UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

(Mark One)

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

For the quarterly period ended September 30, 2017

OR

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

For the transition period from to

Commission file number 000-54691

PHILLIPS EDISON GROCERY CENTER REIT I, INC.

(Exact Name of Registrant as Specified in Its Charter)

Maryland	**27-1106076**
(State or Other Jurisdiction of Incorporation or Organization)	**(I.R.S. Employer Identification No.)**
11501 Northlake Drive Cincinnati, Ohio	**45249**
(Address of Principal Executive Offices)	**(Zip Code)**

(513) 554-1110
(Registrant's Telephone Number, Including Area Code)

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☑ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate website, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☑ No ☐

Indicate by check mark 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. (Check one):

Large Accelerated Filer	☐	Accelerated Filer	☐
Non-Accelerated Filer	☑ (Do not check if a smaller reporting company)	Smaller reporting company	☐
Emerging growth company	☐		

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

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

As of October 31, 2017, there were 184.5 million outstanding shares of common stock of Phillips Edison Grocery Center REIT I, Inc.

INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

PHILLIPS EDISON GROCERY CENTER REIT I, INC.
CONSOLIDATED BALANCE SHEETS
AS OF SEPTEMBER 30, 2017 AND DECEMBER 31, 2016
(Unaudited)
(In thousands, except per share amounts)

	September 30, 2017	December 31, 2016
ASSETS		
Investment in real estate:		
Land and improvements	$ 838,078	$ 796,192
Building and improvements	1,640,052	1,532,888
Acquired in-place lease assets	226,033	212,916
Acquired above-market lease assets	43,021	42,009
Total investment in real estate assets	2,747,184	2,584,005
Accumulated depreciation and amortization	(418,544)	(334,348)
Total investment in real estate assets, net	2,328,640	2,249,657
Cash and cash equivalents	7,189	8,224
Restricted cash	6,025	41,722
Other assets, net	102,541	80,585
Real estate investment and other assets held for sale	4,863	—
Total assets	$ 2,449,258	$ 2,380,188
LIABILITIES AND EQUITY		
Liabilities:		
Mortgages and loans payable, net	$ 1,224,779	$ 1,056,156
Acquired below-market lease liabilities, net of accumulated amortization of $24,790 and $20,255, respectively	42,080	43,032
Accounts payable – affiliates	4,567	4,571
Accounts payable and other liabilities	69,007	51,642
Liabilities of real estate investment held for sale	233	—
Total liabilities	1,340,666	1,155,401
Commitments and contingencies (Note 7)	—	—
Equity:		
Preferred stock, $0.01 par value per share, 10,000 shares authorized, zero shares issued and outstanding at September 30, 2017 and December 31, 2016, respectively	—	—
Common stock, $0.01 par value per share, 1,000,000 shares authorized, 184,140 and 185,062 shares issued and outstanding at September 30, 2017 and December 31, 2016, respectively	1,841	1,851
Additional paid-in capital	1,617,717	1,627,098
Accumulated other comprehensive income	11,175	10,587
Accumulated deficit	(539,840)	(438,155)
Total stockholders' equity	1,090,893	1,201,381
Noncontrolling interests	17,699	23,406
Total equity	1,108,592	1,224,787
Total liabilities and equity	$ 2,449,258	$ 2,380,188

See notes to consolidated financial statements.

