Change* Each Borrower and each of the other Loan Parties shall notify the Administrative Agent five (5) days in advance of, (a) any change in the location of its existing offices or places of business or of the jurisdiction in which it is organized, (b) the establishment of any new, or the discontinuation of any existing, places of business, and (c) any change in or addition to the locations at which any material portion of the Collateral (or other property securing the Obligations) is kept. Prior to moving any Collateral (or other property securing the Obligations) to any location not owned by a Loan Party (other than deliveries to Account Debtors of sold or leased goods and premises; occupied temporarily by a Borrower in connection with participation at a trade show or similar temporary sales location), each Loan Party shall obtain and deliver to the Administrative Agent an agreement, in form and substance acceptable to the Administrative Agent, pursuant to which the owner of such location shall: (i) subordinate any rights which it may have, or thereafter may obtain, in any of the Collateral or other property to the rights and security interests of the Credit Parties; and (ii) allow the Administrative Agent access to the Collateral or other property in order to remove the Collateral or other property from such location. Each Borrower and each other Loan Party shall notify the Administrative Agent five (5) days in advance of any changes to its name.

Section 1.07. *Payment of Taxes.* Each of the Borrowers and each of the other Loan Parties shall pay or cause to be paid when and as due all Taxes imposed upon it or on any of its property or which it is required to withhold and pay over to the taxing authority or which it must pay on its income, except where contested in good faith, by appropriate proceedings and at its own cost and expense; provided, however, that no Loan Party shall be deemed to be contesting in good faith by appropriate proceedings unless, (a) such proceedings operate to prevent the taxing authority from attempting to collect the Taxes, (b) the Collateral is not subject to sale, forfeiture or loss during such proceedings, (c) the applicable Loan Party's contest does not subject the Credit Parties to any liabilities owed to or claims from the taxing authority or any other person, (d) the applicable Loan Party establishes appropriate reserves for the payment of all Taxes, court costs and other expenses for which such Loan Party would be liable if unsuccessful in the contest, (e) the applicable Loan Party prosecutes the contest continuously to its final conclusion, and (f) at the conclusion of the proceedings, the applicable Loan Party promptly pays all amounts determined to be payable, including but not limited to all taxes, legal fees and court costs.

Section 1.08. *Notice Of Events Affecting Collateral; Compromise Of Receivables; Returned Or Repossessed Goods* Each Borrower and each of the other Loan Parties shall promptly report to the Administrative Agent (a) any reclamation, return or repossession of Goods, (b) all claims or disputes and (c) all other matters materially affecting the value, enforceability or collectability of any of the Collateral.

Section 1.09. *Reporting Requirements.* The Borrower Representative shall submit the following items to the Administrative Agent:

~~5.09.1. [Reserved].~~

1.01.i *Monthly Liquidity and Capital Expenditures Certificate.* As soon as available and in any event within ten (10) Business Days after the last day of each fiscal month

(commencing with the month ending March 31, 2024 and ending with the month ending immediately following the end of the Ratio Adjustment Period), the Borrower Representative shall submit to the Administrative Agent a Liquidity Certificate certifying as to compliance or non-compliance with the minimum Liquidity covenant set forth Section 6.19 and setting forth reasonably detailed calculations with respect to the calculation of Liquidity together with a reasonably detailed summary describing the Capital Expenditures made or incurred in such prior period.

1.09.i. *Monthly Financial Statements.* As soon as available and in any event within thirty (30) calendar days after the end of each fiscal month (commencing with the month ending December 31 2022), the Borrower Representative shall submit to the Administrative Agent a consolidated and consolidating balance sheet of Pubco Guarantor and its Subsidiaries as of the end of such month and a consolidated and consolidating statement of income and retained earnings of Pubco Guarantor and its Subsidiaries for such month, and a consolidated and consolidating statement of cash flow of Pubco Guarantor and its Subsidiaries for such month, all in reasonable detail and stating in comparative form the respective consolidated and consolidating figures for the corresponding date and period in the previous Fiscal Year and all prepared in accordance with GAAP and certified by an Authorized Officer of the Borrower Representative (subject to year-end adjustments), together with a monthly Borrowing Base Certificate required to be delivered pursuant to Section 5.09.14.

1.09.ii. *Annual Financial Statements.* As soon as available and in any event within one hundred twenty (120) calendar days after the end of each Fiscal Year (commencing with the Fiscal Year ending December 31, 2022), the Borrower Representative shall submit to the Administrative Agent a consolidated and consolidating balance sheet of Pubco Guarantor and its Subsidiaries as of the end of such Fiscal Year and a consolidated and consolidating statement of income and retained earnings of Pubco Guarantor and its Subsidiaries for such Fiscal Year, and a consolidated and consolidating statement of cash flow of Pubco Guarantor and its Subsidiaries for such Fiscal Year, all in reasonable detail and stating in comparative form the respective consolidated and consolidating figures for the corresponding date and period in the prior Fiscal Year and all prepared in accordance with GAAP and accompanied by an audited opinion thereon issued by independent certified public accountants selected by Pubco Guarantor and reasonably acceptable to the Required Lenders (which shall not be subject to any "going concern" or like qualification or exception or any qualification or exception as to the scope of the audit).

1.09.iii. *Management Letters.* Promptly upon receipt thereof, each Borrower shall submit to the Administrative Agent for the benefit of the Credit Parties copies of any reports submitted to it or to any Loan Party by independent certified public accountants in connection with the examination of the financial statements of Pubco and its Subsidiaries made by such accountants.

1.09.iv. *Compliance Certificate.* The Borrower Representative shall, concurrently with any delivery of annual financial statements under Sections 5.09.1 and financial statements to be delivered after the end of the first three (3) Fiscal Quarters of each Fiscal Year pursuant to Section 5.09.2 above, submit a Compliance Certificate from the Chief Financial Officer, Chief Executive Officer or President of Pubco Guarantor or the Borrower Representative to the Administrative Agent (i) certifying that no Default or Event of Default has occurred during such period or, if such a Default or an Event of Default has occurred during such period, specifying the nature and extent thereof and any corrective action taken or proposed to be taken with respect thereto, (b) setting forth the reasonably detailed calculations with respect to the Consolidated Fixed Charge Coverage Ratio, Total Net Leverage Ratio and Consolidated Current Ratio, (c) if applicable, a list of any Excluded Subsidiary as of the date of delivery of such certificate, (d) a description of any anticipated establishment of any new dealerships of which the Administrative Agent has not received notice, (e) a description of any anticipated locations of which the Administrative Agent has not received notice where a material portion of Eligible Floor Plan Units or any material portion of any other Collateral is located, except for any Eligible Floor Plan Unit which is at a Permitted Collateral Location and (f) including such additional information as may from time to time be required under the Security Documents.

1.09.v. *Reports To Other Creditors.* Promptly after the furnishing thereof, the Borrowers shall submit to the Administrative Agent for the benefit of the Credit Parties copies of any statement or report furnished to any other Person pursuant to the terms of any indenture, loan, or credit or

similar agreement and not otherwise required to be furnished to the Administrative Agent pursuant to any other provisions of this Agreement.

1.09.vi. *Management Changes*. The Borrower Representative shall notify the Administrative Agent immediately of any changes in the personnel holding the positions of Chairperson, President, Chief Executive Officer or Chief Financial Officer of any of the Loan Parties.

1.09.vii. *Projections*. The Borrower Representative shall deliver to the Administrative Agent within sixty (60) days prior to the end of each Fiscal Year, an annual operating budget for the Loan Parties and their Subsidiaries for the next Fiscal Year. The operating budget shall include a balance sheet, income statement, statement of cash flows, and assumptions relating to the budget.

1.09.viii. *Notice of Defaults and Events of Default*. The Borrower Representative shall promptly give written notice to the Administrative Agent of the occurrence of any event, occurrence or condition (which is known to an executive officer of any Loan Party) which constitutes or is reasonably foreseeable to constitute either an Event of Default or a Default or which could be reasonably expected to result in a Material Adverse Change.

1.09.ix. *ERISA Event*. The Borrowers shall promptly give written notice of the occurrence of any ERISA Event to the Administrative Agent for the benefit of the Credit Parties.

1.09.x. *SEC Filings*. Promptly upon receipt or transmission thereof, (a) all letters of comment or material correspondence sent to Pubco Guarantor or any of its Subsidiaries by any securities exchange or the Securities and Exchange Commission ("SEC") in relation to the affairs of Pubco Guarantor or any of its Subsidiaries (b) all regular and periodic reports and all registration statements and prospectuses, if any, filed by Pubco Guarantor or any of its Subsidiaries with any securities exchange or with the SEC or any governmental authority succeeding to any of its functions, (c) all financial statements, reports, notices and proxy statements sent or made available generally by Pubco Guarantor or any of its Subsidiaries to other lenders to such Persons (if any) and their other respective bondholders or security holders (or any trustee or other representative of any of the foregoing) and any non-routine notices or other non-routine correspondence from such lenders, bondholders or security holders (or trustee or other representative of such Persons); and (d) all press releases and other statements made available by Pubco Guarantor or any of its Subsidiaries to the public concerning material developments in their respective businesses. Any information or document described in clauses (a) through (d) of this Subsection 5.09.11 that is filed with the SEC via the EDGAR filing system shall be deemed to be delivered upon the receipt by the Credit Parties of notice (including any notice received via e-mail) from Borrower Representative that such information or document has been filed and is available on EDGAR provided, further, however, that no such notice need be delivered in connection with the regularly filed Annual Reports of Pubco Guarantor on Form 10-K or Quarterly Reports of Pubco Guarantor on Form 10-Q.

1.09.xi. *Beneficial Ownership*. The Borrower Representative shall promptly notify the Administrative Agent of any change in the information provided in the Beneficial Ownership Certification that would result in a change to the list of beneficial owners identified in parts (c) or (d) of such certification.

1.09.xii. *General Information*. In addition to the items set forth in subsections 5.09.1 through 5.09.12 above, the Borrowers agree to submit, and cause the other Loan Parties to submit, to the Administrative Agent for the benefit of the Credit Parties such other information respecting the condition or operations, financial or otherwise, of the Loan Parties as the Credit Parties may reasonably request from time to time.

1.09.xiii. *Borrowing Base Certificates*. Within thirty (30) days after the end of each calendar month (in conjunction with the delivery of the financial statements pursuant to Section 5.09.2) (or on any other date if the Borrower Representative voluntarily elects to deliver a Borrowing Base Certificate (including in connection with a Permitted Acquisition)), a certificate in the form of Exhibit L (or such other form as may be agreed to by the Administrative Agent and the Borrower Representative in their reasonable discretion) (a "Borrowing Base Certificate") calculating and/or demonstrating, in detail

reasonably acceptable to the Administrative Agent, the Line Cap, the Borrowing Base, and Availability, in each case as of the close of business as of the last day of the immediately preceding calendar month (or in respect of any Borrowing Base Certificate voluntarily delivered by the Borrower Representative, as of the close of business on a more recent Borrowing Base Test Date as indicated in such Borrowing Base Certificate), each Borrowing Base Certificate to be certified as complete and correct in all material respects by an Authorized Officer of the Borrower Representative. In connection with each Borrowing Base Certificate, the Borrowers shall provide (i) a schedule of Accounts in form and manner reasonably acceptable to Administrative Agent (which shall include current addresses and telephone numbers of account debtors and a detailed aging of the Accounts for such period); (ii) a monthly inventory report in form and manner reasonably acceptable to Administrative Agent, together with supporting documentation requested by the Administrative Agent, which, during the Ratio Adjustment Period, shall include a summary inventory aging report; and (iii) a schedule of Specified Inventory Parts in form and manner reasonably acceptable to the Administrative Agent, together with supporting documentation requested by the Administrative Agent, in each case based on the balances as of the last day of the immediately preceding month.

1.01.ii. Notice and Consent Coliseum. The Borrower Representative shall notify the Administrative Agent immediately of any material written notices or communications between any Loan Party or Subsidiary and Coliseum Holdings I, LLC, as Lender under that certain Loan Agreement dated as of December 29, 2023 (the "Coliseum Agreement"), by and among Coliseum Holdings I, LLC, LD Real Estate, LLC, Lazydays RV of Ohio, LLC, Airstream of Knoxville at Lazydays RV, LLC, Lone Star Acquisition, LLC, Lazydays Land of Phoenix, LLC and Lazydays Land of Chicagoland, LLC.

SECTION 10. *Preservation of Existence, Etc.* Each Borrower and each of the other Loan Parties shall each (a) preserve, renew and maintain in full force and effect its legal existence and good standing under the Laws of the jurisdiction of its organization, (b) take all reasonable action to maintain all rights, privileges, permits, licenses and franchises necessary or desirable in the normal conduct of its business, except to the extent that failure to do so could not reasonably be expected to cause a Material Adverse Change, (c) preserve or renew all of its registered patents, trademarks, trade names and service marks, the non-preservation of which could reasonably be expected to cause a Material Adverse Change, and (d) preserve and maintain material approvals with Manufacturers, OEMs and other suppliers of Floor Plan Units; material franchise or framework agreements, all Manufacturer statements of origin, certificates of origin, certificates of title or ownership and other customary vehicle title documentation (which, for the avoidance of doubt, may be in electronic form) (collectively, the "*Vehicle Title Documentation*"), or in any case, a power of attorney with respect thereto.

SECTION 11. *Maintenance of Assets and Properties.* Each of the Borrowers and each of the other Loan Parties shall maintain, preserve and protect all of its material assets and properties necessary in the operation of its business in good working order and condition, ordinary wear and tear excepted.

SECTION 12. *Compliance with Laws.* Each of the Borrowers and each of the other Loan Parties shall comply in all material respects with all Laws applicable to it, and obtain or maintain all permits, franchises and other governmental authorizations and approvals necessary for the ownership, acquisition and disposition of its properties and the conduct of its business. Without limiting the generality of the foregoing, the Loan Parties and each Subsidiary shall be in compliance in all material respects with applicable legal requirements of the Anti-Corruption Laws, Anti-Terrorism Laws, the USA Patriot Act, and the Bank Secrecy Act. Each Loan Party and each Subsidiary shall conduct its businesses in material compliance with the United States Foreign Corrupt Practices Act of 1977.

SECTION 13. *Inspection Rights.* Each of the Borrowers and each of the other Loan Parties and their Subsidiaries (other than any Designated Real Estate Subsidiary) shall permit representatives and independent contractors of the Administrative Agent to visit and inspect any of its properties, to perform audits of the Floor Plan Units, 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, all at such reasonable times during normal business hours and as often as may be reasonably desired (which inventory and Collateral inspections are expected to be conducted not less than six (6) times per Fiscal Year), upon reasonable advance notice to the Loan

Parties; provided, however, that when a continuing Default or Event of Default exists the Administrative Agent (or any of its representatives or independent contractors) may do any of the foregoing at the expense of the Loan Parties at any time during normal business hours and without advance notice.

SECTION 14. *Environmental Matters.* Each of the Borrowers and each of the other Loan Parties shall comply, and shall cause its respective Subsidiaries to comply with all Environmental Laws, the non-compliance with which could reasonably be expected to result in a Material Adverse Change. The Loan Parties shall investigate any circumstances which give the Loan Parties reason to believe or suspect the Contamination of any of the Properties. The Loan Parties shall promptly perform any remediation of such Contamination required under applicable Laws.

SECTION 15. *Additional Subsidiaries*

1.15.i. *Subsidiaries.* If (i) any Subsidiary (other than an Excluded Subsidiary) is formed or acquired after the Closing Date or (ii) any Subsidiary cease to be an Excluded Subsidiary pursuant to the definition thereof, within forty-five (45) calendar days after such Subsidiary is formed or acquired or ceases to be an Excluded Subsidiary (or such longer period as the Administrative Agent may agree in its sole discretion), the Borrower Representative shall (a) unless such Subsidiary becomes a Borrower pursuant to Section 5.15.3, cause such Subsidiary to duly execute and deliver a joinder agreement to become a guarantor of the Obligations under and subject to the terms and conditions of, the Security Agreement and Guaranty Agreement (or, in the case of a Person required to or that elects to become a Borrower a Joinder Agreement) together with all schedules and information thereto appropriately completed with respect to such Subsidiary, (b) cause such Subsidiary to deliver a joinder agreement to the Security Agreement and Guaranty Agreement providing for the creation of Liens on the Collateral owned by such Subsidiary as security for the Obligations, (together with all schedules and information thereto appropriately completed with respect to such Subsidiary), (c) cause such Subsidiary to deliver a joinder agreement to the Security Agreement providing for the pledge of any Equity Interests held by such Subsidiary pursuant to the Security Agreement (except to the extent that such Equity Interests constitute Excluded Property) (together with all schedules and information thereto appropriately completed with respect to such Subsidiary), (d) deliver, or cause to be delivered, any and all certificates representing Equity Interests held by such Subsidiary, and any Equity Interest in such Subsidiary that are held by other Persons, that are (in each case) required to be delivered pursuant to the Security Documents (and accompanied, in each case, by undated stock powers or other appropriate instrument of transfer executed in blank); provided, that in respect of any CFC or CFC Holdco, Borrower Representative shall, or shall cause the applicable Loan Party to pledge 65% of the issued and outstanding voting Equity Interests and 100% of the issued and outstanding non-voting Equity Interests, or other evidence of ownership, of such CFC or CFC Holdco, as applicable, (e) take such other actions such that all of the Equity Interests (except to the extent that such Equity Interests constitute Excluded Property or are not otherwise required to be pledged or certificated pursuant to the terms of the Credit Documents) issued by any such Subsidiary shall be pledged as security for the Obligations pursuant to such Credit Documents in form and substance reasonable satisfactory to the Administrative Agent, as may be required under applicable Laws to effectuate a fully enforceable first priority pledge of such Equity Interests, (f) deliver or cause to be delivered to the Administrative Agent UCC financing statements naming such Subsidiary as "Debtor" and naming the Administrative Agent for the benefit of the Credit Parties as "Secured Party," in form and substance sufficient in the reasonable opinion of the Administrative Agent and its counsel for filing in each applicable UCC filing office in which filing is necessary to perfect the Administrative Agent's Liens in the Collateral granted by such Subsidiary under the Security Documents, and (g) deliver, or cause to be delivered an opinion of counsel reasonably satisfactory to the Administrative Agent as to customary matters in connection with the joinder of such Subsidiary to the Credit Documents.

1.15.ii. *[Reserved]*.

1.15.iii. *Joinder of Additional Borrowers.* Any Subsidiary of Pubco Guarantor (a) owning or leasing any Eligible Floor Plan Units shall be required to be a Borrower hereunder with respect to the applicable Class and (b) that is a Subsidiary and is not a Borrower in respect of any Class under this Agreement may, but shall not be required to (except as provided in clause (a) above), in its sole discretion from time to time become a Borrower hereunder with respect to a particular Class, in the case of each of clause (a) and (b), by executing and delivering to the Administrative Agent a Joinder Agreement (together

with all schedules thereto); provided that such Joinder Agreement shall specify the applicable facility under which such Subsidiary shall join this Agreement as a Borrower. Any Person that executes and delivers a Joinder Agreement shall deliver to the Administrative Agent such items as are required pursuant to Sections 4.01.1(d) and 4.01.1(k) (which such items shall be in form and substance reasonably acceptable to the Administrative Agent). Such Subsidiary shall thereafter have all of the rights, benefits and obligations of a Borrower party to this Agreement with respect to such Class

SECTION 16. *Deposit and Operating Accounts.* The Borrowers shall establish and maintain their primary deposit and operating accounts at M&T Bank.