PHILLIPS EDISON GROCERY CENTER REIT I, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE (LOSS) INCOME
FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2017 AND 2016
(Unaudited)
(In thousands, except per share amounts)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2017	2016	2017	2016
Revenues:				
Rental income	$ 53,165	$ 48,828	$ 157,425	$ 143,023
Tenant recovery income	17,052	16,199	50,442	47,652
Other property income	407	243	911	730
Total revenues	70,624	65,270	208,778	191,405
Expenses:				
Property operating	10,882	10,030	32,611	29,978
Real estate taxes	10,723	9,104	31,136	27,745
General and administrative	8,712	7,722	25,438	23,736
Termination of affiliate arrangements	5,454	—	5,454	—
Acquisition expenses	202	870	466	2,392
Depreciation and amortization	28,650	26,583	84,481	78,266
Total expenses	64,623	54,309	179,586	162,117
Other:				
Interest expense, net	(10,646)	(8,504)	(28,537)	(23,837)
Transaction expenses	(3,737)	—	(9,760)	—
Other income (expense), net	6	33	642	(125)
Net (loss) income	(8,376)	2,490	(8,463)	5,326
Net loss (income) attributable to noncontrolling interests	144	(26)	144	(83)
Net (loss) income attributable to stockholders	$ (8,232)	$ 2,464	$ (8,319)	$ 5,243
Earnings per common share:				
Net (loss) income per share attributable to stockholders - basic and diluted	$ (0.04)	$ 0.01	$ (0.05)	$ 0.03
Weighted-average common shares outstanding:				
Basic	183,843	184,639	183,402	183,471
Diluted	183,843	187,428	183,402	186,260
Comprehensive (loss) income:				
Net (loss) income	$ (8,376)	$ 2,490	$ (8,463)	$ 5,326
Other comprehensive (loss) income:				
Unrealized (loss) gain on derivatives	(179)	1,950	(1,944)	(9,597)
Reclassification of derivative loss to interest expense	228	888	1,203	2,762
Comprehensive (loss) income	(8,327)	5,328	(9,204)	(1,509)
Comprehensive loss (income) attributable to noncontrolling interests	144	(26)	144	(83)
Comprehensive (loss) income attributable to stockholders	$ (8,183)	$ 5,302	$ (9,060)	$ (1,592)

See notes to consolidated financial statements.

PHILLIPS EDISON GROCERY CENTER REIT I, INC.
CONSOLIDATED STATEMENTS OF EQUITY
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2017 AND 2016
(Unaudited)
(In thousands, except per share amounts)

	Common Stock		*Additional Paid-In Capital*	*Accumulated Other Comprehensive Income (Loss)*	*Accumulated Deficit*	*Total Stockholders' Equity*	*Noncontrolling Interest*	*Total Equity*
	Shares	*Amount*						
Balance at January 1, 2016	181,308	$ 1,813	$ 1,588,541	$ 22	$ (323,761)	$ 1,266,615	$ 25,177	$ 1,291,792
Share repurchases	(752)	(7)	(7,273)	—	—	(7,280)	—	(7,280)
Dividend reinvestment plan ("DRIP")	4,387	44	44,687	—	—	44,731	—	44,731
Common distributions declared, $0.50 per share	—	—	—	—	(92,107)	(92,107)	—	(92,107)
Share-based compensation	—	—	10	—	—	10	—	10
Change in unrealized loss on interest rate swaps	—	—	—	(6,835)	—	(6,835)	—	(6,835)
Distributions to noncontrolling interests	—	—	—	—	—	—	(1,409)	(1,409)
Net income	—	—	—	—	5,243	5,243	83	5,326
Balance at September 30, 2016	184,943	$ 1,850	$ 1,625,965	$ (6,813)	$ (410,625)	$ 1,210,377	$ 23,851	$ 1,234,228
Balance at December 31, 2016, as reported	185,062	$ 1,851	$ 1,627,098	$ 10,587	$ (438,155)	$ 1,201,381	$ 23,406	$ 1,224,787
Adoption of new accounting pronouncement (see Note 8)	—	—	—	1,329	(1,329)	—	—	—
Balance at January 1, 2017, as adjusted	185,062	1,851	1,627,098	11,916	(439,484)	1,201,381	23,406	1,224,787
Share repurchases	(4,471)	(45)	(45,557)	—	—	(45,602)	—	(45,602)
DRIP	3,546	35	36,136	—	—	36,171	—	36,171
Common distributions declared, $0.50 per share	—	—	—	—	(92,037)	(92,037)	—	(92,037)
Share-based compensation	3	—	40	—	—	40	—	40
Change in unrealized loss on interest rate swaps	—	—	—	(741)	—	(741)	—	(741)
Distributions to noncontrolling interests	—	—	—	—	—	—	(1,384)	(1,384)
Redemption of noncontrolling interest	—	—	—	—	—	—	(4,179)	(4,179)
Net loss	—	—	—	—	(8,319)	(8,319)	(144)	(8,463)
Balance at September 30, 2017	184,140	$ 1,841	$ 1,617,717	$ 11,175	$ (539,840)	$ 1,090,893	$ 17,699	$ 1,108,592

See notes to consolidated financial statements.