SECTION 17. *Landlord Waivers.* Each Loan Party will (a) except as required by clause (b) below, obtain and deliver to the Administrative Agent a customary landlord or bailee access agreement with respect to each location in the United States not owned by a Loan Party where Collateral is located and (b) obtain and deliver to the Administrative Agent a customary landlord or bailee access agreement with respect to each location in the United States leased to a Loan Party by (x) a Loan Party or (y) any other Affiliate of a Loan Party under the Control of such Loan Party, in the case of clauses (a) and (b), within thirty (30) days (or such later date agreed to by the Administrative Agent) of Collateral becoming located at such location, in form and substance reasonably acceptable to the Administrative Agent.

SECTION 18. *Post-Closing Deliverables.* Notwithstanding the conditions precedent set forth in Section 4.01, the Loan Parties have informed the Administrative Agent and the Lenders that certain items required to be delivered as conditions precedent to the effectiveness of this Agreement will not be delivered as of the Closing Date. As an accommodation to the Loan Parties, the Administrative Agent and the Lenders have agreed to make the Loans available under this Agreement notwithstanding that such conditions have not been satisfied. In consideration of such accommodation, each applicable Loan Party hereby agrees to take each of the actions described on Schedule 5.18 attached hereto, in each case, in the manner and by the dates set forth thereon, or such later dates as may be agreed to by Administrative Agent.

SECTION 19. *UCC and Floor Plan Units; Repurchase Agreements.* Each Eligible Floor Plan Unit shall constitute Inventory under the applicable UCC. With respect to each Eligible Floor Plan Unit, the related Floor Plan Borrower is and shall continue to be in the business of selling Floor Plan Units, and in each jurisdiction where such Floor Plan Borrower maintains any Floor Plan Units or is "located" (for purposes of the UCC), the Lien of the Administrative Agent and the Lenders on such Floor Plan Units is and shall continue to be perfected by filing a UCC financing statement in accordance with Section 9-311(a) and (d) of the applicable UCC. To the extent requested by Administrative Agent, each Borrower agrees to use its commercially reasonable efforts to cause the Manufacturers or other suppliers of Floor Plan Units to enter into Repurchase Agreements.

SECTION 20. *Further Assurances.* Each Loan Party shall execute, acknowledge, deliver, and record or file such further instruments, including, without limitation, further security agreements, financing statements, and continuation statements, and do such further acts as may be reasonably necessary or proper to carry out more effectively the purposes of the Credit Documents, including, without limitation, (i) causing any additions, substitutions, replacements, or equipment related to the Floor Plan Units financed under the Floor Plan Facility to be covered by and subject to the Liens created in the Credit Documents to which any Floor Plan Borrower is a part and (ii) with respect to any Floor Plan Units which are, or are required to be, subject to Liens under the Credit Documents, execute, acknowledge, endorse, deliver, procure, and record or file any document or instrument, including, without limitation, any financing statement or, if an Event of Default has occurred and is continuing, any Vehicle Title Documentation, deemed advisable by the Administrative Agent to protect the Liens granted in the Security Documents against the rights or interests of third Persons.

SECTION 21. *Delivery of Floor Plan Unit Titles and Vehicle Title Documentation.*

1.21.i. In the event any Floor Plan Borrower maintains any Floor Plan Units in a jurisdiction that requires the notation of the Lien of the Administrative Agent and the Lenders on the certificate of title of such Floor Plan Units in order to establish or maintain the perfection of such Lien or upon the written request of the Administrative Agent during the continuance of a Default or Event of Default, for each Eligible Floor Plan Unit or other Floor Plan Unit which constitutes Collateral, the

Borrowers and their Subsidiaries shall promptly, (A)(i) within thirty (30) days (or such longer period as the Administrative Agent may agree in its sole discretion) send to the relevant Governmental Authority a completed title application for each such Floor Plan Unit listing the Administrative Agent as sole lienholder for the benefit of the Lenders, and (ii) deliver to the Administrative Agent a copy of such title application and (B) deliver, or cause to be delivered, within thirty (30) days (or such longer period as the Administrative Agent may agree in its sole discretion) all such original Manufacturer's Certificates and Manufacturer's and vendor's invoices and Vehicle Title Documentation being maintained by the Borrowers and their Subsidiaries at the time of such time.

1.21.ii. Each title application completed pursuant to Section 5.20.1 above shall indicate that the original certificate of title (or other evidence thereof) shall be delivered by the relevant Governmental Authority directly to the Administrative Agent. During any period that the Borrowers and their Subsidiaries are required to take action under Section 5.20.1(A)(i) and (ii), if any Borrower or Subsidiary receives a certificate of title (or other evidence thereof) to any Eligible Floor Plan Unit financed under this Agreement or any other Floor Plan Unit which constitutes Collateral listing the Administrative Agent as lienholder for the benefit of the Lenders, such Borrower or Subsidiary shall promptly deliver such certificate of title (or other evidence thereof) to the Administrative Agent.

SECTION 22. Designation of Subsidiaries. The Borrower Representative may at any time designate or re-designate (x) any Subsidiary a Designated Real Estate Subsidiary (a "Real Estate Subsidiary Designation") or (y) any Designated Real Estate Subsidiary as a Loan Party (a "Subsidiary Redesignation"); provided that immediately before and after such Real Estate Subsidiary Designation or Subsidiary Redesignation, no Default or Event of Default shall have occurred and be continuing; (ii) immediately after giving pro forma effect to such Real Estate Subsidiary Designation or Subsidiary Redesignation, (x) the Borrower Representative is in pro forma compliance with the financial covenants set forth in Sections 6.12, 6.13 and 6.14 and (y) the Line Cap exceeds the aggregate amount of Revolving Credit Exposure, (iii) no Borrower or Guarantor may be designated as a Designated Real Estate Subsidiary and no Designated Real Estate Subsidiary may own any Floor Plan Unit at any location where any Eligible Floor Plan Unit is located, (iv) no Subsidiary may be designated as a Designated Real Estate Subsidiary if it is a "Subsidiary" for any other Indebtedness, (v) as of the most recent date of designation thereof, no Designated Real Estate Subsidiary shall own any Equity Interests in any Borrower or any Guarantor or hold any Indebtedness of, or Lien on any property of any Borrower or any Guarantor, (vi) the holder of any Indebtedness of any Designated Real Estate Subsidiary shall not have any recourse to any Borrower or any Guarantor with respect to such Indebtedness and (vii) no Subsidiary may be designated as a Designated Real Estate Subsidiary if, as of the date of such designation (w) it holds any material franchise or framework agreement or other material agreement with any Manufacturer relating to any Eligible Floor Plan Unit, (x) the Consolidated Total Assets of the Subsidiary being designated, together with the Consolidated Total Assets of all other Designated Real Estate Subsidiaries of Pubco Guarantor, exceeds 25% of Consolidated Total Assets of Pubco Guarantor and its Subsidiaries (including its Designated Real Estate Subsidiaries), in each case for the Test Period most recently ended for which financial statements have been delivered pursuant to Section 4.01 or Section 5.08 or (y) it holds any Material Intellectual Property. The designation of any Subsidiary as a Designated Real Estate Subsidiary shall constitute an Investment by the applicable Loan Parties therein at the date of such designation in an amount equal to the portion of the fair market value of the net assets of such Subsidiary (and such designation shall only be permitted to the extent such Investment is permitted under Section 6.02). As of the date of any designation, the Borrower Representative shall have delivered to the Administrative Agent an officer's certificate executed by a Responsible Officer of the Borrower Representative certifying compliance with the requirements of this Section 5.22, including the calculation to demonstrate compliance with the financial covenants set forth in Sections 6.12, 6.13 and 6.14. As of the Closing Date, the Persons listed on Schedule 5.22 attached hereto are each a Designated Real Estate Subsidiary.

ARTICLE 6

NEGATIVE COVENANTS

Each Borrower agrees that until the payment and performance in full of all of the Obligations, it will not do, and it will not permit any of the other Loan Parties and any Subsidiary to do, any of the following:

Section 1.01. *Liens.* No Loan Party and no other Subsidiary shall create, incur, assume or suffer to exist any Lien upon any of its properties (real or personal) assets or revenues, whether now owned or hereafter acquired, other than Liens securing the Obligations and Permitted Encumbrances.

Section 1.02. *Investments And Loans.* No Loan Party and no other Subsidiary shall make any Investments or extend any loans or credit facilities to any Persons, except:

- (1) Investments in Cash Equivalents;
- (2) Investments by any Loan Party or any Subsidiary outstanding on the date hereof and set forth on Schedule 6.02(b);

(c) advances to its employees in the ordinary course of business for travel, entertainment, relocation and general ordinary course of business purposes;

(d) 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;

(e) acquisitions of fixed assets, equipment and Inventory in the ordinary course of business to the extent not otherwise prohibited by the terms of this Agreement;

(f) (i) any Loan Party or any Subsidiary may make intercompany loans to, and guarantees on behalf of, and other Investments in Loan Parties so long as, solely in the case of such intercompany loans by Subsidiaries that are not Loan Parties to Loan Parties, all payment obligations of the respective Loan Parties thereunder are subordinated to the Obligations on terms reasonably satisfactory to the Administrative Agent, (ii) the Loan Parties may make intercompany loans to, guarantees on behalf of, and other Investments in, Subsidiaries that are not Loan Parties so long as the aggregate amount of outstanding loans, guarantees and the aggregate amount of the other outstanding Investments made pursuant to this subclause (ii) does not exceed \$15,000,000.00 and (iii) any Subsidiary that is not a Loan Party may make intercompany loans to, and other investments in, any other Subsidiary that is also not a Loan Party;

(g) Permitted Acquisitions; and

(h) (i) Investments by any Loan Party or any Subsidiary in any Designated Real Estate Subsidiary outstanding on the date hereof and set forth on Schedule 6.02(l) and (ii) any Loan Party or any Subsidiary may make intercompany loans to, guarantees on behalf of, and other Investments in any Designated Real Estate Subsidiary to finance real property owned or to be owned by any Designated Real Estate Subsidiary; provided that the aggregate amount of such Investments shall not exceed the greater of (x) \$150,000,000.00 and (y) 15% of Consolidated EBITDA for the most recently ended Measurement Period for which financial statements have been delivered, minus, in each case, any amount that has been utilized under Section 6.03(m).

The entry of a Borrower or other Loan Party into a Swap Agreement shall not be deemed to be an Investment for purposes of this Section provided that such Borrower or other Loan Party is (or was) an Eligible Contract Participant as of the Eligibility Date and such Swap Agreement is (or was) entered into in connection with the Obligations or in the ordinary course of business for the purpose of directly mitigating risks associated with liabilities, commitments, investments, assets, or property held or reasonably anticipated by such Loan Party, or changes in the value of securities issued by such Borrower or other Loan Party, and not for purposes of speculation or taking a "market view." Notwithstanding the foregoing, in no event shall any Loan Party make any Investment which results in any Material Intellectual Property owned by such Loan Party being contributed or otherwise transferred by such Loan Party to any non-Loan Party. For purposes of determining the amount of any Investment outstanding for purposes of this Section 6.02, such amount shall be deemed to be the amount of such Investment when made, purchased or acquired (without adjustment for subsequent increases or decreases in the value of such Investment) less any amount realized in respect of such Investment upon the sale, collection or

return of capital (not to exceed the original amount invested); provided, however, that the payment or return of rental payments under lease agreements shall be deemed not to be a return of capital.

SECTION 23. *Indebtedness*. No Loan Party and no other Subsidiary shall create, incur, assume or suffer to exist any Indebtedness, except

(a) the Obligations;

(b) existing Indebtedness incurred prior to the Closing Date, outstanding on the Closing Date, and listed on Schedule 6.03 attached hereto, and any refinancings, renewals or extensions thereof; provided, that: (i) the amount of such Indebtedness is not increased at the time of such refinancing, renewal or extension except by an amount equal to fees and expenses reasonably incurred, in connection with such refinancing, (ii) the direct or any contingent obligor with respect thereto is not changed, as a result of or in connection with such refinancing, renewal or extension, (iii) the terms relating to principal amount, amortization, maturity, collateral (if any) and subordination, standstill and related terms (if any, it being understood that such Indebtedness shall be subordinated as to rights of payment and Liens on terms and conditions satisfactory to the Administrative Agent), and other material terms taken as a whole, of any such refinancing, renewing or extending Indebtedness, and of any agreement entered into and of any instrument issued in connection therewith, are no less favorable in any material respect to the Loan Parties or the Lenders than the terms of any agreement or instrument governing the Indebtedness being refinanced, refunded, renewed or extended, and (iv) the interest rate applicable to any such refinancing, renewing or extending Indebtedness does not exceed the then applicable market interest rate;

(c) obligations (contingent or otherwise) of any Loan Party existing or arising under any Swap Agreements, provided that such Borrower or other Loan Party is (or was) an Eligible Contract Participant as of the Eligibility Date and such obligations are (or were) entered into in connection with the Obligations or in the ordinary course of business for the purpose of directly mitigating risks associated with liabilities, commitments, investments, assets, or property held or reasonably anticipated by such Loan Party, or changes in the value of securities issued by such Loan Party, and not for purposes of speculation or taking a "market view,";

(d) foreign exchange hedging transactions entered into in the ordinary course of business to manage the foreign currency risks of the Loan Parties and their Subsidiaries;

(e) the dividend, interest, and redemption obligations incurred by Pubco Guarantor to the Preferred Stockholders as provided by the terms of the Amended Charter, the Securities Purchase Agreement, and the Certificate of Designations (regardless of whether the same constitutes debt in accordance with GAAP) provided, however, that no payments thereof shall be made by any Loan Party in violation of the restrictions upon any such payment set forth in this Agreement or in any other Credit Document;

(f) Indebtedness in respect of Capital Leases, Synthetic Lease Obligations and purchase money obligations for capital assets (within the limitations of Section 6.17 of this Agreement), and refinancings, renewals and extensions thereof; provided, that: (i) the total of all such Indebtedness taken together shall not exceed an aggregate principal amount of \$15,000,000.00 at any one time outstanding, (ii) such Indebtedness when incurred shall not exceed the purchase price of the asset(s) financed, and (iii) no such Indebtedness shall be refinanced for a principal amount in excess of the principal balance outstanding thereon at the time of such refinancing;

(g) loans and investments in the ordinary course of business between the Loan Parties to the extent permitted under Section 6.02;

(h) unsecured earnout obligations incurred in connection with any Permitted Acquisition to the extent constituting Indebtedness;

(i) Indebtedness which may be deemed to exist in connection with agreements providing for indemnification, purchase price adjustments or similar obligations in connection with a Dispositions permitted under Section 6.05;

(j) Guarantees by any Loan Party or any Subsidiary with respect to (i) recourse obligations resulting from endorsement of negotiable instruments for collection in the ordinary course of business and (ii) workers' compensation and similar obligations of the Loan Parties and their Subsidiaries incurred in the ordinary course of business;

(k) unsecured Indebtedness in an aggregate amount not to exceed Fifteen Million Dollars (\$15,000,000.00) at any time outstanding;

(l) [reserved]; and

(m) Indebtedness incurred to finance real property owned or to be owned by any Designated Real Estate Subsidiary; provided that (i) any such Indebtedness shall be secured only by the real property and fixtures and improvements located on the applicable real property financed in connection with the incurrence of such Indebtedness and (ii) the aggregate principal amount of Indebtedness at any time outstanding under this clause (m) owing to any Person shall not exceed the greater of (x) \$150,000,000.00 and (y) 15% of Consolidated EBITDA for the most recently ended Measurement Period for which financial statements have been delivered minus, in each case, any amount that has been utilized under Section 6.02(h)(ii).

SECTION 24. *Fundamental Changes.* No Borrower and no other Loan Party or Subsidiary of a Borrower or other Loan Party shall merge, dissolve, liquidate, amalgamate, consolidate with or into another Person, or permit the Disposition (except as permitted under Section 6.05) of all or substantially all of its assets (whether in one transaction or in a series of transactions), except that, so long as no continuing Default or Event of Default exists and no Material Adverse Change has occurred and no Default, Event of Default or Material Adverse Change would be likely to result therefrom after giving effect thereto:

(a) any Subsidiary (or any other Person) may merge, amalgamate or consolidate with (i) any Borrower; provided that a Borrower shall be the continuing or surviving Person or (ii) any one or more other Subsidiaries; provided that (A) when any Guarantor is merging with another Subsidiary that is not a Loan Party the Guarantor shall be the continuing or surviving Person or the continuing or surviving Person shall become a Guarantor, (B) to the extent constituting an Investment, such Investment must be a Permitted Investment and (C) to the extent constituting a Disposition, such Disposition must be permitted in accordance with Section 6.05;

(b) (i) any Subsidiary that is not a Loan Party may merge, amalgamate or consolidate with or into any other Subsidiary that is not a Loan Party, (ii) any Subsidiary may dissolve, if the Borrower Representative determines in good faith that such action is in the best interest of Pubco Guarantor and its Subsidiaries taken as a whole and is not disadvantageous to the Lenders in any material respect, it being understood that in the case of any liquidation or dissolution of a Subsidiary that is a Borrower or a Guarantor, such Subsidiary shall at or before the time of such dissolution transfer its assets to another Subsidiary that is a Borrower or a Guarantor unless such Disposition of assets is permitted hereunder and (iii) any Designated Real Estate Subsidiary may dispose of all or substantially all of its assets (whether in one transaction or in a series of transactions);

(c) any Loan Party (other than Pubco Guarantor) or Subsidiary may permit the Disposition of all or substantially all of its assets (upon voluntary liquidation or dissolution or otherwise) to any Loan Party or Subsidiary; provided that if the transferor in such a transaction is a Borrower or a Guarantor, then (i) the transferee must either be a Borrower or a Guarantor (or the transferee shall become a Guarantor) or (ii) to the extent constituting an Investment, such Investment must be permitted by Section 6.02; and

(d) any Loan Party (other than Pubco Guarantor) or any Subsidiary may merge, amalgamate, consolidate (and in the case of any Loan Party (other than Pubco Guarantor) or any Subsidiary, dissolve or liquidate) with or into another Person or permit the Disposition of all or substantially all of its assets in order to effect a Disposition permitted pursuant to Section 6.05; provided that a Borrower or Loan Party, as applicable shall be the continuing or surviving Person.

SECTION 25. *Dispositions*. No Borrower and no other Loan Party and no Subsidiary of a Borrower or of another Loan Party (excluding, in each case, an Designated Real Estate Subsidiary) shall make any Disposition or enter into any agreement to make any Disposition, except:

(a) Dispositions of obsolete or worn out property, whether now owned or hereafter acquired, in the ordinary course of business,

(b) Dispositions of equipment to the extent that (i) such property is exchanged for credit against the purchase price of similar replacement property or (ii) the proceeds of such Disposition are applied to the purchase price of similar replacement property,

(c) the sale of residual ownership rights in vehicles and equipment upon the termination of operating leases,

(d) Dispositions not otherwise prohibited under this Section 6.05; provided that (i) no Default or Event of Default has occurred and is continuing at the time of such Disposition, (ii) no Default, Event of Default or Material Adverse Change would result from such Disposition, and (iii) the aggregate book value of all property disposed of in reliance of this subsection in any Fiscal Year shall not exceed Five Hundred Thousand Dollars (\$500,000.00); and

(e) Sale and Leaseback Transactions; provided that (i) no Default or Event of Default has occurred and is continuing at the time of such Sale and Leaseback Transaction and (ii) no Default, Event of Default or Material Adverse Change would result from such Sale and Leaseback Transaction.

Notwithstanding the foregoing, in no event shall any Loan Party make any Disposition which results in or facilitates in any manner any Material Intellectual Property owned by such Loan Party being transferred by such Loan Party to any non-Loan Party.