PHILLIPS EDISON GROCERY CENTER REIT I, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2017 AND 2016
(Unaudited)
(In thousands)

	2017	2016
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net (loss) income	$ (8,463)	$ 5,326
Adjustments to reconcile net (loss) income to net cash provided by operating activities:		
Depreciation and amortization	83,200	76,293
Net amortization of above- and below-market leases	(972)	(936)
Amortization of deferred financing expense	3,572	3,757
Net (gain) loss on write-off of unamortized capitalized leasing commissions, market debt adjustments,		
and deferred financing expense	(372)	59
Straight-line rental income	(2,913)	(2,793)
Other	(555)	130
Changes in operating assets and liabilities:		
Other assets	(12,193)	(4,339)
Accounts payable – affiliates	1	(1,206)
Accounts payable and other liabilities	6,217	8,888
Net cash provided by operating activities	67,522	85,179
CASH FLOWS FROM INVESTING ACTIVITIES:		
Real estate acquisitions	(111,740)	(132,266)
Capital expenditures	(22,505)	(16,936)
Proceeds from sale of real estate	37,037	—
Change in restricted cash	(203)	394
Net cash used in investing activities	(97,411)	(148,808)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Net change in credit facility	202,000	(23,531)
Proceeds from mortgages and loans payable	—	230,000
Payments on mortgages and loans payable	(64,287)	(103,622)
Payments of deferred financing expenses	(2,510)	(2,461)
Distributions paid, net of DRIP	(56,226)	(47,535)
Distributions to noncontrolling interests	(1,262)	(1,260)
Repurchases of common stock	(44,682)	(7,280)
Redemption of noncontrolling interests	(4,179)	—
Net cash provided by financing activities	28,854	44,311
NET DECREASE IN CASH AND CASH EQUIVALENTS	(1,035)	(19,318)
CASH AND CASH EQUIVALENTS:		
Beginning of period	8,224	40,680
End of period	$ 7,189	$ 21,362
SUPPLEMENTAL CASH FLOW DISCLOSURE, INCLUDING NON-CASH INVESTING AND FINANCING ACTIVITIES:		
Cash paid for interest	$ 26,461	$ 22,234
Fair value of assumed debt	30,832	—
Accrued capital expenditures	3,560	1,834
Change in distributions payable	(360)	(159)
Change in distributions payable - noncontrolling interests	122	149
Change in accrued share repurchase obligation	920	—
Distributions reinvested	36,171	44,731
Like-kind exchange of real estate:		
Utilization of restricted cash held for acquisitions	(35,900)	—

See notes to consolidated financial statements.

1. ORGANIZATION

Phillips Edison Grocery Center REIT I, Inc. ("we," the "Company," "our," or "us") was formed as a Maryland corporation in October 2009. Substantially all of our business is conducted through Phillips Edison Grocery Center Operating Partnership I, L.P., (the "Operating Partnership"), a Delaware limited partnership formed in December 2009. We are a limited partner of the Operating Partnership, and our wholly owned subsidiary, Phillips Edison Grocery Center OP GP I LLC, is the sole general partner of the Operating Partnership.

We invest primarily in well-occupied, grocery-anchored, neighborhood and community shopping centers that have a mix of creditworthy national and regional retailers that sell necessity-based goods and services in strong demographic markets throughout the United States.

As of September 30, 2017, our advisor was Phillips Edison NTR LLC ("PE-NTR"), which was directly or indirectly owned by Phillips Edison Limited Partnership ("Phillips Edison sponsor" or "PELP"). Under the terms of the advisory agreement between PE-NTR and us, PE-NTR was responsible for the management of our day-to-day activities and the implementation of our investment strategy.

As of September 30, 2017, we owned fee simple interests in 159 real estate properties acquired from third parties unaffiliated with us or PE-NTR.

On October 4, 2017, we completed a transaction to acquire certain real estate assets, the captive insurance company, and the third-party asset management business of our Phillips Edison sponsor in a stock and cash transaction ("PELP transaction"). Upon completion of the PELP transaction, our relationship with PE-NTR was terminated. For a more detailed discussion, see Notes 3 and 11.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Certain of our accounting estimates are particularly important for an understanding of our financial position and results of operations and require the application of significant judgment by management. For example, significant estimates and assumptions have been made with respect to the useful lives of assets; recoverable amounts of receivables; and other fair value measurement assessments required for the preparation of the consolidated financial statements. As a result, these estimates are subject to a degree of uncertainty.