SECTION 26. *Restricted Payments*. No Borrower and no Loan Party and no other Subsidiary of a Borrower or another Loan Party may declare or make directly or indirectly, any Restricted Payments, or incur any obligation (contingent or otherwise) to do so, except

(a) each Subsidiary of a Borrower may make Restricted Payments to such Borrower,

(b) LDRV may make Restricted Payments to Parent Guarantor,

(c) Parent Guarantor may make Restricted Payments to Pubco Guarantor,

(d) the Loan Parties may declare and make non-cash dividend payments or other non-cash distributions payable solely in their Capital Stock,

(e) Pubco Guarantor may incur the redemption and payment obligations to the Preferred Stockholders set forth in the Amended Charter, the Securities Purchase Agreement, and the Certificate of Designations respect to the Pubco Guarantor's Series A Preferred Stock described therein provided that no redemption of such Series A Preferred Stock, in whole or in part, or payments of the redemption price, in whole or in part, for any Capital Stock held by the Preferred Stockholders shall occur directly or indirectly, prior to the dates for redemption set forth in Sections 7(a)(i) and 7(b) of the Certificate of Designations as in effect on the date hereof and on a non-accelerated basis, and no payment of any dividends and distributions shall be paid to the Preferred Stockholders, directly or indirectly, (i) at any time during which there is a continuing Default or Event of Default, or (ii) if after giving effect to such payment, a Default or Event of Default would exist provided further, that such redemptions and payments shall not be paid more frequently than quarterly after the end of each Fiscal Quarter for which financial statements have been delivered and upon delivery of a Compliance Certificate evidencing the ability of the Loan Parties to make such Restricted Payments in full compliance with all of the terms and conditions set forth in the Agreement, including demonstrated compliance on a pro forma basis with the financial covenants set forth in Sections 6.12, 6.13 and 6.14 hereof as of the end of such Fiscal Quarter, and

(f) in the absence of any continuing Default or Events of Default and provided that after giving immediate effect thereto, no Default or Events of Default would result therefrom, each Borrower and each other Loan Party may (i) repurchase Capital Stock owned by former employees of the Loan Parties or employees which are leaving the employment of such Borrower or other Loan Parties; and (ii) make other Restricted Payments provided however, such repurchases or payments shall not be paid more frequently than quarterly after the end of each Fiscal Quarter for which financial statements have been delivered and upon delivery of a Compliance Certificate evidencing the ability of the Loan Parties to make such Restricted Payments in full compliance with all of the terms and conditions set forth in this Agreement, including demonstrated compliance on a pro forma basis with the financial covenants set forth in Sections 6.12, 6.13 and 6.14 hereof as the end of such Fiscal Quarter.

Notwithstanding anything to the contrary in this Agreement, in no event shall any Loan Party make any Restricted Payment consisting of any Material Intellectual Property.

SECTION 27. *Change in Nature Of Business.* No Loan Party and no other Subsidiary shall engage in any material line of business substantially different from (a) those lines of business conducted by it on the Closing Date or (b) any business substantially related or incidental to the lines of business conducted by it on the Closing Date. No Designated Real Estate Subsidiary shall own any material assets other than real property, and buildings, fixtures and improvements located thereon, to be leased to, or developed for the purpose of leasing to, Loan Parties, and cash incidental and assets incidental thereto.

SECTION 28. *Transactions With Affiliates.* No Loan Party and no other Subsidiary shall enter into any transaction of any kind with any Affiliate (other than with its wholly-owned Subsidiaries), whether or not in the ordinary course of business, other than on fair and reasonable terms substantially as favorable as would be obtainable at the time in a comparable arm's length transaction with a Person other than an Affiliate.

SECTION 29. *Burdensome Agreements; Negative Pledges.* No Loan Party and no other Subsidiary (except any Designated Real Estate Subsidiary) shall enter into or grant any negative pledges or agreements restricting its ability to pledge its assets or to grant Liens against its assets, except as otherwise expressly provided for in the Credit Documents and except to the extent that any Capital Lease of any of the Loan Parties prohibits the granting of Liens against the equipment that is being leased or financed, as applicable, pursuant to such Capital Lease. No Loan Party and no other Subsidiary (except any Designated Real Estate Subsidiary) shall enter into any contractual obligation that limits the ability of such Subsidiary: (a) to make Restricted Payments to such Borrower or any other Loan Party or to otherwise transfer property to such Borrower or Loan Party, or (b) to guarantee the Obligations.

SECTION 10. *Use Of Proceeds.* No Loan Party and no other Subsidiary shall use the proceeds of any Loan, whether directly or indirectly, and whether immediately, incidentally or ultimately, to purchase or carry "margin stock" (within the meaning of Regulation U of the Federal Reserve Board) or to extend credit to others for the purpose of purchasing or carrying margin stock or to refund Indebtedness originally incurred for such purpose, in each case, in violation of the regulations of the Board of Governors of the Federal Reserve System of the United States including Regulation T, U or X.

SECTION 11. *Tax Consolidation.* No Borrower shall file or consent to or permit the filing of any consolidated income tax return on behalf of it with any Person (other than a consolidated return of Pubco Guarantor and its Subsidiaries). No Borrower shall enter into any agreements with any Person which would cause such Borrower to bear more than the amount of taxes to which it would have been subject had it separately filed (or filed as part of a consolidated return among Pubco Guarantor and its Subsidiaries).

SECTION 12. *Maximum Total Net Leverage Ratio.* The Borrowers shall not permit as of the end of each Measurement Period after the First Amendment Effective Date beginning with the Fiscal Quarter ending September 30, 2024 the Total Net Leverage Ratio to exceed a ratio of 3.00 to 1.00, as measured on the last day of each Measurement Period and calculated on a pro forma basis, beginning with the Measurement Period ending March 31, 2023 the Total Net Leverage Ratio set forth below for the corresponding Fiscal Quarter:

<u>Fiscal Quarter Ending</u>	<u>Total Net Leverage Ratio</u>
<u>September 30, 2024</u>	<u>4.75 to 1.00</u>
<u>December 31, 2024 and each Fiscal Quarter thereafter</u>	<u>3.00 to 1.00</u>

SECTION 13. *Minimum Consolidated Fixed Charge Coverage Ratio.* The Borrowers shall not permit, measured as of the end of each Measurement Period after the First Amendment Effective Date beginning with the Fiscal Quarter ending September 30, 2024, the Consolidated Fixed Charge Coverage Ratio to be less than ~~ratio of 1.25 to 1.00 as measured on the last day of each Measurement Period and calculated on a pro forma basis, beginning with the Measurement Period ending March 31, 2023.~~ the Consolidated Fixed Charge Coverage Ratio set forth below for the corresponding Fiscal Quarter:

<u>Fiscal Quarter Ending</u>	<u>Consolidated Fixed Charge Coverage Ratio</u>
<u>September 30, 2024</u>	<u>1.15 to 1.00</u>
<u>December 31, 2024 and each Fiscal Quarter thereafter</u>	<u>1.25 to 1.00</u>

SECTION 14. *Minimum Consolidated Current Ratio.* The Borrowers shall not permit, measured as of the end of each of each Measurement Period, the Consolidated Current Ratio to be less than ~~1.15 to 1.00 as measured on the last day of each Measurement Period, beginning with the Measurement Period ending March 31, 2023.~~ the Consolidated Current Ratio set forth below for the corresponding Fiscal Quarter:

<u>Fiscal Quarter Ending</u>	<u>Consolidated Current Ratio</u>
<u>March 31, 2024</u>	<u>1.05 to 1.00</u>
<u>June 30, 2024</u>	<u>1.10 to 1.00</u>
<u>September 30, 2024 and each Fiscal Quarter thereafter</u>	<u>1.15 to 1.00</u>

SECTION 15. *Anti-Money Laundering/International Trade Law Compliance* No Borrower will request any Loan, and no Borrower shall use, and shall ensure that none of its Subsidiaries or its or their respective directors, officers, employees and agents shall use, the proceeds of any Loan, directly or knowingly indirectly, (i) in furtherance of an offer, payment, promise to pay, or authorization of the payment or giving of money, or anything else of value, to any Person in violation of any Anti-Corruption Laws, (ii) for the purpose of funding, financing or facilitating any activities, business or transaction of or with any Sanctioned Person, or in any Sanctioned Country, in each case, in violation of applicable Sanctions, or (iii) in any manner that would result in the violation of any Sanctions applicable to any party hereto.

SECTION 16. *Amendments to Amended Charter, Securities Purchase Agreement, or Certificate of Designations.* There shall be no amendments to Section 7 (*Redemption*) of the Certificate of Designations, nor shall there be any other amendments to the Amended Charter, the Securities Purchase Agreement or the Certificate of Designations, the effect of which would (a) accelerate the period during which the redemption options in respect of Series A Preferred Stock may be exercised (which period shall commence no earlier than the respective dates for redemption set forth in Sections 7(a)(i) and 7(b) of the Certificate of Designations as in effect on the date hereof and on a non-accelerated basis, or permit the cash payment of any portion of a redemption prior to such dates, (b) change the amount or method of calculation of the redemption price or any other payment on account of any redemption of the Series A Preferred Stock, (c) change the terms and amounts of payments of dividends and distributions to Preferred

Stockholders thereunder, or (d) expand the consent rights of any or all of the Preferred Stockholders to amendments or refinancing of the Credit Documents or Obligations. There shall be no amendments, modifications, consents or waivers to the Coliseum Agreement without the prior written consent of the Administrative Agent, such consent not to be unreasonably withheld.

SECTION 17. Capital Expenditures. No Loan Party and no other Subsidiary (except any Designated Real Estate Subsidiary) shall make or become legally obligated to make any expenditure in respect of the purchase or other acquisition of any fixed or capital asset (excluding normal replacements and maintenance which are properly charged to current operations), except for Capital Expenditures in the ordinary course of business not exceeding, in the aggregate for the Loan Parties and their Subsidiaries during a given Fiscal Year, an amount equal to twenty-five percent (25%) of Consolidated EBITDA for such Fiscal Year.

SECTION 18. Minimum Consolidated EBITDA. The Borrowers shall not permit, measured as of the end of each of each Measurement Period, Consolidated EBITDA to be less than Consolidated EBITDA set forth below for the corresponding Fiscal Quarter:

<u>Fiscal Quarter Ending</u>	<u>Consolidated EBITDA</u>
<u>March 31, 2024</u>	<u>\$5,000,000</u>
<u>June 30, 2024</u>	<u>\$10,000,000</u>
<u>September 30, 2024</u>	<u>\$23,500,000</u>

SECTION 19. Minimum Liquidity . The Borrowers shall not permit, as of the end of each of each calendar month, Liquidity to be less than Liquidity set forth below for the corresponding month:

<u>Month Ending</u>	<u>Liquidity</u>
<u>March 31, 2024</u>	<u>\$30,000,000</u>
<u>April 30, 2024</u>	<u>\$33,333,333</u>
<u>May 31, 2024</u>	<u>\$36,666,666</u>
<u>June 30, 2024</u>	<u>\$40,000,000</u>
<u>July 31, 2024</u>	<u>\$43,333,333</u>
<u>August 31, 2024</u>	<u>\$46,666,666</u>
<u>September 30, 2024</u>	<u>\$50,000,000</u>
<u>October 31, 2024</u>	<u>\$50,000,000</u>
<u>November 30, 2024</u>	<u>\$50,000,000</u>

SECTION 20. Ratio Adjustment Period . Notwithstanding anything to the contrary set forth herein, prior to the end of the Ratio Adjustment Period no Loan Party and no other Subsidiary shall:

- (a) Make any (i) Investments or extend any loans or extend any loans or credit facilities except those permitted pursuant to Section 6.02(a)-(f)(i) or (ii) make or become legally obligated to make any expenditure in respect of the purchase or other acquisition of any fixed or capital asset; provided, however, that (x) to the extent that at least \$15,000,000 of Net Available Proceeds are received by the Loan Parties during the Ratio Adjustment Period related to Sale and Leaseback Transactions, then up to \$10,000,000 for Investments in acquisitions shall be permitted and (y) from the First Amendment Effective Date and during the Ratio Adjustment Period, up to \$2,000,000 for Capital Expenditures in the ordinary course of business (or such higher amount as permitted by the Required Lenders shall be permitted.
- (b) Make any Dispositions except those permitted pursuant to Section 6.05(a) and (c) or if the Net Available Proceeds for such Disposition are reinvested in the Loan Parties (except to the extent otherwise permitted by the proviso set forth in Section 6.20(a)(ii) regarding Capital Expenditures).

[\(c\) Make any Restricted Payment except those permitted pursuant to Sections 6.06\(a\)-\(d\).](#)

ARTICLE 7
EVENTS OF DEFAULT

The occurrence of any of the following events or conditions shall constitute an Event of Default.

SECTION 1. *Failure To Pay.* The failure or refusal of any Loan Party to pay (a) all or any amount or installment of principal due upon the Loans or upon any L/C Obligation (whether scheduled, by acceleration, or as otherwise required by the terms of the Credit Documents), or (b) any interest or fees upon any Loan or L/C Obligation within three (3) Business Days after the due date thereof, or (c) any other amount payable hereunder or under any Credit Document within five (5) Business Days after the due date thereof.

SECTION 2. *Violation Of Covenants.* The failure or refusal of any Loan Party to (a) perform, observe, and comply with any covenant, agreement, or condition contained in Sections 5.04, 5.06, 5.08, 5.09.9, 5.09.11, 5.09.12, 5.09.13 (or any other Sections requiring the giving of notice by any Loan Party to the Administrative Agent for the benefit of any Credit Party), 5.10, 5.13 and 5.14 or in Article 6 (Negative Covenants) of this Agreement, (b) perform, observe, and comply with any covenant, agreement, or condition contained in Sections 5.09.2, 5.09.3, 5.09.5 or 5.09.14, and such failure or refusal continues for a period of five (5) consecutive calendar days, (c) timely perform, observe and comply with any other covenant, agreement, or condition contained in this Agreement (not specified above in Section 7.01, 7.02(a) or 7.02(b)), and such failure or refusal continues for a period of thirty (30) consecutive calendar days, or (d) timely perform, observe, or comply with any covenant, agreement or condition contained in any other Credit Document, after expiration of any cure period set forth therein.

SECTION 3. *Representation Or Warranty.* Any representation or warranty made by the Borrowers or by any other Loan Party herein or in any Credit Document, any Collateral Information Certificate, or in any Compliance Certificate or other document or instrument delivered from time to time to the Administrative Agent for the benefit of any of the Credit Parties shall be false, incorrect, or misleading in any material respect when made or deemed made (or in the case of any representation or warranty that is qualified by materiality or Material Adverse Change, shall be false, incorrect or misleading in any respect when made or deemed made).

SECTION 4. *Cross-Default.* (a) Any Borrower or any other Loan Party or any of their Subsidiaries (i) fails to make any payment when due (whether by scheduled maturity, required prepayment, acceleration, demand, or otherwise) in respect of any Indebtedness or guarantee (other than Indebtedness hereunder) having an aggregate principal amount (including undrawn committed or available amounts and including amounts owing to all creditors under any combined or syndicated credit arrangement) of more than the Threshold Amount, (ii) fails to observe or perform any other agreement or condition relating to any such Indebtedness or guarantee or contained in any instrument or agreement evidencing, securing or relating thereto, or any other event occurs, the effect of which default or other event is to cause, or to permit the holder or holders of such Indebtedness or the beneficiary or beneficiaries of such guarantee (or a trustee or agent on behalf of such holder or holders or beneficiary or beneficiaries) to cause (without regard to any existing intercreditor arrangements), with the giving of notice if required, such Indebtedness to be demanded or to become due or to be repurchased, prepaid, defeased or redeemed (automatically or otherwise), or an offer to repurchase, prepay, defease or redeem such Indebtedness to be made, prior to its stated maturity, or such guarantee to become payable or cash collateral in respect thereof to be demanded, (iii) fails to observe or perform any covenant or agreement set forth in the Securities Purchase Agreement (including under Section 4.15 of the Securities Purchase Agreement) or the Certificate of Designations (including under Sections 5.b(vii), 5.b(viii), or 5.b(xi) thereof), or (c) there occurs a default or event of default under any Swap Agreement.

SECTION 5. *Judgments.* The Loan Parties or any of their Subsidiaries shall suffer final judgments for the payment of money aggregating for all Loan Parties in excess of the Threshold Amount in excess of available insurance proceeds and shall not discharge the same within a period of thirty (30)

days unless, pending further proceedings, execution has not been commenced or if commenced has been effectively stayed.

SECTION 6. *Levy By Judgment Creditor.* Any judgment creditor of any of the Loan Parties or any of their Subsidiaries shall obtain possession of any of the Collateral with a value in excess of the Threshold Amount by any means, including but not limited to levy, distraint, replevin or self-help, and the applicable Loan Party or Subsidiary shall not remedy same within thirty (30) days thereof; or a writ of garnishment is served on the Administrative Agent or any other Credit Party or Subsidiary relating to any of the accounts of the Borrowers or of any of the other Loan Parties or Subsidiaries maintained with the Administrative Agent or with any other Credit Party.

SECTION 7. *Involuntary Insolvency Proceedings.* The institution of involuntary Insolvency Proceedings against any Borrower, any other Loan Party or any of their Material Subsidiaries and the failure of any such Insolvency Proceedings to be dismissed before the earliest to occur of (a) the date which is sixty (60) days after the institution of such Insolvency Proceedings, (b) the entry of any order for relief in the Insolvency Proceeding or any order adjudicating any Borrower, any other Loan Party or Material Subsidiary as insolvent, or (c) the impairment (as to validity, priority or otherwise) of any Lien of the Credit Parties in any of the Collateral.

SECTION 8. *Voluntary Insolvency Proceedings.* The commencement by any Borrower, by any other Loan Party or any of their Material Subsidiaries of Insolvency Proceedings.

SECTION 9. *Attempt To Terminate Or Limit Guaranties.* The receipt by a Credit Party of notice from a Guarantor that such Guarantor is attempting to terminate or limit any portion of its obligations under a Guaranty Agreement or the Security Agreement.

SECTION 10. *ERISA.* 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 under Title IV of ERISA to the Pension Plan, Multiemployer Plan or the PBGC in an aggregate amount in excess of the Threshold Amount, or 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 in excess of the Threshold Amount.

SECTION 11. *Injunction.* The issuance of any injunction against any Borrower or against any other Loan Party which enjoins or restrains any Borrower or any other Loan Party from continuing to conduct any material part of its business affairs which continues for more than ten (10) days.

SECTION 12. *Invalidity of Credit Documents.* Any provision of any Credit Document, or any document containing a subordination or intercreditor undertaking pertaining to any Obligation, at any time after its execution and delivery and for any reason other than as expressly permitted hereunder or thereunder or satisfaction in full of all the Obligations, ceases to be in full force and effect; or any Loan Party contests in any manner the validity or enforceability of any provision of any Credit Document or such other document; or any Loan Party denies that it has any or further liability or obligation under any provision of any Credit Document or such other document, or purports to revoke, terminate or rescind any provision of any Credit Document.

SECTION 13. *Invalidity of Security Documents.* Any Security Document after delivery thereof pursuant to Sections 4.01 or 5.15 shall for any reason (other than pursuant to the terms thereof) cease to create a valid and perfected first priority Lien (subject to Permitted Encumbrances) on the Collateral purported to be covered thereby.

SECTION 14. *Licenses and Agreements.* Any agreement between any Manufacturer and a Loan Party is revoked, terminated or suspended and, a replacement for same is not entered into within 30 days of such termination, revocation or suspension, or any license, consent, or approval which is material to the conduct of the business of any Loan Party is revoked, terminated or suspended.