Other than those noted below, there have been no changes to our significant accounting policies during the nine months ended September 30, 2017. For a full summary of our accounting policies, refer to our 2016 Annual Report on Form 10-K filed with the SEC on March 9, 2017.

Basis of Presentation and Principles of Consolidation—The accompanying consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP") for interim financial information and with instructions to Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by GAAP for complete financial statements. Readers of this Quarterly Report on Form 10-Q should refer to the audited consolidated financial statements of Phillips Edison Grocery Center REIT I, Inc. for the year ended December 31, 2016, which are included in our 2016 Annual Report on Form 10-K. In the opinion of management, all normal and recurring adjustments necessary for the fair presentation of the unaudited consolidated financial statements for the periods presented have been included in this Quarterly Report. Our results of operations for the three and nine months ended September 30, 2017, are not necessarily indicative of the operating results expected for the full year.

The accompanying consolidated financial statements include our accounts and those of our majority-owned subsidiaries. All intercompany balances and transactions are eliminated upon consolidation.

Held for Sale Entities—We consider assets to be held for sale when management believes that a sale is probable within a year. This generally occurs when a sales contract is executed with no substantive contingencies and the prospective buyer has significant funds at risk. Assets that are classified as held for sale are recorded at the lower of their carrying amount or fair value less cost to sell.

Newly Adopted and Recently Issued Accounting Pronouncements

The following table provides a brief description of recently issued accounting pronouncements that could have a material effect on our financial statements:

Standard	Description	Date of Adoption	Effect on the Financial Statements or Other Significant Matters
Accounting Standards Update "ASU" 2017-05, Other Income - Gains and Losses from the Derecognition of Nonfinancial Assets (Subtopic 610-20)	This update amends existing guidance in order to provide consistency in accounting for the derecognition of a business or nonprofit activity. It is effective for annual reporting periods beginning after December 15, 2017, but early adoption is permitted.	January 1, 2018	We will adopt this standard concurrently with ASU 2014-09, listed below. We expect the adoption will impact our transactions that are subject to the amendments, which, although expected to be infrequent, would include a partial sale of real estate or contribution of a nonfinancial asset to form a joint venture.
ASU 2016-18, Statement of Cash Flows (Topic 230)	This update amends existing guidance in order to clarify the classification and presentation of restricted cash on the statement of cash flows. It is effective for annual reporting periods beginning after December 15, 2017, but early adoption is permitted.	January 1, 2018	Upon adoption, we will include amounts generally described as restricted cash within the beginning-of-period and end-of-period total amounts on the statement of cash flows rather than within an activity on the statement of cash flows.
ASU 2016-15, Statement of Cash Flows (Topic 230)	This update addresses the presentation of eight specific cash receipts and cash payments on the statement of cash flows. It is effective for annual reporting periods beginning after December 15, 2017, but early adoption is permitted.	January 1, 2018	We are currently evaluating the impact the adoption of this standard will have on our consolidated financial statements. Of the eight specific cash receipts and cash payments listed within this guidance, we believe only two would be applicable to our business as it stands currently: debt prepayment or debt extinguishment costs and proceeds from settlement of insurance claims. We will continue to evaluate the impact that adoption of the standard will have on our presentation of these and any other applicable cash receipts and cash payments.
ASU 2016-02, Leases (Topic 842)	This update amends existing guidance by recognizing lease assets and lease liabilities on the balance sheet and disclosing key information about leasing arrangements. This update is effective for annual reporting periods beginning after December 15, 2018, but early adoption is permitted.	January 1, 2019	We are currently evaluating the impact the adoption of this standard will have on our consolidated financial statements. We have identified areas within our accounting policies we believe could be impacted by the new standard. We expect to have a change in presentation on our consolidated statement of operations with regards to Tenant Recovery Income, which includes reimbursement amounts we receive from tenants for operating expenses such as real estate taxes, insurance, and other common area maintenance. Additionally, this standard impacts the lessor's ability to capitalize certain costs related to the leasing of vacant space, which will result in a reduction in the amount of execution costs currently being capitalized in connection with leasing activities.
ASU 2014-09, Revenue from Contracts with Customers (Topic 606)	This update outlines a comprehensive model for entities to use in accounting for revenue arising from contracts with customers. ASU 2014-09 states that "an entity recognizes revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services." While ASU 2014-09 specifically references contracts with customers, it also applies to certain other transactions such as the sale of real estate or equipment. Expanded quantitative and qualitative disclosures are also required for contracts subject to ASU 2014-09. In 2015, the Financial Accounting Standard Board ("FASB") provided for a one-year deferral of the effective date for ASU 2014-09, making it effective for annual reporting periods beginning after December 15, 2017.	January 1, 2018	Our revenue-producing contracts are primarily leases that are not within the scope of this standard. As a result, we do not expect the adoption of this standard to have a material impact on our rental or reimbursement revenue. We currently plan to adopt this guidance on a modified retrospective basis.