SECTION 15. *Change In Control.* The occurrence of any Change in Control.

**ARTICLE 8
RIGHTS AND REMEDIES OF CREDIT PARTIES
ON THE OCCURRENCE OF AN EVENT OF DEFAULT**

Upon the occurrence of an Event of Default and during the continuance thereof:

Section 1.01. *Credit Parties' Specific Rights And Remedies.* In addition to all other rights and remedies provided by applicable Laws and the terms of the Credit Documents, upon the occurrence and during the continuance of any Event of Default, the Administrative Agent may, on behalf of the Lenders and shall, at the direction of the Required Lenders (a) declare the Commitments of each Lender to advance proceeds of the Loans and any obligation of the Issuing Bank to issue any Letters of Credit to be terminated, (b) accelerate and call immediately due and payable all or any part of the Obligations, (c) require the Loan Parties to Cash Collateralize the L/C Obligations and the M&T Advances, (d) seek specific performance or injunctive relief to enforce performance of the undertakings, duties, and agreements provided in the Credit Documents, whether or not a remedy at Law exists or is adequate, (e) exercise any rights of a secured creditor under applicable Laws against the Collateral, including (i) the right to take possession of the Collateral without the use of judicial process or hearing of any kind (ii) the right to require the Loan Parties to assemble the Collateral at such place as the Administrative Agent may specify, and (iii) the right to sell the Collateral, in whole or in part, at either private or public sale, and (f) seek the appointment of a receiver for any or all of the Loan Parties and/or the assets of any or all of the Loan Parties. For the avoidance of doubt, the availability and exercise of default remedies and rights under any Swap Agreements shall be governed by the default provisions of such Swap Agreement.

Section 1.02. *Automatic Acceleration.* Upon the occurrence and during the continuance of an Event of Default as described in Sections 7.07 or 7.08 of this Agreement, the Commitments shall automatically terminate, the Obligations shall be automatically accelerated and due and payable without any notice, demand or action of any type on the part of the Credit Parties, the obligations of the Issuing Bank to issue Letters of Credit shall be automatically terminated, and the Loan Parties shall be automatically required to Cash Collateralize the L/C Obligations and M&T Advances.

Section 1.03. *Consent To Appointment Of Receiver.* Each Borrower irrevocably consents to the appointment of a receiver upon the request of the Administrative Agent during any continuing Event of Default for it and for any or all of its business affairs, business operations, and assets, which receiver shall be authorized and deemed empowered to have and exercise the broadest powers permitted or available under applicable Laws to operate, manage, conserve, liquidate and sell any or all of its assets; provided, however, that such receiver shall have no authority without the prior written consent of the Required Lenders to release, discharge or otherwise negate any Liens securing the Obligations or to sell any assets of the Borrowers free and clear of any Liens securing the Obligations.

Section 1.04. *Remedies Cumulative.* The rights and remedies provided in this Agreement and in the other Credit Documents or otherwise under applicable Laws shall be cumulative and the exercise of any particular right or remedy shall not preclude the exercise of any other rights or remedies in addition to, or as an alternative of, such right or remedy.

Section 1.05. *Application Of Funds.* After the exercise of remedies (or after the Loans have automatically become immediately due and payable and the L/C Obligations have automatically been required to be Cash Collateralized), any amounts received on account of the Obligations shall be applied by the Administrative Agent in the following order:

1.05.i First, to the payment of that portion of the Obligations constituting fees, indemnities, expenses, reimbursements, and other amounts (including Credit Party Expenses) payable to the Administrative Agent and to that part of the Obligations owed to any of the Credit Parties or to Affiliates of any of the Credit Parties for Bank Products, as described in item (d) in the definition of Obligations.

1.05.ii.Second, to the payment of that portion of the Obligations constituting fees, indemnities and other amounts (other than principal, interest and Letter of Credit Fees) payable to the Lenders and the Issuing Bank (including Credit Party Expenses), ratably among the Lenders and the Issuing Bank.

1.05.iii.Third, to the payment of that portion of the Obligations constituting Letter of Credit Fees, accrued and unpaid interest on the Loans and Reimbursement Obligations and on other Obligations, ratably among the Lenders and the Issuing Bank in proportion to the respective amounts described in this clause Third payable to them.

1.05.iv.Fourth, to the payment of that portion of the Obligations constituting unpaid principal of the Loans and Reimbursement Obligations and payment of Cash Collateralization of any obligations under any Swap Agreements, ratably among the Lenders and the Issuing Bank and the respective Swap Providers in proportion to the respective amounts described in this clause Fourth held by them.

1.05.v.Fifth, to the Administrative Agent for the account of the Issuing Bank, to Cash Collateralize that portion of the L/C Obligations comprised of the aggregate undrawn amount of Letters of Credit.

1.05.vi.Last, the balance, if any, after all of the Obligations have been indefeasibly paid in full, to the Borrowers or as otherwise required by applicable Laws.

Amounts used to Cash Collateralize either the Swap Agreements pursuant to clause Fourth above, or the aggregate undrawn amount of Letters of Credit pursuant to clause Fifth above shall be applied to satisfy drawings under such Letters of Credit and payment obligations under the Swap Agreements as they occur. If any amounts remain on deposit as Cash Collateral after all Letters of Credit have been fully drawn or have expired and all Swap Agreements have been terminated, such remaining amount shall be applied to other Obligations, if any, in the order set forth above.

Section 1.06. *Cash Collateral Account.*

1.06.i. As collateral security for the prompt payment in full when due of all M&T Advances and the other Obligations, the Borrowers hereby pledge and grant to the Administrative Agent, for the ratable benefit of the Administrative Agent, the Issuing Bank and the Lenders as provided herein, a security interest in all of its right, title and interest in and to the Cash Collateral Account and the balances from time to time in the Cash Collateral Account (including the investments and reinvestments therein provided for below). The balances from time to time in the Cash Collateral Account shall not constitute payment of any M&T Advances until applied by the Administrative Agent as provided herein or the L/C Obligations until applied by the Issuing Bank as provided herein. Anything in this Agreement to the contrary notwithstanding, funds held in the Cash Collateral Account shall be subject to withdrawal only as provided in this Section.

1.06.ii. Amounts on deposit in the Cash Collateral Account shall be invested and reinvested by the Administrative Agent in such Cash Equivalents as the Administrative Agent shall determine in its sole discretion. All such investments and reinvestments shall be held in the name of and be under the sole dominion and control of the Administrative Agent for the ratable benefit of the Administrative Agent, the Issuing Bank and the Lenders; provided, that all earnings on such investments will be credited to and retained in the Cash Collateral Account. The Administrative Agent shall exercise reasonable care in the custody and preservation of any funds held in the Cash Collateral Account and shall be deemed to have exercised such care if such funds are accorded treatment substantially equivalent to that which the Administrative Agent accords other funds deposited with the Administrative Agent, it being understood that the Administrative Agent shall not have any responsibility for taking any necessary steps to preserve rights against any parties with respect to any funds held in the Cash Collateral Account.

1.06.iii. If an Event of Default exists at the time that a drawing pursuant to any Letter of Credit occurs on or prior to the expiration date of such Letter of Credit, the Borrowers and the Lenders authorize the Administrative Agent to use the monies deposited in the Cash Collateral Account for the

purposes of Cash Collateralizing Letters of Credit to reimburse the Issuing Bank for the payment made by the Issuing Bank to the beneficiary with respect to such drawing.

1.06.iv.If an Event of Default exists, the Administrative Agent may (and, if instructed by the Required Lenders, shall) in its (or their) discretion at any time and from time to time elect to liquidate any such investments and reinvestments and apply the proceeds thereof to the Obligations in accordance with Section 8.05. Notwithstanding the foregoing, the Administrative Agent shall not be required to liquidate and release any such amounts if such liquidation or release would result in the amount available in the Cash Collateral Account to be less than the Stated Amount of all Letters of Credit and M&T Advances that remain outstanding.

1.06.v.The Borrowers shall pay to the Administrative Agent from time to time such fees as the Administrative Agent normally charges for similar services in connection with the Administrative Agent's administration of the Cash Collateral Account and investments and reinvestments of funds therein.

1.06.vi.The rights and remedies provided in this Agreement and in the other Credit Documents or otherwise under applicable Laws shall be cumulative and the exercise of any particular right or remedy shall not preclude the exercise of any other rights or remedies in addition to, or as an alternative of, such right or remedy.

ARTICLE 9 THE ADMINISTRATIVE AGENT

Section 1.01. *Appointment.* Each of the Lenders and the Issuing Bank hereby irrevocably designates and appoints M&T Bank as Administrative Agent under this Agreement and the other Credit Documents and each Lender and the Issuing Bank authorizes M&T Bank as its respective Administrative Agent to take such action on its behalf under the provisions of this Agreement and the other Credit Documents and to exercise such powers and perform such duties as are expressly delegated to the Administrative Agent by the terms of this Agreement and such other Credit Documents, together with such other powers as are reasonably incidental thereto. The provisions of this Article 9 are solely for the benefit of the Credit Parties and no Loan Party shall have any rights as a third party beneficiary of any of such provisions. It is understood and agreed that the use of the term "agent" herein or in any other Credit Document (or any other similar term) with reference to the Administrative Agent is not intended to connote any fiduciary or other implied (or express) obligations arising under agency doctrine of any applicable Laws. Instead, such term is used as a matter of market custom, and is intended to create or reflect only an administrative relationship between contracting parties.

Section 1.02. *Exculpatory Provisions.*

1.02.i.*No Fiduciary, Discretionary or Implied Duties.* The Administrative Agent shall not have any duties or obligations except those expressly set forth herein and in the other Credit Documents and its duties hereunder shall be administrative in nature. Without limiting the generality of the foregoing, the Administrative Agent:

(a) Shall not be subject to any fiduciary or other implied duties, regardless of whether a Default or Event of Default has occurred and is continuing;

(b) 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 Credit Documents that the Administrative Agent is required to exercise as directed in writing by the Required Lenders (or such other number or percentage of the Lenders as shall be expressly provided for herein or in the other Credit Documents), provided that the Administrative Agent shall not be required to take any action that, in its opinion or the opinion of its counsel, may expose the Administrative Agent to liability or that is contrary to any Credit Document or applicable Law, including for the avoidance of doubt any action that may be in violation of the automatic stay under any Debtor

Relief Law, or that may cause a forfeiture, modification or termination of property of a Defaulting Lender in violation of any Debtor Relief Law; and

(c) Shall not, except as expressly set forth herein and in the other Credit Documents, have any duty to disclose, and shall not be liable for the failure to disclose, any information relating to any Loan Party or any of their Affiliates that is communicated to or obtained by the Person serving as the Administrative Agent or any of its Affiliates in any capacity.

1.02.ii.*No Liability for Certain Actions.* The Administrative Agent shall not be liable for any action taken or not taken by it (a) with the consent or at the request of the Required Lenders (or such other number or percentage of the Lenders as shall be necessary, or as the Administrative Agent shall believe in good faith shall be necessary, under the circumstances as provided in Sections 8.01 and 10.01 or (b) in the absence of its own gross negligence or willful misconduct, as determined by a court of competent jurisdiction by final and non-appealable judgment.

1.02.iii.*Knowledge.* The Administrative Agent shall be deemed not to have knowledge of any Default or Event of Default or Material Adverse Change unless and until written notice describing such Default, Event of Default or Material Adverse Change is given to the Administrative Agent in writing by a Credit Party or by a Loan Party.

1.02.iv.*No Duty to Inquire.* The Administrative Agent shall not be responsible for or have any duty to ascertain or inquire into (a) any statement, warranty or representation made in or in connection with this Agreement or any other Credit Document, (b) the contents of any certificate, report or other document delivered hereunder or thereunder or in connection herewith or therewith, (c) 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 or Event of Default, (d) the validity, enforceability, effectiveness or genuineness of this Agreement, any other Credit Document or any other agreement, instrument or document or (e) the satisfaction of any condition set forth in Article 4 or elsewhere herein, other than to confirm receipt of items expressly required to be delivered to the Administrative Agent.

SECTION 16. *Reliance by Administrative Agent.* The Administrative 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 Administrative 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. In determining compliance with any condition hereunder to the making of a Loan, or the issuance, extension, renewal or increase of a Letter of Credit, that by its terms must be fulfilled to the satisfaction of a Lender or the Issuing Bank, the Administrative Agent may presume that such condition is satisfactory to such Lender or the Issuing Bank unless the Administrative Agent shall have received notice to the contrary from such Lender or the Issuing Bank prior to the making of such Loan or the issuance of such Letter of Credit. The Administrative Agent may consult with legal counsel (who may be counsel for the Borrower), 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 17. *Delegation of Duties.* The Administrative Agent may perform any and all of its duties and exercise its rights and powers hereunder or under any other Credit Document by or through any one or more sub-agents appointed by the Administrative Agent. The Administrative 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 Related Parties. The exculpatory provisions of this Article shall apply to any such sub-agent and to the Related Parties of the Administrative Agent and any such sub-agent, and shall apply to their respective activities in connection with the syndication of the credit facilities provided for herein as well as activities as Administrative Agent. The Administrative Agent shall not be responsible for the negligence or misconduct of any sub-agents except to the extent that a court of competent jurisdiction determines in a final and non-appealable judgment that the Administrative Agent acted with gross negligence or willful misconduct in the selection of such sub-agents.

SECTION 18. *Resignation of Administrative Agent.* The Administrative Agent may at any time give notice of its resignation to the Credit Parties and to the Borrowers. Upon receipt of any such notice of resignation, the Required Lenders shall have the right, in consultation with the Borrowers, to appoint a successor, which shall be a bank with an office in the United States, or an Affiliate of any such bank with an office in the United States. If no such successor shall have been so appointed by the Required Lenders and shall have accepted such appointment within thirty (30) days after the retiring Administrative Agent gives notice of its resignation (or such earlier day as shall be agreed by the Required Lenders (the "Resignation Effective Date")), then the retiring Administrative Agent may (but shall not be obligated to) on behalf of the Lenders and the Issuing Bank, appoint a successor Administrative Agent meeting the qualifications set forth above; provided that in no event shall any successor Administrative Agent be a Defaulting Lender. Whether or not a successor has been appointed, such resignation shall become effective in accordance with such notice on the Resignation Effective Date. With effect from the Resignation Effective Date, (a) the retiring Administrative Agent shall be discharged from its duties and obligations hereunder and under the other Credit Documents (except that in the case of any collateral security held by the Administrative Agent on behalf of the Lenders or the Issuing Bank under any of the Credit Documents, the retiring Administrative Agent shall continue to hold such collateral security until such time as a successor Administrative Agent is appointed) and (b) except for any indemnity payments owed to the retiring Administrative Agent, all payments, communications and determinations provided to be made by, to or through the Administrative Agent shall instead be made by or to each Lender and the Issuing Bank directly, until such time, if any, as the Required Lenders appoint a successor Administrative Agent as provided for above. Upon the acceptance of a successor's appointment as Administrative Agent hereunder, such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the retiring Administrative Agent (other than any rights to indemnity payments owed to the retiring Administrative Agent), and the retiring Administrative Agent shall be discharged from all of its duties and obligations hereunder or under the other Credit 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 and under the other Credit Documents, the provisions of this Article and the provisions of Section 10.08 of this Agreement shall continue in effect for the benefit of such retiring Administrative Agent, its sub-agents and their respective Related Parties in respect of any actions taken or omitted to be taken by any of them while the retiring Administrative Agent was acting as Administrative Agent.

SECTION 19. *Non-Reliance on Administrative Agent and Other Lenders* Each Lender and the Issuing Bank acknowledges that it has, independently and without reliance upon the Administrative Agent or any other Lender or any of their Related Parties and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Agreement. Each Lender and the Issuing Bank acknowledges that it will, independently and without reliance upon the Administrative Agent or any other Lender or any of their Related Parties 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 Credit Document or any related agreement or any document furnished hereunder or thereunder.

SECTION 20. *Administrative Agent May Hold Collateral For Lenders and Others.* The Lenders and the Loan Parties acknowledge that any Security Documents relating to the Loans, the Obligations, or the Collateral, including all of such documents filed in the public records in order to evidence or perfect the Lien granted in the Credit Documents, may name only the Administrative Agent, as agent for the Lenders as the secured party, mortgagee, beneficiary, or as lienholder. The Lenders and the Loan Parties authorize the Administrative Agent to hold any or all of the Liens in and to the Collateral as the agent for the benefit of the Credit Parties: M&T Bank, the Swap Providers, or any of their respective Affiliates, as applicable under this Agreement. Such Swap Providers and Affiliates which are party hereto, by their acceptance of the benefits of this Agreement and/or any other Security Documents or Credit Documents, also hereby authorize the Administrative Agent to hold the Liens in and to the Collateral as their administrative agent.

SECTION 21. *The Administrative Agent In Its Individual Capacity.* The Person serving as the Administrative Agent hereunder shall have the same rights and powers in its capacity as a Lender as any other Lender and may exercise the same as though it were not the Administrative Agent and the term "Lender" or "Lenders" shall, unless otherwise expressly indicated or unless the context otherwise

requires, including the Person serving as the Administrative Agent hereunder in its individual capacity. Such Person and its Affiliates may accept deposits from, lend money to, own securities of, act as the financial advisor or in any other advisory capacity for and generally engage in any kind of business with any Loan Party or any Subsidiary or other Affiliate thereof as if such Person were not the Administrative Agent hereunder and without any duty to account therefor to the Lenders. The Issuing Bank and the Lenders acknowledge that, pursuant to such activities, the Lender acting as Administrative Agent or its Affiliates may receive information regarding the Borrowers, other Loan Parties, other Subsidiaries and other Affiliates (including information that may be subject to confidentiality obligations in favor of such Person) and acknowledge that the Administrative Agent shall be under no obligation to provide such information to them.

SECTION 22. *Administrative Agent May File Proofs of Claim.* In case of the pendency of any proceeding under any Debtor Relief Law or any 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 Borrower) 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, the Issuing Bank and the Administrative Agent (including any claim for the reasonable compensation, expenses, disbursements and advances of the Lenders, the Issuing Bank and the Administrative Agent and their respective agents and counsel and all other amounts due the Lenders, the Issuing Bank and the Administrative Agent under Sections 2.01.15, 2.03.5, 2.05.9, 2.15 and 10.08) 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 and the Issuing Bank 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 and the Issuing Bank, to pay to the Administrative Agent any amount due for the reasonable compensation, expenses, disbursements and advances of the Administrative Agent and its agents and counsel, and any other amounts due the Administrative Agent under Sections 2.01.15, 2.03.5, 2.05.9, 2.15 and 10.08. Nothing contained herein shall be deemed to (a) permit the Administrative Agent to authorize or consent to or accept or adopt on behalf of any Lender or the Issuing Bank any plan of reorganization, arrangement, adjustment or composition affecting the Obligation or the rights of any Lender or the Issuing Bank, (b) authorize the Administrative Agent to vote in respect of the claim of any Lender or the Issuing Bank in any such proceeding, or (c) credit bid any Obligation held by any Lender or the Issuing Bank in any such proceeding, without the prior consent of such Lender or the Issuing Bank as applicable.