The following table provides a brief description of newly adopted accounting pronouncements and their effect on our financial statements:

Standard	Description	Date of Adoption	Effect on the Financial Statements or Other Significant Matters
ASU 2017-12, Derivatives and Hedging (Topic 815)	This update amended existing guidance in order to better align a company's financial reporting for hedging activities with the economic objectives of those activities.	September 2017	Upon adoption, we included a disclosure related to the effect of our hedging activities on our consolidated statements of operations. This disclosure also eliminated the periodic measurement and recognition of hedging ineffectiveness. We adopted this guidance on a modified retrospective basis and applied an adjustment to Accumulated Other Comprehensive Income with a corresponding adjustment to the opening balance of Accumulated Deficit as of the beginning of 2017. For a more detailed discussion of this adoption, see Note 8.
ASU 2017-01, Business Combinations (Topic 805)	This update amended existing guidance in order to clarify when an integrated set of assets and activities is considered a business.	January 1, 2017	For a more detailed discussion of the effect of this adoption on our financial statements, see Note 4.

Reclassifications—The following line item on our consolidated statement of cash flows for the nine months ended September 30, 2016, was reclassified:

- Net (Gain) Loss on Write-off of Unamortized Capitalized Leasing Commissions, Market Debt Adjustments, and Deferred Financing Expense was separately disclosed due to significance in the current period. In the previous period these amounts were included in Other.

3. PELP ACQUISITION

On October 4, 2017, we completed the PELP transaction. Under the terms of this transaction, the following consideration was given in exchange for the contribution of PELP's ownership interests in 76 shopping centers, its captive insurance company, and its third-party asset management business (in thousands):

	Amount
Value of Operating Partnership units ("OP units") issued[1]	$ 404,317
Debt assumed[2]:	
Corporate debt	432,091
Mortgages and notes payable	70,837
Cash payments	25,000
Total estimated consideration	$ 932,245

(1) We issued 39.6 million OP units, excluding 5.1 million OP units and Class B units outstanding prior to the acquisition date, with an estimated value per unit of $10.20 at the time of the transaction.

(2) The amounts related to debt assumed are shown at face value, but the final amounts will be recorded at fair value.

Immediately following the closing of the PELP transaction, our shareholders owned approximately 80.6% and former PELP shareholders owned approximately 19.4% of the combined company.

The terms of the transaction also include an earn-out structure with an opportunity for an additional 12.5 million OP units to be issued if certain milestones are achieved related to a liquidity event for our shareholders and reaching certain fundraising targets in Phillips Edison Grocery Center REIT III, Inc., of which PELP was a co-sponsor.

The PELP transaction was approved by the independent special committee of our board of directors ("Board"), which had retained independent financial and legal advisors. It was also approved by our shareholders, as well as PELP's partners. For additional information, please see the Current Report on Form 8-K filed with the SEC on October 11, 2017, and the Definitive Proxy Statement filed with the SEC on July 6, 2017.

The supplemental purchase accounting disclosures required by GAAP relating to the acquisition of PELP have not been presented as the initial accounting for this acquisition was incomplete at the time this Quarterly Report on Form 10-Q was filed with the SEC.

4. REAL ESTATE ACQUISITIONS AND DISPOSITIONS

In January 2017, the FASB issued ASU 2017-01, *Business Combinations (Topic 805): Clarifying the Definition of a Business*. This update amended existing guidance in order to clarify when an integrated set of assets and activities is considered a business. We adopted ASU 2017-01 on January 1, 2017, and applied it prospectively. Under this new guidance, most of our real estate acquisition activity is no longer considered a business combination and is instead classified as an asset acquisition. As a result, most acquisition-related costs that would have been recorded on our consolidated statements of operations are capitalized and will be amortized over the life of the related assets. Costs incurred related to properties that were not ultimately acquired were recorded as Acquisition Expenses on our consolidated statements of operations. As of September 30, 2017, none of our real estate acquisitions in 2017 met the definition of a business; therefore, we accounted for all as asset acquisitions.