SECTION 10. *Collateral and Guaranty Matters.* The Lenders and the Issuing Bank irrevocably authorize the Administrative Agent, at its option and in its discretion, (a) to release any Lien on any property granted to or held by the Administrative Agent under any Credit Document (i) upon the final termination of all of the Commitments and payment in full of all Obligations (other than contingent indemnification obligations) and the expiration or termination of all Letters of Credit (other than Letters of Credit as to which other arrangements satisfactory to the Administrative Agent and the Issuing Bank shall have been made), (ii) that is sold or to be sold as part of or in connection with any sale permitted hereunder or under any other Credit Document, (iii) subject to Section 10.01, if approved, authorized or ratified in writing by the Required Lenders or (iv) that becomes Excluded Property or becomes the property of any Designated Real Estate Subsidiary; (b) to subordinate any Lien on any property granted to or held by the Administrative Agent under any Credit Document to the holder of any Lien on such property that is permitted under clause (h) of the definition of Permitted Encumbrance; and (c) to release any Guarantor from its obligations under the Guaranty Agreement if such Person becomes an Excluded Subsidiary or ceases to be a Subsidiary as a result of a transaction permitted hereunder. Upon request by the Administrative Agent at any time, the Required Lenders 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 Agreement pursuant to this Section 9.10. The Administrative Agent shall not be responsible for or have a duty to ascertain or inquire into any representation or warranty regarding the existence, value or collectability of the Collateral, the existence, priority or perfection of the Administrative Agent's Lien thereon, or any certificate prepared by any Loan

Party in connection therewith, nor shall the Administrative Agent be responsible or liable to the Lenders for any failure to monitor or maintain any portion of the Collateral.

SECTION 11. *No Reliance on Administrative Agent's Customer Identification Program* Each Lender acknowledges and agrees that neither such Lender nor any of its Affiliates, participants or assignees, may rely on the Administrative Agent to carry out such Lender's, Affiliate's, participant's or assignee's customer identification program, or other obligations required or imposed under or pursuant to the USA Patriot Act or the regulations thereunder, including the regulations contained in 31 CFR 103.121 (as hereafter amended or replaced, the "CIP Regulations"), or any other Anti-Terrorism Law, including any programs involving any of the following items relating to or in connection with any Loan Party, its Affiliates or its agents, this Agreement, any other Credit Documents or the transactions hereunder or contemplated hereby: (a) any identity verification procedures, (b) any record-keeping, (c) comparisons with government lists, (d) customer notices or (e) other procedures required under the CIP Regulations or such other laws.

SECTION 12. *No Other Duties, Etc.* Notwithstanding anything to the contrary herein, none of the Bookrunners, Arrangers listed on the cover page of this Agreement shall have any powers, duties or responsibilities under this Agreement or any of the other Credit Documents, except in the capacity, as applicable, as the Administrative Agent, a Lender, the Issuing Bank or the Swingline Lender.

SECTION 13. *Erroneous Payments.*

(a) If the Administrative Agent notifies a Lender, Issuing Bank or Credit Party, or any Person who has received funds on behalf of a Lender Issuing Bank or Credit Party such Lender or Issuing Bank (any such Lender, Issuing Bank, Credit Party or other recipient, a "Payment Recipient") that the Administrative Agent has determined in its sole discretion (whether or not after receipt of any notice under immediately succeeding clause (b)) that any funds received by such Payment Recipient from the Administrative Agent or any of its Affiliates were erroneously transmitted to, or otherwise erroneously or mistakenly received by, such Payment Recipient (whether or not known to such Lender, Issuing Bank, Credit Party or other Payment Recipient on its behalf) (any such funds, whether received as a payment prepayment or repayment of principal, interest, fees, distribution or otherwise, individually and collectively, an "Erroneous Payment") and demands the return of such Erroneous Payment (or a portion thereof), such Erroneous Payment shall at all times remain the property of the Administrative Agent, and such Lender, Issuing Bank or Credit Party shall (or, with respect to any Payment Recipient who received such funds on its behalf, shall cause such Payment Recipient to) promptly, but in no event later than three (3) Business Day thereafter, return to the Administrative Agent the amount of any such Erroneous Payment (or portion thereof) as to which such a demand was made, in same day funds (in the currency so received), together with interest thereon in respect of each day from and including the date such Erroneous Payment (or portion thereof) was received by such Payment Recipient to the date such amount is repaid to the Administrative Agent in same day funds at the greater of the Federal Funds Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation from time to time in effect. A notice of the Administrative Agent to any Payment Recipient under this clause (a) shall be conclusive, absent manifest error.

(1) Without limiting immediately preceding clause (a), each Payment Recipient hereby further agrees that if it receives a payment, prepayment or repayment (whether received as a payment, prepayment or repayment of principal, interest, fees, distribution or otherwise) from the Administrative Agent (or any of its Affiliates) (x) that is in a different amount than, or on a different date from, that specified in a notice of payment, prepayment or repayment sent by the Administrative Agent (or any of its Affiliates) with respect to such payment, prepayment or repayment (a "Payment Notice"), (y) that was not preceded or accompanied by a Payment Notice, or (z) that such Payment Recipient otherwise becomes aware was transmitted, or received, in error or by mistake (in whole or in part) in each case:

(1) an error may have been made (in the case of immediately preceding clauses (x) or (y)) or an error has been made (in the case of immediately preceding clause (z)) with respect to such payment, prepayment or repayment; and

- (2) such Payment Recipient shall promptly (and, in all events, within one (1) Business Day of its knowledge of such error) notify the Administrative Agent of its receipt of such payment, prepayment or repayment, the details thereof and that it is so notifying the Administrative Agent pursuant to this Section 9.13(b).

(c) Each Lender, Issuing Bank or Credit Party hereby authorizes the Administrative Agent to set off, net and apply any and all amounts at any time owing to such Lender, Issuing Bank or Credit Party under any Credit Document, or otherwise payable or distributable by the Administrative Agent to such Lender, Issuing Bank or Credit Party from any source, against any amount due to the Administrative Agent under immediately preceding clause (a) or under the indemnification provisions of this Agreement.

- (2) In the event an Erroneous Payment (or portion thereof) is not recovered by the Administrative Agent for any reason, after demand therefor by the Administrative Agent in accordance with the immediately preceding clause (a), from any Lender or Issuing Bank that has received such Erroneous Payment (or portion thereof) (or from any Payment Recipient who received such Erroneous Payment (or portion thereof) on its respective behalf) (such unrecovered amount, an "Erroneous Payment Return Deficiency"), upon the Administrative Agent's request to such Lender or Issuing Bank at any time, (i) such Lender or Issuing Bank shall be deemed to have assigned its Loans (but not its Commitments) of the relevant Class with respect to which such Erroneous Payment was made (the "Erroneous Payment Impacted Class") in an amount equal to the Erroneous Payment Return Deficiency (such assignment of the Loans (but not Commitments) of the Erroneous Payment Impacted Class, the "Erroneous Payment Deficiency Assignment") at par plus any accrued and unpaid interest (with the assignment fee to be waived by the Administrative Agent in such instance), and is hereby (together with the Borrowers) deemed to execute and deliver an Assignment and Assumption (or, to the extent applicable, an agreement incorporating an Assignment and Assumption by reference pursuant to the Platformas to which the Administrative Agent and such parties are participants) with respect to such Erroneous Payment Deficiency Assignment, and such Lender or Issuing Bank shall deliver any Notes evidencing such Loans to the Borrower or the Administrative Agent, (ii) the Administrative Agent as the assignee Lender shall be deemed to acquire the Erroneous Payment Deficiency Assignment and (iii) upon such deemed acquisition, the Administrative Agent as the assignee Lender shall become a Lender or Issuing Bank, as applicable, hereunder with respect to such Erroneous Payment Deficiency Assignment and the assigning Lender or assigning Issuing Bank shall cease to be a Lender or Issuing Bank, as applicable, hereunder with respect to such Erroneous Payment Deficiency Assignment, excluding, for the avoidance of doubt, its obligations under the indemnification provisions of this Agreement and its applicable Commitments which shall survive as to such assigning Lender or assigning Issuing Bank. For the avoidance of doubt, no Erroneous Payment Deficiency Assignment will reduce the Commitments of any Lender or Issuing Bank and such Commitments shall remain available in accordance with the terms of this Agreement.
- (3) The parties hereto agree that an Erroneous Payment shall not pay, prepay, repay, discharge or otherwise satisfy any Obligations owed by the Borrowers or any other Loan Party, except, in each case, to the extent such Erroneous Payment is, and solely with respect to the amount of such Erroneous Payment that is, comprised of funds received (or debited from the Cash Collateral Account) by the Administrative Agent from the Borrowers or any other Loan Party for the purpose of making such Erroneous Payment.
- (4) To the extent permitted by applicable Law, no Payment Recipient shall assert any right or claim to an Erroneous Payment, and hereby waives, and is deemed to waive, any claim, counterclaim, defense or right of set-off or recoupment with respect to any demand, claim or counterclaim by the Administrative Agent for the return of any Erroneous Payment received, including without limitation waiver of any defense based on "discharge for value" or any similar doctrine.

- (5) Each party's obligations, agreements and waivers under this Section 9.13 shall survive the resignation or replacement of the Administrative Agent, any transfer of rights or obligations by, or the replacement of, a Lender or Issuing Bank, the termination of the Commitments and/or the repayment, satisfaction or discharge of all Obligations (or any portion thereof) under any Credit Document.

SECTION 14. *Indemnification of Administrative Agent.* Each Lender agrees to indemnify each of the Administrative Agent (to the extent not reimbursed by the Borrowers and without limiting the obligation of the Borrowers to do so) pro rata in accordance with such Lender's respective Pro Rata Share (determined as of the time that the applicable unreimbursed expense or indemnity payment is sought), from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits and reasonable out-of-pocket costs and expenses of any kind or nature whatsoever which may at any time be imposed on, incurred by, or asserted against the Administrative Agent in any way relating to or arising out of the Credit Documents, any transaction contemplated hereby or thereby or any action taken or omitted by the Administrative Agent under the Credit Documents (collectively, "Indemnifiable Amounts"); provided, however, that no Lender shall be liable for any portion of such Indemnifiable Amounts to the extent resulting from the Administrative Agent's gross negligence or willful misconduct as determined by a court of competent jurisdiction in a final, non-appealable judgment; provided, further, that no action taken in accordance with the directions of the Required Lenders (or all of the Lenders, if expressly required hereunder) shall be deemed to constitute gross negligence or willful misconduct for purposes of this Section. Without limiting the generality of the foregoing, each Lender agrees to reimburse the Administrative Agent (to the extent not reimbursed by the Borrowers and without limiting the obligation of the Borrowers to do so) promptly upon demand for its Pro Rata Share (determined as of the time that the applicable reimbursement is sought) of any out-of-pocket expenses (including the reasonable fees and expenses of the counsel to the Administrative Agent) incurred by the Administrative Agent in connection with the preparation, negotiation, execution, administration, or enforcement (whether through negotiations, legal proceedings, or otherwise) of, or legal advice with respect to the rights or responsibilities of the parties under, the Credit Documents, any suit or action brought by the Administrative Agent to enforce the terms of the Credit Documents and/or collect any Obligations, any "lender liability" suit or claim brought against either Agent and/or the Lenders, and any claim or suit brought against either Agent and/or the Lenders arising under any Environmental Laws. Such out-of-pocket expenses (including counsel fees) shall be advanced by the Lenders on the request of the Administrative Agent notwithstanding any claim or assertion that the Administrative Agent is not entitled to indemnification hereunder upon receipt of an undertaking by the Administrative Agent that the Administrative Agent will reimburse the Lenders if it is actually and finally determined by a court of competent jurisdiction that such Agent is not so entitled to indemnification. The agreements in this Section shall survive the payment of the Loans and all other Obligations and the termination of this Agreement. If the Borrower shall reimburse the Administrative Agent for any Indemnifiable Amount following payment by any Lender to the Administrative Agent in respect of such Indemnifiable Amount pursuant to this Section, the Administrative Agent shall share such reimbursement on a ratable basis with each Lender making any such payment.

ARTICLE 10 MISCELLANEOUS

Section 1.01. *Waivers and Amendments.* No amendment or waiver of any provision of this Agreement or any other Credit Document, and no consent to any departure by the Borrowers or by any other Loan Party therefrom, shall be effective unless in writing signed by the Required Lenders and the Borrowers or the applicable Loan Party, as the case may be, and acknowledged by the Administrative Agent, and each such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given; provided, however, that no such amendment, waiver or consent shall:

- (a) waive any condition set forth in Section 4.01.1 without the written consent of each Lender;

(b) extend or increase any Commitment of any Lender (or reinstate any Commitment terminated pursuant to Section 8.01(a)) without the written consent of such Lender;

(c) postpone any date fixed by this Agreement or any other Credit Document for any scheduled payment of principal, interest, fees or other amounts due to the Lenders (or any of them) hereunder or under any other Credit Document, extend the final Maturity Date of any Loans, or extend the date of payment for reimbursement obligations in respect of Letters of Credit, without the written consent of each Lender directly affected thereby;

(d) reduce the principal of, or the rate of interest specified herein on, any Loan or Reimbursement Obligation, or (subject to clause (v) of the second proviso to this Section 10.01) any fees (including fees related to Letters of Credit) or other amounts payable hereunder or under any other Credit Document without the written consent of each Lender directly affected thereby; provided, however, that only the consent of the Required Lenders shall be necessary to amend the definition of "Default Rate" or to waive any obligation of the Borrowers to pay interest or Letter of Credit Fees at the Default Rate;

(e) change Section 8.05 or any other provision of this Agreement in a manner that would alter the *pro rata* sharing of payments required thereby without the written consent of each Lender or add any provision to this Agreement in a manner that would alter the *pro rata* sharing of payments required hereunder as of the date hereof without the prior written consent of each Lender;

(f) (A) reduce the amount of Commitments or Loans specified in the definition of "Required Floor Plan Lenders" without the written consent of each Floor Plan Lender, (B) reduce the amount of Commitments or Loans specified in the definition of "Required Revolving Credit Lenders" or "Supermajority Lenders" without the written consent of each Revolving Credit Lender and (C) change any provision of this Section or reduce the aggregate commitment amount specified in the definition of "Required Lenders" or any other provision hereof specifying the number or percentage of Lenders required to amend, waive or otherwise modify any rights hereunder or make any determination or grant any consent hereunder, without the written consent of each Lender;

(g) amend, modify or waive Section 4.02 or any other provision of this Agreement, in each case without the written consent of each Floor Plan Lender or Revolving Credit Lenders, as applicable, if the effect of such amendment, modification or waiver is to require the Floor Plan Lenders or Revolving Credit Lenders to make Floor Plan Loans or Revolving Credit Loans, as applicable, when such Lenders would not otherwise be required to do so;

(h) release all or substantially all Collateral (other than as specifically authorized by the terms of this Agreement or any other Credit Document) without the prior written consent of each Lender;

(i) amend or otherwise modify the definition of "Pro Rata Share" or amend or otherwise modify the provisions of Section 2.08.3 or Section 9.14 or any other provision of this Agreement without the written consent of each Lender or add any provision to this Agreement in a manner that would alter the *pro rata* treatment required hereunder as of the date hereof without the prior written consent of each Lender;

(j) modify the definition of the term "Borrowing Base" (or any component definition thereof as used therein to determine eligibility under the Borrowing Base) including any advance rates set forth therein, in the case of each of the foregoing, if such modification would increase the amount available to be borrowed (or the amount available for Letters of Credit) under the Credit Documents without the written consent of the Supermajority Lenders; provided that the foregoing shall not limit the discretion of the Administrative Agent to change, establish or eliminate any Reserves, to modify any eligibility standards pursuant to Section 2.21 or to exercise its Permitted Discretion without the consent of any other Credit Party; or

(k) subordinate the Liens on the Collateral securing any of the Obligations or subordinate the right of payment of the Obligations (in each case, as such definition were in effect on the Closing Date) in each case without the written consent of each Lender;

provided further, that (i) no amendment, waiver or consent shall, unless in writing and signed by the Issuing Bank in addition to the Lenders required above, affect the rights or duties of the Issuing Bank under this Agreement or any L/C Document 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 Swingline Lender in addition to the Lenders required above, affect the rights or duties of the Swingline Lender under this Agreement; (iii) no amendment, waiver or consent shall amend or modify any Swap Agreements or otherwise affect the rights or duties of any Swap Providers (and no Lender or Required Lender consent or approval shall be required or permitted with respect to any such amendments or modifications to any Swap Agreements) or release any Collateral securing any obligations under any Swap Agreement without the consent of the respective Swap Provider; (iv) 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 the Administrative Agent under this Agreement or any other Credit Document; (v) the Fee Letter may be amended, or rights or privileges thereunder waived, in a writing executed only by the parties thereto; (vi) no amendment, waiver or consent shall, unless in writing and signed by M&T Bank as M&T Advance Lender in addition to the applicable Lenders required above affect the rights or duties of M&T Advance Lender pursuant to this Agreement and (vii) notwithstanding anything to the contrary in this Agreement or any other Credit Document, but except for the consents required pursuant to clause (f) above, any waiver, amendment or modification of this Agreement or any other Credit Document that by its terms affects the rights or duties under this Agreement or such Credit Document of Lenders solely in their capacities as Lenders holding Loans or Commitments of a particular Class (but not in their capacities as Lenders holding Loans or Commitments of any other Class) may be effected by an agreement or agreements in writing entered into solely by the Borrowers in respect of such particular Class, on the one hand, and the Required Floor Plan Lenders or the Required Revolving Credit Lender on the other hand, as applicable. Notwithstanding anything to the contrary herein, (i) no Defaulting Lender shall have any right to approve or disapprove any amendment, waiver or consent hereunder (and any amendment, waiver or consent which by its terms requires the consent of all Lenders or each affected Lender may be effected with the consent of the applicable Lenders other than Defaulting Lenders), except that (x) the Commitments of any Defaulting Lender may not be increased or extended without the consent of such Lender and (y) any waiver, amendment or modification requiring the consent of all Lenders or each affected Lender that by its terms affects any Defaulting Lender more adversely than other affected Lenders shall require the consent of such Defaulting Lender and (ii) if the Administrative Agent and the Borrowers have jointly identified an ambiguity, omission, mistake or defect in any provision of this Agreement or an inconsistency between provisions of this Agreement, the Administrative Agent and the Borrowers shall be permitted to amend such provision or provisions to cure such ambiguity, omission, mistake, defect or inconsistency so long as (x) to do so would not adversely affect the interests of the Lenders and (y) such amendment is not objected to in writing by the Required Lenders to the Administrative Agent within five (5) Business Days following receipt of notice thereof, and any such amendment shall become effective without any further action or consent of any of other party to this Agreement.

Section 1.02. *Successors and Assigns.*

1.02.i. *Successors and Assigns Generally.* 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 consents of the Administrative Agent and of each Lender, and no Lender may assign or otherwise transfer any of its rights or obligations hereunder except (a) to an Eligible Assignee in accordance with the provisions of Section 10.2.2; (b) by way of participation in accordance with the provisions of Section 10.03, or (c) by way of pledge or assignment of a security interest authorized by Section 10.04 (and any other attempted assignment, transfer or pledge 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 10.03 of this Section and, to the extent expressly contemplated hereby, the Related Parties of each of the Administrative Agent and the Lenders) any legal or equitable right, remedy or claim under or by reason of this Agreement.

1.02.ii. *Assignments By Lenders.* Each Lender may assign to one or more Eligible Assignees all or any portion of such Lender's interests, rights and obligations set forth in this Agreement or the other Credit Documents, including all or a portion of its Commitments and the Loans (including for

purposes hereof, its participations in L/C Obligations and Swingline Loans) provided that (a) an administrative fee in the amount of Five Thousand (\$5,000.00) is paid to the Administrative Agent by either the assigning Lender or the Eligible Assignee in connection with the assignment, (b) if less than all of the assigning Lender's Commitments and Loans is to be assigned, the amount of the Commitments and Loans so assigned shall be for an aggregate principal amount of not less than Five Million Dollar (\$5,000,000.00), (c) each partial assignment shall be made as an assignment of a proportionate amount of all of the assigning Lender's rights and obligations under this Agreement with respect to the Loans and Commitments assigned (except this clause (c) shall not apply to the Swingline Lender's rights and obligations in the Swingline Loans), (d) the parties to each such assignment shall execute and deliver an Assignment And Assumption to the Administrative Agent, for its acceptance, and (e) such Assignment And Assumption does not require the filing of a registration statement with the Securities And Exchange Commission or require the Loans or the Notes to be qualified in conformance with the requirements imposed by any blue sky Laws or other Laws of any state. Upon such execution, delivery, acceptance and recording, from and after the effective date specified in each Assignment And Assumption, which effective date is at least five (5) Business Days after the execution thereof, (a) the Assignee thereunder shall be a party hereto and, to the extent provided in such Assignment And Assumption, have the rights, duties, and obligations of a Lender hereunder, and (b) the assigning Lender thereunder shall, to the extent provided in such Assignment And Assumption, be released from its duties and obligations under this Agreement but shall continue to be entitled to all indemnification and reimbursement rights provided to the Lenders by the Borrowers pursuant to any of the Credit Documents with respect to facts, events, and circumstances occurring prior to the effective date of such assignment. By executing and delivering an Assignment And Assumption, the assigning Lender thereunder and the Assignee thereunder confirm to and agree with each other and the other parties to this Agreement the facts and matters as set forth in such Assignment and Assumption. Lenders may only assign their interests in the Commitments, the Loans, and Credit Documents to Eligible Assignees. Any assignment or transfer by a Lender of rights or obligations under the Credit Documents that does not comply with this Section shall be treated for purposes of the Credit Documents as a sale by such Lender of a participation in such rights and obligations in accordance with Section 10.03 of this Agreement. Except to the extent otherwise expressly agreed in writing by the affected parties, no assignment by a Defaulting Lender will constitute a waiver or a release of any claim of any party hereunder arising from that Lender having been a Defaulting Lender.

1.02.iii. *Certain Additional Payments*. In connection with any assignment of rights and obligations of any Defaulting Lender pursuant to Section 10.02.2 no such assignment shall be effective unless and until, in addition to the other conditions thereto set forth herein, the parties to the assignment shall make such additional payments to the Administrative Agent in an aggregate amount sufficient, upon distribution thereof as appropriate (which may be outright payment, purchases by the assignee of participations or subparticipations, or other compensating actions, including funding, with the consent of the Borrowers and the Administrative Agent, the applicable *pro rata* share of Loans previously requested but not funded by the Defaulting Lender, to each of which the applicable assignee and assignor hereby irrevocably consent), to (a) pay and satisfy in full all payment liabilities then owed by such Defaulting Lender to the Administrative Agent, the Issuing Bank, the Swingline Lender and each other Lender hereunder (and interest accrued thereon), and (b) acquire (and fund as appropriate) its full *pro rata* share of all Loans and participations in Letters of Credit and Swingline Loans in accordance with its respective Commitment Percentages. Notwithstanding the foregoing, in the event that any assignment of rights and obligations of any Defaulting Lender hereunder shall become effective under applicable Laws without compliance with the provisions of this Section, then the assignee of such interest shall be deemed to be a Defaulting Lender for all purposes of this Agreement until such compliance occurs.

1.02.iv. *Register*. The Administrative Agent, acting solely for this purpose as a limited fiduciary agent of the Borrowers, shall maintain a copy of each Assignment And Assumption delivered to it and a register for the recordation of the names and addresses of the Lenders and the amount of the Loans with respect to each Lender from time to time (the "Register"). The entries in the Register shall be conclusive, in the absence of manifest error, and the Borrowers, the Administrative Agent and the Lenders shall treat each Person whose name is recorded in the Register as a Lender hereunder for all purposes of this Agreement. The Register shall be available for inspection by the Borrowers or the Lenders at any reasonable time and from time to time upon reasonable prior notice.

1.02.v. *Procedures for Implementing Lender Assignments*. Upon the Administrative Agent's receipt of an Assignment And Assumption executed by an assigning Lender and an Eligible

Assignee together with any Note or Notes subject to such Assignment and Assumption and any necessary consents to such Assignment and Assumption, the Administrative Agent shall, if such Assignment and Assumption has been completed and is substantially in the form of Exhibit A (a) accept such Assignment And Assumption, (b) record the information contained therein in the Register, (c) give prompt notice thereof to the Borrowers, and (d) promptly deliver a copy of such Assignment And Assumption to the Borrowers. Within three (3) Business Days after receipt of notice, the Borrowers shall execute and deliver to the Administrative Agent, in exchange for the surrendered Notes, new Notes to the order of such Eligible Assignee in amounts equal to the Commitments and Commitment Percentage assumed by it pursuant to such Assignment And Assumption and new Notes to the order of the assigning Lender in an amount equal to the Commitments and Commitment Percentages retained by the assigning Lender. Such Notes shall be in the aggregate stated principal amount equal to the aggregate principal amount of such surrendered Notes, shall be dated the effective date of such Assignment And Assumption and shall otherwise be in substantially the form of the assigned Notes delivered to the assigning Lender. The surrendered Notes shall be canceled and returned to the Borrowers. The Borrowers expressly acknowledge that the cancellation of any Note or Notes and the replacement of any Note or Notes in accordance with this provision shall not constitute or be deemed to be a refinancing or a novation of any of the Obligations.

1.02.vi. *Cashless Settlements.* Notwithstanding anything to the contrary contained in this Agreement, any Lender may exchange, continue or rollover all or a portion of its Loans in connection with any refinancing, extension, loan modification or similar transaction permitted by the terms of this Agreement, pursuant to a cashless settlement mechanism approved by the Borrowers, the Administrative Agent and such Lender.

Section 1.03. *Participations.* Any Lender may at any time, without the consent of, or notice to, the Borrowers or the Administrative Agent, sell participations to any Person (other than to a Defaulting Lender, a natural Person (or a holding company, investment vehicle or trust for, or owned and operated for the primary benefit of a natural Person), or the Borrowers or any of the Borrowers' Affiliates or Subsidiaries) (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 Commitments and/or the Loans owing to it); provided that (a) such Lender's obligations under this Agreement shall remain unchanged, (b) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations, and (c) the Borrowers, the Administrative Agent, the Issuing Bank 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. For the avoidance of doubt, each Lender shall be responsible for the indemnity under Section 2.11.5. Any agreement or instrument pursuant to which a Lender sells such a participation shall provide that such Lender shall retain the sole right to enforce this Agreement and to approve any amendment, modification or waiver of any provision of this Agreement; provided that such agreement or instrument may provide that such Lender will not, without the consent of the Participant, agree to any amendment, modification or waiver described in Section 10.01 that affects such Participant. The Borrowers agree that each Participant shall be entitled to the benefits of Sections 2.07.3, 2.10 and 2.11 (subject to the requirements and limitations therein, including the requirements under Section 2.11.7 (it being understood that the documentation required under Section 2.11.7 shall be delivered to the participating Lender)) to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to Section 10.02 of this Agreement; provided that such Participant (i) agrees to be subject to the provisions of Section 2.12 as if it were an assignee under Section 10.02 of this Agreement; and (ii) shall not be entitled to receive any greater payment under Sections 2.10 or 2.11, with respect to any participation, than its participating Lender would have been entitled to receive, except to the extent such entitlement to receive a greater payment results from a Change in Law that occurs after the Participant acquired the applicable participation. Each Lender that sells a participation agrees, at the Borrowers' request and expense, to use reasonable efforts to cooperate with the Borrowers to effectuate the provisions of Section 2.12.2 with respect to any Participant. To the extent permitted by Law, each Participant also shall be entitled to the benefits of Section 10.07 as though it were a Lender; provided that such Participant agrees to be subject to Section 2.08 as though it were a Lender. Each Lender that sells a participation shall, acting solely for this purpose as a limited 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 Credit 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 Credit Document) to any Person except to the extent that such disclosure is necessary to establish that such commitment, loan, letter of credit or other obligation is in registered form under Section 5f.103-1(c) of the United States Treasury Regulations. The entries in the Participant Register shall be conclusive absent manifest error, and such Lender shall treat each Person whose name is recorded in the Participant Register as the owner of such participation for all purposes of this Agreement notwithstanding any notice to the contrary. For the avoidance of doubt, the Administrative Agent (in its capacity as Administrative Agent) shall have no responsibility for maintaining a Participant Register.

Section 1.04. *Pledges.* Any Lender may at any time pledge or assign a security interest in all or any portion of its rights under this Agreement 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.

Section 1.05. *Resignations Of Issuing Bank And Swingline Lender.* Notwithstanding anything to the contrary the Issuing Bank may upon thirty (30) days' notice to the Administrative Agent, the Borrowers and the Lenders, resign as Issuing Bank, and/or the Swingline Lender may upon thirty (30) days' notice to the Administrative Agent, the Borrowers and the Lenders, resign as Swingline Lender. After the resignation of the Issuing Bank hereunder, the retiring Issuing Bank shall remain a party hereto and shall continue to have all the rights and obligations of the Issuing Bank under this Agreement and the other Credit Documents with respect to Letters of Credit issued by it prior to such resignation, but shall not be required to issue additional Letters of Credit or to extend, renew or increase any existing Letter of Credit. After the resignation of the Swingline Lender hereunder, the retiring Swingline Lender shall remain a party hereto and shall continue to have all the rights and obligations of a Swingline Lender under this Agreement and the other Credit Documents with respect to Swingline Loans made by it prior to such resignation, but shall not be required to make any additional Swingline Loans.

Section 1.06. *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 Credit Document), each of the Borrowers acknowledges and agrees that: (a)(i) the arranging and other services regarding this Agreement provided by the Administrative Agent and the Arranger, are arm's-length commercial transactions between the Borrowers and their Affiliates, on the one hand, and the Administrative Agent and the Arranger, on the other hand, (ii) the Borrowers have consulted their own legal, accounting, regulatory and tax advisors to the extent the Borrowers have deemed appropriate, and (iii) the Borrowers are capable of evaluating, and understand and accept, the terms, risks and conditions of the transactions contemplated hereby and by the other Credit Documents; (b) (i) the Administrative Agent and the Arranger each is and has been acting solely as a principal and, except as expressly agreed in writing by the relevant parties, has not been, is not, and will not be acting as an advisor, agent or fiduciary for any of the Borrowers or any of their Affiliates, or any other Person and (ii) neither the Administrative Agent nor the Arranger has any obligation to any of the Borrowers or any of their Affiliates with respect to the transactions contemplated hereby except those obligations expressly set forth herein and in the other Credit Documents; and (c) the Administrative Agent and the Arranger 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 Affiliates, and neither the Administrative Agent nor the Arranger has any obligation to disclose any of such interests to the Borrowers or their Affiliates. To the fullest extent permitted by Law, each Borrower hereby waives and releases any claims that it may have against the Administrative Agent and the Arranger with respect to any breach or alleged breach of agency or fiduciary duty in connection with any aspect of any transaction contemplated hereby.

Section 1.07. *Right of Setoff.* If an Event of Default shall have occurred and be continuing, each Lender, the Issuing Bank, and each of their respective Affiliates is hereby authorized at any

time and from time to time, to the fullest extent permitted by applicable Laws, to set off and apply any and all deposits (general or special, time or demand, provisional or final, in whatever currency) at any time held, and other obligations (in whatever currency) at any time owing, by such Lender, the Issuing Bank or any such Affiliate, to or for the credit or the account of any Borrower or any other Loan Party against any and all of the Obligations of the Borrowers or any Loan Party now or hereafter existing under this Agreement or any other Credit Document to such Lender or the Issuing Bank or their respective Affiliate; irrespective of whether or not such Lender, the Issuing Bank or any of their Affiliates shall have made any demand under this Agreement or any other Credit Document and although such Obligations of the Borrowers or any Loan Party may be contingent or unmatured or are owed to a branch, office or Affiliate of such Lender or the Issuing Bank different from the branch, office or Affiliate holding such deposit or obligated on such indebtedness; provided that in the event that any Defaulting Lender shall exercise any such right of setoff, (a) all amounts so set off shall be paid over immediately to the Administrative Agent for further application in accordance with the provisions of Section 2.13 and, pending such payment, shall be segregated by such Defaulting Lender from its other funds and deemed held in trust for the benefit of the Administrative Agent, the Issuing Banks, and the Lenders, and (b) the Defaulting Lender shall provide promptly to the Administrative Agent a statement describing in reasonable detail the Obligations owing to such Defaulting Lender as to which it exercised such right of setoff. The rights of each Lender, each Issuing Bank and their respective Affiliates under this Section are in addition to other rights and remedies (including other rights of setoff) that such Lender, such Issuing Bank or their respective Affiliates may otherwise have under applicable Laws. The Lender and the Issuing Bank each agree to notify the Borrowers and the Administrative Agent promptly after any such setoff and application; provided that the failure to give such notice shall not affect the validity of such setoff and application.

Section 1.08. *Expenses; Indemnity; Damage Waiver.*

- 1.08.i. *Costs and Expenses.* The Borrowers jointly and severally promise to pay (a) all reasonable out-of-pocket expenses incurred by the Administrative Agent and its Affiliates (including the reasonable fees, charges and disbursements of counsel for the Administrative Agent), related to due diligence performed in connection with the Closing Date Transactions, the syndication of the credit facilities hereunder, the preparation, negotiation, execution, delivery and administration of this Agreement and the other Credit Documents, or any amendments, or waivers of the provisions hereof or thereof (whether or not the transactions contemplated hereby or thereby shall be consummated), (b) all reasonable out-of-pocket expenses incurred by the Issuing Bank in connection with the issuance, amendment, renewal or extension of any Letter of Credit or any demand for payment thereunder; (c) all out-of-pocket expenses incurred by the Administrative Agent, any Lender or the Issuing Bank (including the fees, charges and disbursements of one firm of counsel for the Administrative Agent, any Lender or any Issuing Bank taken as a whole and, if necessary, one firm of local counsel in each appropriate jurisdiction, in each case for all such parties taken as a whole (and in the case of an actual or perceived conflict of interest, of another firm or counsel for such affected party taken as a whole), but in any event excluding allocated costs of internal counsel) in connection with the enforcement or protection of its rights (i) in connection with this Agreement and the other Credit Documents, including its rights under this Section, or (ii) in connection with the Loans made or Letters of Credit issued hereunder, including a such out-of-pocket expenses incurred during any workout, restructuring or negotiations in respect of such Loans or Letters of Credit, and (d) all other Credit Party Expenses. The agreements of the Borrowers set forth in this Section 10.08.1 shall not merge into any judgment entered in connection with this Agreement or any other Credit Documents but shall survive as separate independent contractual agreements of the Borrowers.
- 1.08.ii. *Indemnification by the Borrowers.* The Borrowers jointly and severally agree to indemnify the Administrative Agent (and any sub-agent thereof), each Lender and the Issuing Bank, and each Related Party of any of the foregoing Persons (each such Person being called an Indemnitee) against, and hold each Indemnitee harmless from, any and all losses, claims, damages, liabilities and related expenses (including the fees, charges and disbursements of one firm of counsel for the Indemnitees taken as a whole and, if necessary,

one firm of local counsel in each appropriate jurisdiction, in each case for all such parties taken as a whole (and in the case of an actual or perceived conflict of interest, of another firm or counsel for such affected party taken as a whole), but in any event excluding allocated costs of internal counsel), and to indemnify and hold harmless each Indemnitee from all fees and time charges and disbursements for attorneys who may be employees of any Indemnitee incurred by any Indemnitee or asserted against any Indemnitee by any Person (including the Borrowers or any other Loan Party) other than such Indemnitee and its Related Parties arising out of, in connection with, or as a result of (a) the execution or delivery of this Agreement, any other Credit Document or any agreement or instrument contemplated hereby or thereby, the performance by the parties hereto of their respective obligations hereunder or thereunder or the consummation of the transactions contemplated hereby or thereby, (b) any Loan or Letter of Credit or the use or proposed use of the proceeds therefrom (including any refusal by the Issuing Bank 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), (c) any actual or alleged presence or release of Hazardous Materials on or from any property owned or operated by any Loan Party or any of its Subsidiaries, or any Environmental Liability related in any way to any Loan Party or any of its Subsidiaries, 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, whether brought by a third party or by any Borrower or any other Loan Party, and regardless of whether 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 (x) are determined by a court of competent jurisdiction by final and nonappealable judgment to have resulted from the gross negligence or willful misconduct of such Indemnitee, or (y) result from a claim brought by a Borrower or any other Loan Party against an Indemnitee for breach in bad faith of such Indemnitee's obligations hereunder or under any other Credit Document, if a Borrower or such Loan Party has obtained a final and nonappealable judgment in its favor on such claim as determined by a court of competent jurisdiction. This Section 10.08.2 shall not apply with respect to Taxes other than any Taxes that represent losses, claims, damages, etc. arising from any non-Tax claim.

- 1.08.iii. *Reimbursement by Lenders.* To the extent that the Borrowers for any reason fail to indefeasibly pay any amount required under Section 10.08.1 or 10.08.2 to be paid by it to the Administrative Agent (or any sub-agent thereof), the Issuing Bank, any Swingline Lender or any Related Party of any of the foregoing, each Lender severally promises to pay to the Administrative Agent (or any such sub-agent), the Issuing Bank, the Swingline Lender or such Related Party, as the case may be, such Lender's *pro rata* share (determined as of the time that the applicable unreimbursed expense or indemnity payment is sought based on each Lender's share of the aggregate Total Credit Exposure for all Lenders at such time) of such unpaid amount (including any such unpaid amount in respect of a claim asserted by such Lender); provided that with respect to such unpaid amounts owed to the Issuing Bank or the Swingline Lender solely in its capacity as such, only the holders of Revolving Credit Loans shall be required to pay such unpaid amounts, such payment to be made severally among them based on each of such Lenders' respective Revolving Credit Commitment Percentage (determined as of the time that the applicable unreimbursed expense or indemnity payment is sought) provided, further, that the unreimbursed expense or indemnified loss, claim, damage, liability or related expense, as the case may be, was incurred by or asserted against the Administrative Agent (or any such sub-agent), such Issuing Bank or the Swingline Lender in its capacity as such or against any Related Party of any of the foregoing acting for the Administrative Agent (or any such sub-agent), the Issuing Bank or any the Swingline Lender in connection with such capacity.
- 1.08.iv. *Waiver of Consequential Damages, Etc.* To the fullest extent permitted by applicable Laws, each Borrower agrees that it will not assert, and hereby waives, any claim against any Indemnitee, on any theory of liability, for special, indirect, consequential or punitive damages (as opposed to direct or actual damages) arising out of, in connection with, or as a result of, this Agreement, any other Credit Document or any agreement or instrument contemplated hereby, the transactions contemplated hereby or thereby, any Loan or Letter of Credit, or the use of the proceeds thereof. No Indemnitee referred to in Section 10.08.2 above shall be

liable for any damages arising from the use by unintended recipients of any information or other materials distributed by it through telecommunications, electronic or other information transmission systems in connection with this Agreement or the other Credit Documents or the transactions contemplated hereby or thereby.

1.08.v. *Payments*. All amounts due under this Section shall be payable not later than ten (10) Business Days after demand therefor.

1.08.vi. *Survival*. Each party's obligations under this Section 10.08 shall survive the termination of the Credit Documents and the payment of the Obligations hereunder.