During the nine months ended September 30, 2017, we acquired six grocery-anchored shopping centers. Our first quarter acquisition closed out the Internal Revenue Service Code ("IRC") reverse Section 1031 like-kind exchange outstanding as of December 31, 2016. During the nine months ended September 30, 2016, we acquired three grocery-anchored shopping centers and additional real estate adjacent to previously acquired shopping centers.

For the nine months ended September 30, 2017 and 2016, we allocated the purchase price of our acquisitions, including acquisition costs for 2017, to the fair value of the assets acquired and liabilities assumed as follows (in thousands):

	2017	2016
Land and improvements	$ 36,100	$ 47,834
Building and improvements	95,507	74,709
Acquired in-place leases	13,646	12,300
Acquired above-market leases	1,012	2,398
Acquired below-market leases	(3,703)	(6,313)
Total assets and lease liabilities acquired	142,562	130,928
Less: Fair value of assumed debt at acquisition	30,832	—
Net assets acquired	$ 111,730	$ 130,928

The weighted-average amortization periods for in-place, above-market, and below-market lease intangibles acquired during the nine months ended September 30, 2017 and 2016, are as follows (in years):

	2017	2016
Acquired in-place leases	13	12
Acquired above-market leases	7	6
Acquired below-market leases	19	22

Property Held for Sale—As of September 30, 2017, one property was classified as held for sale as it was under contract to sell, with no substantive contingencies, and the prospective buyer had significant funds at risk. On October 26, 2017, we sold this property for $6.5 million and intend on deferring the gain through an IRC Section 1031 like-kind exchange by purchasing another property. A summary of assets and liabilities for the property held for sale as of September 30, 2017, is below (in thousands):

	September 30, 2017
ASSETS	
Total investment in real estate assets, net	$ 4,459
Accounts receivable, net	300
Other assets, net	104
Total assets	$ 4,863
LIABILITIES	
Liabilities:	
Acquired below-market lease liabilities, net of accumulated amortization of $38	$ 82
Accounts payable – affiliates	5
Accounts payable and other liabilities	146
Total liabilities	$ 233

5. FAIR VALUE MEASUREMENTS

The following describes the methods we use to estimate the fair value of our financial and nonfinancial assets and liabilities:

Cash and Cash Equivalents, Restricted Cash, Accounts Receivable, and Accounts Payable—We consider the carrying values of these financial instruments to approximate fair value because of the short period of time between origination of the instruments and their expected realization.

Real Estate Investments—The purchase prices of the investment properties, including related lease intangible assets and liabilities, were allocated at estimated fair value based on Level 3 inputs, such as discount rates, capitalization rates, comparable sales, replacement costs, income and expense growth rates, and current market rents and allowances as determined by management.

Mortgages and Loans Payable—We estimate the fair value of our debt by discounting the future cash flows of each instrument at rates currently offered for similar debt instruments of comparable maturities by our lenders using Level 3 inputs. The discount rates used approximate current lending rates for loans or groups of loans with similar maturities and credit quality, assuming the debt is outstanding through maturity and considering the debt's collateral (if applicable). We have utilized market information, as available, or present value techniques to estimate the amounts required to be disclosed.

The following is a summary of borrowings as of September 30, 2017 and December 31, 2016 (dollars in thousands):

	September 30, 2017	December 31, 2016
Fair value	$ 1,226,748	$ 1,056,990
Recorded value[(1)]	1,232,190	1,065,180

(1) Recorded value does not include deferred financing costs of $7.4 million and $9.0 million as of September 30, 2017 and December 31, 2016, respectively.

Derivative Instruments—As of September 30, 2017 and December 31, 2016, we had interest rate swaps that fixed LIBOR on portions of our unsecured term loan facilities ("Term Loans"). For a more detailed discussion of these cash flow hedges, see Note 8. As of September 30, 2017 and December 31, 2016, we were also party to an interest rate swap that fixed the variable interest rate on $10.8 million and $11.0 million, respectively, of one of our mortgage notes. The change in fair value of this instrument is recorded in Other Income (Expense), Net on the consolidated statements of operations and was not material for the three and nine months ended September 30, 2017 and 2016.