SECTION 15. *Course of Conduct*. No failure or delay by any Credit Party in exercising any right or power under any Credit Document 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 Credit Parties under the Credit Documents are cumulative and are not exclusive of any rights or remedies that they would otherwise have. No waiver of any provision of any Credit Document or consent to any departure by any Loan Party therefrom shall in any event be effective unless such waiver is made in accordance with Section 10.01 of this Agreement, and then such waiver or consent shall be effective only in the specific instance and for the purpose for which given. No waiver or indulgence by any of the Credit Parties shall constitute a future waiver of performance or exact performance by any of the Loan Parties. No amendment or waiver shall be effective unless in writing. Without limiting the generality of the foregoing, the advance of proceeds of a Loan or the issuance of a Letter of Credit shall not be construed as a waiver of any Default or an Event of Default, regardless of whether any Credit Party may have had notice or knowledge of such Default or Event of Default at the time of such advance or issuance.

SECTION 10. *Notices; Effectiveness; Electronic Communication*.

1.10.i. *Notices Generally*. Except in the case of notices and other communications expressly permitted to be given by telephone (and except as provided in Section 10.10.2 below), all notices and other communications provided for herein shall be in writing and shall be delivered by hand or overnight courier service, mailed by certified or registered mail or sent by facsimile as follows:

(a) if to any of the Borrowers or to any other Loan Party, to it at 6130 Lazydays Blvd., Seffner, FL 33584, Attention of Kelly Porter, Chief Financial Officer (kporter@lazydays.com; Telephone No. (813) 204-4374) with a copy, which shall not constitute notice, to King & Spalding LLP, 300 S Tryon Street, Suite 1700, Attention of Aleksandra Kopec (akopec@kslaw.com; Telephone No. (704) 503-2587);

(b) if to the Administrative Agent, to Manufacturers and Traders Trust Company at One Fountain Plaza – 12th Floor, Buffalo, NY 14203, Attention of Brendan Kelly, Vice President (bkelly@mtb.com; Telephone No. (716) 848-2778; and to M&T Debt Capital Markets Group, 25 S. Charles Street, 12th Floor, Baltimore, Maryland 21201, Attention of Chad Durakis, Vice President (Telephone No. (410) 244-4580);

(c) if to Manufacturers and Traders Trust Company in its capacity as provider of the M&T Advances, to it at M&T Bank Dealer Commercial Services, One Fountain Plaza – 12th Floor, Buffalo, NY 14203, Attention of Brendan Kelly, Vice President (bkelly@mtb.com); Telephone No. (716) 858-2778;

(d) if to Manufacturers and Traders Trust Company in its capacity as Issuing Bank, to it at One Fountain Plaza – 12th Floor, Buffalo, NY 14203, Attention of Brendan Kelly, Vice President (bkelly@mtb.com; Telephone No. (716) 858-2778; and if to any other Issuing Bank, to it at the address provided in writing to the Administrative Agent and the Borrowers at the time of its appointment as an Issuing Bank hereunder;

(e) if to a Lender, to it at its address (or facsimile number) set forth on its respective Lender Addendum or Assignment And Assumption.

Notices sent by hand or overnight courier service, or mailed by certified or registered mail, shall be deemed to have been given when received; notices sent by facsimile shall be deemed to have been given when sent (except that, if not given during normal business hours for the recipient, shall be deemed to have been given at the opening of business on the next business day for the recipient). Notices delivered through electronic communications, to the extent provided in Section 10.10.2 below, shall be effective as provided in said Section 10.10.2.

1.10.ii. *Electronic Communications.* Notices and other communications to the Lenders and the Issuing Bank hereunder may be delivered or furnished by electronic communication (including e-mail and Internet or intranet websites) pursuant to procedures approved by the Administrative Agent. The Administrative Agent or any of the Borrowers may, in its discretion, agree to accept notices and other communications to it hereunder by electronic communications pursuant to procedures approved by it; provided that approval of such procedures may be limited to particular notices or communications. Unless the Administrative Agent otherwise prescribes, (a) notices and other communications sent to an e-mail address shall be deemed received upon the sender's receipt of an acknowledgement from the intended recipient (such as by the "return receipt requested" function, as available, return e-mail or other written acknowledgement), and (b) notices or communications posted to an Internet or intranet website shall be deemed received upon the deemed receipt by the intended recipient, at its e-mail address as described in the foregoing clause (a), of notification that such notice or communication is available and identifying the website address therefor; provided that, for both clauses (a) and (b) above, if such notice, email or other communication is not sent during the normal business hours of the recipient, such notice or communication shall be deemed to have been sent at the opening of business on the next business day for the recipient.

1.10.iii. *Change of Address, etc.* Any party hereto may change its address or facsimile number for notices and other communications hereunder by notice to the other parties hereto.

1.10.iv. *Platform.* (a) Each of the Borrowers and each other Loan Party agrees that the Administrative Agent may, but shall not be obligated to, make the Communications (as defined below) available to the Issuing Bank and the other Lenders by posting the Communications on the Platform; and (b) the Platform is provided "as is" and "as available." The Agent Parties (as defined below) do not warrant the adequacy of the Platform and expressly disclaim liability for errors or omissions in the Communications. No warranty of any kind, express, implied or statutory, including, without limitation, any warranty of merchantability, fitness for a particular purpose, non-infringement of third-party rights or freedom from viruses or other code defects, is made by any Agent Party in connection with the Communications or the Platform. In no event shall the Administrative Agent or any of its Related Parties (collectively, the "Agent Parties") have any liability to the Borrowers or to any other Loan Parties, any Lender or any other Person or entity for damages of any kind, including, without limitation, direct or indirect, special, incidental or consequential damages, losses or expenses (whether in tort, contract or otherwise) arising out of the Borrowers', any Loan Party's or the Administrative Agent's transmission of Communications through the Platform. "Communications" means, collectively, any notice, demand, communication, information, document or other material provided by or on behalf of any Loan Party pursuant to any Credit Document or the transactions contemplated therein which is distributed to the Administrative Agent, any Lender or the Issuing Bank by means of electronic communications pursuant to this Section, including through the Platform.

SECTION 11. *Treatment of Certain Information; Confidentiality.* Each of the Administrative Agent, the Lenders and the Issuing Bank agree to maintain the confidentiality of the "Information" (as defined below), except that Information may be disclosed (a) to its Affiliates and to its Related Parties (it being understood that the Persons to whom such disclosure is made will be informed of the confidential nature of such Information and instructed to keep such Information confidential); (b) to the extent required or requested by any regulatory authority purporting to have jurisdiction over such Person or its Related Parties (including any self-regulatory authority, such as the National Association of Insurance Commissioners); (c) to the extent required by applicable Laws or by any subpoena or similar legal process; (d) to any other party hereto; (e) in connection with the exercise of any remedies hereunder or under any other Credit Document or any action or proceeding relating to this Agreement or any other Credit Document or the enforcement of rights hereunder or thereunder; (f) subject to an agreement containing provisions substantially the same as those of this Section, to (i) any assignee of or Participant

in, or any prospective assignee of or Participant in, any of its rights and obligations under this Agreement, (ii) to federal and state bank examiners, and other regulatory officials and organizations having jurisdiction over the Administrative Agent, the Lenders, Issuing Bank and their Affiliates and Related Parties or its affiliates or (iii) any actual or prospective party (or its Related Parties) to any swap, derivative or other transaction under which payments are to be made by reference to the Borrowers and their obligations, this Agreement or payments hereunder; (g) on a confidential basis to (i) any rating agency in connection with rating the Borrowers or their Subsidiaries or the credit facilities hereunder or (ii) the CUSIP Service Bureau or any similar agency in connection with the issuance and monitoring of CUSIP numbers with respect to the credit facilities hereunder; (h) with the consent of the Borrowers; or (i) to the extent such Information (x) becomes publicly available other than as a result of a breach of this Section, or (y) becomes available to the Administrative Agent, any Lender, any Issuing Bank or any of their respective Affiliates on a nonconfidential basis from a source other than the Borrowers. In addition, the Administrative Agent 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 Administrative Agent and the Lenders in connection with the administration of this Agreement, the other Credit Documents, and the Commitments. For purposes of this Section, "Information" means all information received from the Borrowers or any of their Subsidiaries relating to the Borrowers or any of their Subsidiaries or any of their respective businesses, other than any such information that is available to the Administrative Agent, any Lender or any Issuing Bank on a nonconfidential basis prior to disclosure by the Borrowers or any of their Subsidiaries provided that, in the case of information received from the Borrowers or any of their Subsidiaries after the date hereof, such information is clearly identified at the time of delivery as confidential. Any Person required to maintain the confidentiality of Information as provided in this Section shall be considered to have complied with its obligation to do so if such Person has exercised the same degree of care to maintain the confidentiality of such Information as such Person would accord to its own confidential information.

SECTION 12. *Counterparts And Integration.* This Agreement may be executed in counterparts (and by different parties hereto in different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. This Agreement and the other Credit Documents constitute the entire contract among the parties relating to the subject matter hereof and supersede any and all previous agreements and understandings, oral or written, relating to the subject matter hereof. Except as provided in Section 4.01, this Agreement shall become effective when it shall have been executed by the Administrative Agent and when the Administrative Agent shall have received counterparts hereof that, when taken together, bear the signatures of each of the other parties hereto. Delivery of an executed counterpart of a signature page of this Agreement or a Lender Addendum by facsimile or in electronic (i.e., "pdf" or "tif") format shall be just as effective as the delivery of a manually executed counterpart of this Agreement.

SECTION 13. *Electronic Execution.* The words "execution", "signed," "signature," and words of like import in any Credit Document 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. Without limitation to the foregoing, signature pages to the Credit Documents delivered by electronic communication (including facsimile, e-mail and internet or intranet websites) shall be as effective, valid and enforceable and binding upon the indicated signatories as manually delivered signatures.

SECTION 14. *Severability.* In the event any one or more of the provisions contained in this Agreement should be held invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein 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 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 15. *Survival.* All covenants, agreements, representations and warranties made by the Borrowers herein and in the certificates or other instruments prepared or delivered in connection with or pursuant to this Agreement or any other Credit Document shall be considered to have been relied upon by the other parties hereto and shall survive the execution and delivery of any Credit Document and the making of any Loans, regardless of any investigation made by any such other party or on its behalf and notwithstanding that any Credit Party may have had notice or knowledge of any Default or incorrect representation or warranty at the time any credit is extended hereunder, 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 the Credit Documents is outstanding and unpaid and so long as the Revolving Credit Commitments have not expired or terminated. The provisions of Sections 2.07.3, 2.09, 2.10.4, 2.10.5, Article 9 and Section 10.08 shall survive and remain in full force and effect regardless of the consummation of the transactions contemplated hereby, the repayment of the Loans and the termination of the Commitments or the termination of this Agreement or any provision hereof.

SECTION 16. *Time.* Time is of the essence to this Agreement.

SECTION 17. *Advertisement.* The Borrowers authorize the Administrative Agent to publish the names of the Borrowers and the amount of the financing provided in accordance with this Agreement in any "tombstone" or comparable advertisement which the Administrative Agent elects to publish. The Borrowers further agree that the Administrative Agent may provide lending industry trade organizations with information necessary and customary (including, without limitation, the amount and type of facilities, the rates and counsel's name) for inclusion in league table measurements after the Closing Date. Without limiting the generality of the foregoing, the Borrowers consent to the disclosure by the Administrative Agent after the Closing Date of information relating to the Loans to Gold Sheets and other similar bank trade publications, with such information to consist of deal terms consisting of (a) the Borrowers' names, (b) principal loan amounts, (c) interest rates, (d) term lengths, (e) commitment fees and other fees to the Lenders in the syndicate, and (f) the identity of their attorneys and other information customarily found in such publications.

SECTION 18. *Acknowledgments.* Each Borrower hereby acknowledges that (a) it and each of the other Loan Parties has been advised and represented by counsel in the negotiation, execution and delivery of each Credit Document, (b) no Credit Party has any fiduciary relationship with or duty to it or any other Loan Party arising out of or in connection with this Agreement and the relationship between the Credit Parties, on one hand, and the Borrowers and the other Loan Parties, on the other hand, in connection herewith is solely that of creditors and debtors, and (c) no joint venture exists among any of the Credit Parties and the Borrowers or any of the other Loan Parties.

SECTION 19. *Governing Law.* This Agreement and the other Credit Documents and any claims, disputes or causes of action (whether in contract or tort) arising out of or related to this Agreement or any other Credit Document (except as to any other Credit Document, as expressly set forth therein) and the transaction contemplated hereby and thereby shall be governed by, and construed in accordance with, the Laws of the Governing State.

SECTION 20. *Jurisdiction.* Each Borrower irrevocably and unconditionally agrees that it will not commence any action, litigation or proceeding of any kind or description, whether in Law or equity, whether in contract or in tort or otherwise, against the Administrative Agent, any Lender, any Issuing Bank, or any Related Party of the foregoing in any way relating to this Agreement or any other Credit Document or the transactions relating hereto or thereto, in any forum other than the courts of the State of New York sitting in New York County, and of the United States District Court of the Southern District of New York, and any appellate court from any thereof and each of the parties hereto irrevocably and unconditionally submits to the jurisdiction of such courts and agrees that all claims in respect of any such action, litigation 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, litigation or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by Law. Nothing in this Agreement or in any other Credit Document shall affect any right that the Administrative Agent, any Lender or any Issuing Bank may otherwise have to bring any action or proceeding relating to this Agreement or any other Credit Document against the Borrowers or any other Loan Party or its properties in the courts of any jurisdiction.

SECTION 21. *Venue*. Each Borrower hereby irrevocably and unconditionally waives, to the fullest extent it may legally and effectively do so, any objection that it may now or hereafter have to the laying of venue of any suit, action or proceeding arising out of or relating to this Agreement or the other Credit Documents in any court referred to in Section 10.20. 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.

SECTION 22. *Service Of Process*. Each party to this Agreement irrevocably consents to service of process in the manner provided for notices in Section 10.10. Nothing in this Agreement will affect the right of any party to this Agreement to serve process in any other manner permitted by Law.

SECTION 23. *WAIVER OF JURY TRIAL*. EACH PARTY HERETO HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION DIRECTLY OR INDIRECTLY ARISING OUT OF, OR IN CONNECTION WITH THIS AGREEMENT OR THE OBLIGATIONS OF ANY PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, ADMINISTRATIVE AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL AGREEMENTS AND CERTIFICATIONS IN THIS SECTION.

SECTION 24. *USA Patriot Act Notice*. Each Credit Party that is subject to the USA Patriot Act hereby notifies the Borrowers that pursuant to the requirement of the USA Patriot Act it is required to obtain, verify and record information that identifies the Borrowers, which information includes the names and address of the Borrowers and other information that will allow such Credit Party to identify the Borrowers in accordance with the USA Patriot Act.

SECTION 25. *Acknowledgement Regarding Any Supported QFCs*. To the extent that the Credit Documents provide support, through a guarantee or otherwise, for Hedging Obligations or any other agreement or instrument that is a QFC (such support, "*QFC Credit Support*" and each such QFC a "*Supported QFC*"), the parties acknowledge and agree as follows with respect to the resolution power of the Federal Deposit Insurance Corporation under the Federal Deposit Insurance Act and Title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act (together with the regulations promulgated thereunder, the "*U.S. Special Resolution Regimes*") in respect of such Supported QFC and QFC Credit Support (with the provisions below applicable notwithstanding that the Credit Documents and any Support for such QFC may in fact be stated to be governed by the laws of the State of New York and/or of the United States or any other state of the United States):

- (1) In the event a Covered Entity that is party to a Supported QFC (each, a "*Covered Party*") becomes subject to a proceeding under a U.S. Special Resolution Regime, the transfer of such Supported QFC and the benefit of such QFC Credit Support (and any interest and obligation in or under such Supported QFC and such QFC Credit Support, and any rights in property securing such Supported QFC or such QFC Credit Support) from such Covered Party will be effective to the same extent as the transfer would be effective under the U.S. Special Resolution Regime if the Supported QFC and such QFC Credit Support (and any such interest, obligation and rights in property) were governed by the laws of the United States or a state of the United States. In the event a Covered Party or a BHC Act Affiliate of a Covered Party becomes subject to a proceeding under a U.S. Special Resolution Regime, Default Rights under the Credit Documents that might otherwise apply to such Supported QFC or any QFC Credit Support that may be exercised against such Covered Party are permitted to be exercised to no greater extent than such Default Rights could be exercised under the U.S. Special Resolution Regime if the Supported QFC and the Credit Documents were governed by the laws of the United States or a state of the

United States. Without limitation of the foregoing, it is understood and agreed that rights and remedies of the parties with respect to a Defaulting Lender shall in no event affect the rights of any Covered Party with respect to a Supported QFC or any QFC Credit Support.

(2) As used in this Section 10.25, the following terms have the following meanings:

"BHC Act Affiliate" of a party means an "affiliate" (as such term is defined under, and interpreted in accordance with, 12 U.S.C. 1841(k)) of such party.

"Covered Entity" means any of the following: (i) a "covered entity" as that term is defined in, and interpreted in accordance with, 12 C.F.R. §252.82(b); (ii) a "covered bank" as that term is defined in, and interpreted in accordance with, 12 C.F.R. §47.3(b); or (iii) a "covered FSI" as that term is defined in, and interpreted in accordance with, 12 C.F.R. §382.2(b).

"Default Right" has the meaning assigned to that term in, and shall be interpreted in accordance with, 12 C.F.R. §§252.81, 47.2 or 382.1, as applicable.

"QFC" has the meaning assigned to the term "qualified financial contract" in, and shall be interpreted in accordance with, 12 U.S.C. 5390(c)(8)(D).

[Signature Pages Follow]

IN WITNESS WHEREOF, the parties hereto, intending to be legally bound hereby, have caused this Second Amended and Restated Credit Agreement to be executed by their respective duly Authorized Officers as of the date first written above.

BORROWERS:

LDRV HOLDINGS CORP.