All interest rate swap agreements are measured at fair value on a recurring basis. The valuation of these instruments is determined using widely accepted valuation techniques, including discounted cash flow analysis on the expected cash flows of each derivative. This analysis reflects the contractual terms of the derivatives, including the period to maturity, and uses

observable market-based inputs, including interest rate curves and implied volatilities. The fair values of interest rate swaps are determined using the market standard methodology of netting the discounted future fixed cash receipts (or payments) and the discounted expected variable cash payments (or receipts). The variable cash payments (or receipts) are based on an expectation of future interest rates (forward curves) derived from observable market interest rate curves.

To comply with the provisions of ASC 820, we incorporate credit valuation adjustments to appropriately reflect both our own nonperformance risk and the respective counterparty's nonperformance risk in the fair value measurements. In adjusting the fair value of our derivative contracts for the effect of nonperformance risk, we have considered the impact of netting and any applicable credit enhancements, such as collateral postings, thresholds, mutual puts, and guarantees.

Although we determined that the significant inputs used to value our derivatives fell within Level 2 of the fair value hierarchy, the credit valuation adjustments associated with our counterparties and our own credit risk utilize Level 3 inputs, such as estimates of current credit spreads, to evaluate the likelihood of default by us and our counterparties. However, as of September 30, 2017 and December 31, 2016, we have assessed the significance of the impact of the credit valuation adjustments on the overall valuation of our derivative positions and have determined that the credit valuation adjustments are not significant to the overall valuation of our derivatives. As a result, we have determined that our derivative valuations in their entirety are classified in Level 2 of the fair value hierarchy.

We record derivative assets in Other Assets, Net and derivative liabilities in Accounts Payable and Other Liabilities on our consolidated balance sheets. The fair value measurements of our derivative assets and liabilities as of September 30, 2017 and December 31, 2016, were as follows (in thousands):

	September 30, 2017	December 31, 2016
Derivative asset:		
Interest rate swaps designated as hedging instruments - Term Loans	$ 11,175	$ 11,916
Derivative liability:		
Interest rate swap not designated as hedging instrument - mortgage note	108	262

6. MORTGAGES AND LOANS PAYABLE

The following is a summary of the outstanding principal balances of our debt obligations as of September 30, 2017 and December 31, 2016 (in thousands):

	Interest Rate[1]	September 30, 2017	December 31, 2016
Revolving credit facility[2][3]	2.54%	$ 378,969	$ 176,969
Term loan due 2019[3]	2.46%	100,000	100,000
Term loan due 2020[3]	2.65%	175,000	175,000
Term loan due 2021	2.49%-2.80%	125,000	125,000
Term loan due 2023	3.03%	255,000	255,000
Mortgages payable[4]	3.73%-7.91%	194,480	228,721
Assumed market debt adjustments, net[5]		3,741	4,490
Deferred financing costs, net[6]		(7,411)	(9,024)
Total		$ 1,224,779	$ 1,056,156

(1) Includes the effects of derivative financial instruments (see Notes 5 and 8) as of September 30, 2017.

(2) The gross borrowings and payments under our revolving credit facility were $295 million and $93 million, respectively, during the nine months ended September 30, 2017. The revolving credit facility had a capacity of $500 million as of September 30, 2017 and December 31, 2016.

(3) In October 2017, the maturity date of the revolving credit facility was extended to October 2021, with additional options to extend the maturity to October 2022. The term loans have options to extend their maturities to 2021. A maturity date extension for the term loans requires the payment of an extension fee of 0.15% of the outstanding principal amount of the corresponding tranche.

(4) Due to the non-recourse nature of our fixed-rate mortgages, the assets and liabilities of the properties securing such mortgages are neither available to pay the debts of the consolidated property-holding limited liability companies, nor do they constitute obligations of such consolidated limited liability companies as of September 30, 2017 and December 31, 2016.

(5) Net of accumulated amortization of $3.8 million and $6.1 million as of September 30, 2017 and December 31, 2016, respectively.