By: _____

**LAZYDAYS RV AMERICA, LLC
LAZYDAYS RV DISCOUNT, LLC
LAZYDAYS MILE HI RV, LLC
LAZYDAYS OF MINNEAPOLIS LLC
LDRV OF TENNESSEE LLC
LDRV OF NASHVILLE, LLC
LAZYDAYS RV OF CHICAGOLAND, LLC
LAZYDAYS OF CENTRAL FLORIDA, LLC
LONE STAR DIVERSIFIED, LLC
LAZYDAYS RV OF PHOENIX, LLC
LAZYDAYS RV OF ELKHART, LLC
LAZYDAYS RV OF OREGON, LLC
LAZYDAYS RV OF WISCONSIN, LLC
LD OF LAS VEGAS, LLC
LAZYDAYS RV OF IOWA, LLC
LAZYDAYS RV OF OKLAHOMA, LLC**

By: LDRV Holdings Corp.,
its Manager

By: _____
Name:
Title:

[Second Amended and Restated Credit Agreement]

GUARANTORS:

**LAZYDAYS HOLDINGS, INC.
LAZYDAYS' R.V. CENTER, INC.
LDL OF FORT PIERCE, LLC
LAZYDAYS RV OF MARYVILLE, LLC
LAZYDAYS SUPPORT SERVICES, LLC
LAZYDAYS RV OF RENO, LLC**

By: _____
Name:
Title:

[Second Amended and Restated Credit Agreement]

ADMINISTRATIVE AGENT:

MANUFACTURERS AND TRADERS TRUST COMPANY,
in its capacity as Administrative Agent

By: _____

[Second Amended and Restated Credit Agreement]

LENDER:

MANUFACTURERS AND TRADERS TRUST COMPANY,
in its capacity as a Lender, Swingline Lender and Issuing Bank

By: _____

[Second Amended and Restated Credit Agreement]

LENDER:

NYCB SPECIALTY FINANCE COMPANY, LLC,
in its capacity as a Lender

By: _____

[Second Amended and Restated Credit Agreement]

LENDER:

HUNTINGTON NATIONAL BANK,
in its capacity as a Lender

By: _____

[Second Amended and Restated Credit Agreement]

LENDER:

BMO HARRIS BANK N.A., successor in interest to Bank of the West, in its capacity as a Lender

By: _____

[Second Amended and Restated Credit Agreement]

LENDER:

WELLS FARGO COMMERCIAL DISTRIBUTION FINANCE, LLC, in its capacity as a Lender

By: _____

[Second Amended and Restated Credit Agreement]

LENDER:

ROCKLAND TRUST COMPANY,
in its capacity as a Lender

By: _____

[Second Amended and Restated Credit Agreement]

Schedule 1.01
Lenders and Commitments

Lender	Floor Plan Loan Commitment	Floor Plan Loan Commitment Percentage	Revolving Credit Commitment	Revolving Credit Commitment Percentage
Manufacturers and Traders Trust Company	\$229,346,650.99	43.685076379%	\$21,842,538.20	43.685076400%
NYCB Specialty Finance Company, LLC	\$91,304,347.83	17.391304349%	\$8,695,652.17	17.391304340%
BMO Harris Bank, N.A., successor in interest to Bank of the West	\$74,696,827.26	14.227967097%	\$7,113,983.55	14.227967100%
Huntington National Bank	\$54,326,086.96	10.347826088%	\$5,173,913.04	10.347826080%
Wells Fargo Commercial Distribution Finance, LLC	\$52,500,000.00	10.000000000%	\$5,000,000.00	10.000000000%
Rockland Trust Company	\$22,826,086.96	4.347826088%	\$2,173,913.04	4.347826080%
Total:	\$525,000,000.00	100.000000000%	\$50,000,000.00	100.000000000%

Annex B
Exhibit G to Credit Agreement
[attached]

LIQUIDITY CERTIFICATE

To: Manufacturers and Traders Trust Company, Administrative Agent
One Fountain Plaza, 12th Floor
Buffalo, New York 14203
Attn: Michael Gollnitz, Senior Vice President

This Liquidity Certificate (the "Certificate") is being provided in accordance with Section 5.09.1 of the Second Amended and Restated Credit Agreement, dated as of February 21, 2023 (as amended, the "Agreement") by and among LDRV HOLDINGS CORP., a Delaware corporation, LAZYDAYS RV AMERICA, I LAZYDAYS RV DISCOUNT, LLC and LAZYDAYS MILE RV, LLC, each a Delaware limited liability company (collectively, the "Borrowers") MANUFACTURERS AND TRADERS TRUST COMPANY, the Administrative Agent, and the "Lenders" which are parties thereto for the month ending [] (the "Test Date"). Hereafter, all terms defined in the Agreement shall have the same meanings in this Certificate. The undersigned is executing and delivering this Certificate as the Borrower Representative for all of the Borrowers.

The undersigned hereby certifies the following:

1. The Borrowers and their Subsidiaries are [in compliance] [not in compliance] with the financial covenant set forth in Section 6.19 (Minimum Liquidity) of the Agreement as of the Test Date, and the computations required to demonstrate such compliance are set forth in Schedule A attached hereto.
2. Schedule B attached hereto sets forth the amounts and descriptions of the Capital Expenditures made in the calendar month ending on the Test Date.

LDRV HOLDINGS CORP., as a Borrower and as the Borrower Representative

By: _____
Name:
Title:

Schedule A

Financial Covenant Calculation

[Insert calculations for Section 6.19 (Minimum Liquidity)]

Schedule B

Summary of Capital Expenditures

[Insert amounts and descriptions]

Annex C

Exhibit B to Credit Agreement
[attached]

COMPLIANCE CERTIFICATE

To: Manufacturers and Traders Trust Company, Administrative Agent
One Fountain Plaza, 12th Floor
Buffalo, New York 14203
Attn: Michael Gollnitz, Senior Vice President

This Compliance Certificate (the "Certificate") is being provided in accordance with Section 5.09.5 of the Second Amended and Restated Credit Agreement dated as of February 21, 2023 (the "Agreement") by and among LDRV HOLDINGS CORP., a Delaware corporation, LAZYDAYS RV AMERICA, I LAZYDAYS RV DISCOUNT, LLC and LAZYDAYS MILE RV, LLC, each a Delaware limited liability company (collectively, the "Borrowers") MANUFACTURERS AND TRADERS TRUST COMPANY, the Administrative Agent, and the "Lenders" which are parties thereto for the period from _____ to _____ (the "Relevant Period"). Hereafter, all terms defined in the Agreement shall have the same meanings in this Certificate. The undersigned is executing and delivering this Certificate as the Borrower Representative for all of the Borrowers.

The undersigned hereby certifies the following:

1. The Borrowers and their Subsidiaries are in compliance with each of the financial covenants set forth in Sections 6.12 (Maximum Total Net Leverage Ratio), 6.13 (Minimum Consolidated Fixed Charge Coverage Ratio), 6.14 (Minimum Consolidated Current Ratio) and 6.18 (Minimum Consolidated EBITDA) of the Agreement, and the computations required to demonstrate such compliance are set forth in Schedule A attached hereto;
2. No Default or Event of Default occurred during the Relevant Period, or if any Default or Event of Default has occurred it is described in detail on Schedule B attached hereto together with any corrective action taken or proposed to be taken with respect thereto;
3. If applicable, attached hereto on Schedule C is a list of any Excluded Subsidiaries as of the date of delivery of this Certificate
4. Attached hereto on Schedule D is a description of any anticipated establishment of any new dealerships of which the Administrative Agent has not received notice;
5. Attached hereto on Schedule E is a description of any anticipated locations of which the Administrative Agent has not received notice where a material portion of Eligible Floor Plan Units or any material portion of any other Collateral is located, except for any Eligible Floor Plan Unit which is at a Permitted Collateral Location; and
6. Attached hereto on Schedule F is any additional information that is required under the Security Documents.

LDRV HOLDINGS CORP., as a Borrower and as the Borrower Representative

By: _____
Name:
Title:

Schedule A

Financial Covenant Calculations

[Insert calculations for Sections 6.12 (Maximum Total Net Leverage Ratio), 6.13 (Minimum Consolidated Fixed Charge Coverage Ratio), 6.14 (Minimum Consolidated Current Ratio) and 6.18 (Minimum Consolidated EBITDA)]

Schedule B

List of Default or Events of Default

[Insert description (specifying the details of any such Default and any action taken or proposed to be taken with respect thereto)]

Schedule C

List of Excluded Subsidiaries

[Insert any Excluded Subsidiaries]

Schedule D

List of New Dealerships

[Insert description of any new dealerships of which the Administrative Agent has not received notice]

Schedule E

List of Anticipated Locations of Material Portion of Eligible Floor Plan Units or any Material Portion of any other Collateral

[Insert description of any anticipated locations of which the Administrative Agent has not received notice where a material portion of Eligible Floor Plan Units or any material portion of any other Collateral is located, except for any Eligible Floor Plan Unit which is at a Permitted Collateral Location]

Schedule F

Updates to Security Documents

[Insert applicable updates to the relevant Schedules in the applicable Security Document]

Consent of Independent Registered Public Accounting Firm

We consent to the incorporation by reference in the Registration Statements on Form S-1 (No. 333-261315), Forms S-8 (No. 333-227155, 333-231973, 333-231974, 333-266520, 333-267298 and 333-268072) and Forms S-4 (No. 333-221723 and 333-227156) of Lazydays Holdings, Inc. of our reports dated March 12, 2024, relating to the consolidated financial statements and the effectiveness of internal control over financial reporting (on which our report expresses an adverse opinion on the effectiveness of the Company's internal control over financial reporting because of material weaknesses) of Lazydays Holdings, Inc., appearing in this Annual Report on Form 10-K of Lazydays Holdings, Inc. for the year ended December 31, 2023.

/s/ RSM US LLP

Tampa, Florida
March 12, 2024

CERTIFICATION
PURSUANT TO RULE 13a-14 and 15d-15
UNDER THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED
CERTIFICATION OF CHIEF EXECUTIVE OFFICER

I, John North, certify that:

1. I have reviewed this Annual Report on Form 10-K of Lazydays Holdings, 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 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 and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: March 12, 2024

/s/ John North

John North
Chief Executive Officer

CERTIFICATION
PURSUANT TO RULE 13a-14 and 15d-15
UNDER THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED
CERTIFICATION OF CHIEF FINANCIAL OFFICER

I, Kelly Porter, certify that:

1. I have reviewed this Annual Report on Form 10-K of Lazydays Holdings, 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 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 and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: March 12, 2024

/s/ Kelly Porter

Kelly Porter
Chief Financial Officer

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Annual Report on Form 10-K of Lazydays Holdings, Inc. (the "Company") for the period ended December 31, 2023 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, John North, 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 that:

- (1) the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- (2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ John North

John North
Chief Executive Officer

Date: March 12, 2024

**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 on Form 10-K of Lazydays Holdings, Inc. (the "Company") for the period ended December 31, 2023 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Kelly Porter, Chief Financial 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 that:

- (1) the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- (2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Kelly Porter

Kelly Porter
Chief Financial Officer

Date: March 12, 2024

**LAZYDAYS HOLDINGS, INC.
CLAWBACK POLICY**

Effective February 21, 2023

1. **Purpose.** The purpose of this Lazydays Holdings, Inc. (the "Company") Clawback Policy (the "Policy") is to provide for the recovery of certain incentive based compensation in the event that the Company is required to prepare an Accounting Restatement (as defined below). This Policy is designed to comply with, and shall be interpreted to be consistent with, Section 10D of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), Rule 10D-1 promulgated under the Exchange Act ("Rule 10D-1") and Nasdaq Listing Rule 5608 (the "Listing Rule").
 2. **Policy Administration.** This Policy shall be administered by the Board or a committee of the Board if the Board, in its discretion, delegates such administration oversight (collectively, the "Board"). Any determinations made by the Board shall be final and binding on all affected individuals.
 3. **Definitions.** As used in this Policy, the following capitalized terms shall have the meanings set forth below.
 - a. "Accounting Restatement" means an accounting restatement of the Company's financial statements due to material noncompliance of the Company with any financial reporting requirement under the securities laws, including: (a) any required accounting restatement to correct an error in previously issued financial statements that is material to the previously issued financial statements (commonly, a "Big R" restatement), or (b) that would result in a material misstatement if the error were corrected in the current period or left uncorrected in the current period (commonly, a "little r" restatement).
 - b. "Accounting Restatement Date" means the earlier to occur of: (a) the date the Board, a committee of the Board, or the officer or officers of the Company authorized to take such action if Board action is not required, concludes, or reasonably should have concluded, that the Company is required to prepare an Accounting Restatement; and (b) the date a court, regulator or other legally authorized body directs the Company to prepare an Accounting Restatement.
 - c. "Applicable Period" means the three completed fiscal years immediately preceding the Accounting Restatement Date, as well as any transition period (that results from a change in the Company's fiscal year) within or immediately following those three completed fiscal years (except that a transition period that comprises a period of at least nine months shall count as a completed fiscal year).
 - d. "Board" means the board of directors of the Company.
 - e. "Code" means the U.S. Internal Revenue Code of 1986, as amended. Any reference to a section of the Code or regulation thereunder includes such section or regulation, any valid regulation or other official guidance promulgated under such section and any comparable provision of any future legislation or regulation amending, supplementing or superseding such section or regulation.
 - f. "Commission" means the U.S. Securities and Exchange Commission.
 - g. "Erroneously Awarded Compensation" means, in the event of an Accounting Restatement, the amount of Incentive-Based Compensation received that exceeds
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the amount of Incentive-Based Compensation that otherwise would have been received had such Incentive-Based Compensation been determined according to the Accounting Restatement and must be computed without regard to any taxes paid by the relevant Executive Officer. For Incentive-Based Compensation based on stock price or total stockholder return, where the amount of Erroneously Awarded Compensation is not subject to mathematical recalculation directly from the information in an Accounting Restatement: (i) the amount of Erroneously Awarded Compensation must be based on a reasonable estimate of the effect of the Accounting Restatement on the stock price or total stockholder return upon which the Incentive-Based Compensation was received; and (ii) the Company must maintain documentation of the determination of that reasonable estimate and provide such documentation to the Stock Exchange.

- h. "Executive Officers" means the Company's president, principal financial officer, principal accounting officer (or if there is no such accounting officer, the controller), any vice-president of the Company in charge of a principal business unit, division or function (such as sales, administration or finance), any other officer who performs a significant policy-making function or any other person who performs similar significant policy-making functions for the Company. An executive officer of the Company's parent or subsidiary is deemed an Executive Officer if they perform significant policy-making functions for the Company. Notwithstanding the foregoing, the Board may determine, from time to time and in its sole discretion, that any other officer, director or employee of the Company, or any other person who receives Incentive-Based Compensation from the Company, is subject to this Policy.
 - i. "Financial Reporting Measure" means measures that are determined and presented in accordance with the accounting principles used in preparing the Company's financial statements and any measures that are derived wholly or in part from such measures. For the avoidance of doubt, stock price and total shareholder return are Financial Reporting Measures, and a Financial Reporting Measure need not be presented within the financial statements or included in a filing with the Commission.
 - j. "Incentive-Based Compensation" means any compensation that is granted, earned or vested based wholly or in part upon the attainment of a Financial Reporting Measure. Incentive-Based Compensation is received for purposes of this Policy in the Company's fiscal period during which the Financial Reporting Measure specified in the Incentive-Based Compensation award is attained, even if the payment or grant of such Incentive-Based Compensation occurs after the end of that period.
 - k. "Listing Rule" has the meaning set forth in Section 1 of this Policy.
 - l. "Stock Exchange" means The Nasdaq Stock Market LLC.
4. **Policy Application.** This Policy applies to Incentive-Based Compensation received by a person: (a) after beginning services as an Executive Officer, (b) who served as an Executive Officer at any time during the performance period for such Incentive-Based Compensation, (c) while the Company had a class of securities listed on a national securities exchange or a national securities association and (d) during the Applicable Period.
5. **Required Recoupment; Accounting Restatement.** In the event of an Accounting Restatement, the Company shall reasonably promptly recover the amount of any
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Erroneously Awarded Compensation as determined in accordance with this Policy. Recovery of Erroneously Awarded Compensation under this Policy is required without regard to whether any misconduct occurred or an Executive Officer's responsibility (or lack thereof) for the erroneous financial statements leading to an Accounting Restatement.

6. **Erroneously Awarded Compensation: Amount Subject to Recovery.** The amount of Erroneously Awarded Compensation subject to recovery under this Policy, as determined by the Board, is the amount of Incentive-Based Compensation received by an Executive Officer that exceeds the amount the Executive Officer would have received had the Incentive-Based Compensation been determined based on the Accounting Restatement. For Incentive-Based Compensation based on stock price or total shareholder return, the Company shall use a reasonable estimate of the effect of the Accounting Restatement or the applicable measure to determine the amount of Erroneously Awarded Compensation to be recovered.

The Board shall determine, in its sole discretion, the appropriate means of recovery of Erroneously Awarded Compensation, taking into account all applicable facts and circumstances, including the time value of money and the cost to shareholders of delaying recovery. To the extent that an Executive Officer fails to repay to the Company when due any amount of Erroneously Awarded Compensation subject to recovery under this Policy, the Company shall take all actions reasonable and appropriate to recover such Erroneously Awarded Compensation from such Executive Officer.

Notwithstanding anything herein to the contrary, the Company shall not be required to recoup Erroneously Awarded Compensation to the extent that pursuit of recovery of such Erroneously Awarded Compensation would be impracticable because:

- i. The direct expense paid to a third party to assist in enforcing this Policy would exceed the amount to be recovered. Before concluding that it would be impracticable to recover any amount of Erroneously Awarded Compensation based on expense of enforcement, the Company must make a reasonable attempt to recover such Erroneously Awarded Compensation, document such reasonable attempt(s) to recover and provide that documentation to the Stock Exchange;
 - ii. Recovery would violate home country law where that law was adopted prior to November 28, 2022. Before concluding that it would be impracticable to recover any amount of Erroneously Awarded Compensation based on violation of home country law, the Company must obtain an opinion of home country counsel, acceptable to the Stock Exchange, that satisfies the applicable opinion and disclosure requirements of Rule 10D-1 and the Listing Rule and provide such opinion to the Stock Exchange; or
 - iii. Recovery would likely cause an otherwise tax-qualified retirement plan, under which benefits are broadly available to employees of the Company, to fail to meet the requirements of Section 401(a)(13) or Section 411(a) of the Code.
1. **No Indemnification of Executive Officers.** The Company is prohibited from indemnifying any Executive Officer or former Executive Officer against the loss of Erroneously Awarded Compensation, including any payment or reimbursement for the cost of third-party insurance purchased by any Executive Officers to fund potential obligations under this Policy.
 2. **Required Reporting and Disclosure.** The Company shall file all disclosures with respect to this Policy in accordance with the requirements of the federal securities laws, including disclosures required by Commission filings.
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3. **Effective Date; Retroactive Application.** This Policy shall be effective as of February 21, 2023 (the "Effective Date"). The terms of this Policy shall apply to any Incentive-Based Compensation that is received by Executive Officers on or after the Effective Date, and this Policy shall supersede any agreement (whether entered into before, on or after the Effective Date) that exempts any Incentive-based Compensation from the application of this Policy or that waives the Company's right to recovery of any Erroneously Awarded Compensation.
4. **Amendment; Termination.** The Board may amend, modify, supplement, rescind or replace all or any portion of this Policy from time to time in its sole discretion and shall amend this Policy as it deems necessary to comply with applicable law or any rules or standards adopted by a national securities exchange on which the Company's securities are listed. Notwithstanding anything in this Section 10 to the contrary, no amendment or termination of this Policy shall be effective if such amendment or termination would (after taking into account any actions taken by the Company contemporaneously with such amendment or termination) cause the Company to violate any federal securities laws, Commission rules, or Stock Exchange rules.
5. **Other Recoupment Rights.** The Board intends that this Policy shall be applied to the fullest extent of the law. Any right of recoupment under this Policy is in addition to, and not in lieu of, any other remedies or rights of recoupment that may be available to the Company under applicable law or pursuant to the terms of any similar policy in any employment agreement, equity award agreement or similar agreement and any other legal remedies available to the Company.
6. **Successors.** This Policy shall be binding and enforceable against all Executive Officers and their beneficiaries, heirs, executors, administrators or other legal representatives.

**LAZYDAYS HOLDINGS, INC.
CLAWBACK POLICY**

Acknowledgement Form

I, the undersigned, agree and acknowledge that I am fully bound by and subject to all of the terms and conditions of Lazydays Holdings, Inc.'s (the "Company") Clawback Policy (as may be amended, restated, supplemented or otherwise modified from time to time, the "Policy"). In the event of any inconsistency between the Policy and the terms of any employment agreement to which I am a party, including any employment agreement no longer in effect that is covered by the lookback period described in the Policy, or the terms of any compensation plan, program or agreement under which any compensation has been granted, awarded, earned or paid, the terms of the Policy shall govern. Further, by signing below, I agree to abide by the terms of the Policy, including, without limitation, by returning any Erroneously Awarded Compensation (as defined in the Policy) to the Company to the extent required by and in a manner consistent with the Policy.

AGREED and ACKNOWLEDGED:
EXECUTIVE OFFICER

Signature

Print Name _____

Date _____