(6) Deferred financing costs shown are related to our Term Loans and mortgages payable and are net of accumulated amortization of $4.8 million and $3.9 million as of September 30, 2017 and December 31, 2016, respectively. Deferred financing costs related to the revolving credit facility, which are included in Other Assets, Net, were $0.4 million and $2.2 million as of September 30, 2017 and December 31, 2016, respectively, and are net of accumulated amortization of $8.5 million and $6.7 million, respectively.

As of September 30, 2017 and December 31, 2016, the weighted-average interest rate for all of our mortgages and loans payable was 3.1% and 3.0%, respectively.

The allocation of total debt between fixed and variable-rate and between secured and unsecured, excluding market debt adjustments and deferred financing costs, as of September 30, 2017 and December 31, 2016, is summarized below (in thousands):

	September 30, 2017	December 31, 2016
As to interest rate:(1)		
Fixed-rate debt	$ 836,480	$ 615,721
Variable-rate debt	391,969	444,969
Total	$ 1,228,449	$ 1,060,690
As to collateralization:		
Unsecured debt	$ 1,033,969	$ 831,969
Secured debt	194,480	228,721
Total	$ 1,228,449	$ 1,060,690

(1) Includes the effects of derivative financial instruments (see Notes 5 and 8).

Upon completion of the PELP transaction, in order to increase the availability on our revolving credit facility and refinance the corporate debt assumed from the PELP transaction, we entered into the following new credit agreements (in thousands):

	Interest Rate	Principal Balance
Term loan due April 2022(1)(2)(3)	LIBOR + 1.30%	$ 310,000
Term loan due October 2024(1)(3)	LIBOR + 1.75%	175,000
Loan facility due November 2026(4)	3.55%	175,000
Loan facility due November 2027(4)	3.52%	195,000

(1) The term loan interest rate spreads may vary based on our leverage ratio. The spreads presented were those in effect when we executed the loan agreements.

(2) The term loan maturing in 2022 has a delayed draw feature for a total capacity of $375 million.

(3) On October 27, 2017, we entered into two interest rate swap agreements with a total notional amount of $350 million on the term loans maturing in 2022 and 2024. These interest rate swaps were effective November 1, 2017.

(4) The loan facility maturing in 2026 is secured by 16 properties. The loan facility maturing in 2027 is secured by separate mortgages on 14 properties.

As of September 30, 2017, approximately $12.6 million in deferred financing costs, which are included in Other Assets, Net on our consolidated balance sheet, were related to these refinancings.

7. COMMITMENTS AND CONTINGENCIES

Litigation

We are involved in various claims and litigation matters arising in the ordinary course of business, some of which involve claims for damages. Many of these matters are covered by insurance, although they may nevertheless be subject to deductibles or retentions. Although the ultimate liability for these matters cannot be determined, based upon information currently available, we believe the resolution of such claims and litigation will not have a material adverse effect on our consolidated financial statements.

Environmental Matters

In connection with the ownership and operation of real estate, we may potentially be liable for costs and damages related to environmental matters. In addition, we may own or acquire certain properties that are subject to environmental remediation. Generally, the seller of the property, the tenant of the property, and/or another third party is responsible for environmental

remediation costs related to a property. Additionally, in connection with the purchase of certain properties, the respective sellers and/or tenants may agree to indemnify us against future remediation costs. We also carry environmental liability insurance on our properties that provides limited coverage for any remediation liability and/or pollution liability for third-party bodily injury and/or property damage claims for which we may be liable. We are not aware of any environmental matters which we believe are reasonably likely to have a material effect on our consolidated financial statements.

8. DERIVATIVES AND HEDGING ACTIVITIES

In September 2017, we adopted ASU 2017-12, *Derivatives and Hedging (Topic 815): Targeted Improvements to Accounting for Hedging Activities*. This update amended existing guidance in order to better align a company's financial reporting for hedging activities with the economic objectives of those activities. It requires us to disclose the effect of our hedging activities on our consolidated statements of operations and eliminated the periodic measurement and recognition of hedging ineffectiveness.

In accordance with the modified retrospective transition method required by ASU 2017-12, the Company recognized the cumulative effect of the change, representing the reversal of the $1.3 million cumulative ineffectiveness gain as of December 31, 2016, in the opening balance of Accumulated Other Comprehensive Income ("AOCI") with a corresponding adjustment to the opening balance of Accumulated Deficit as of the beginning of 2017.

Risk Management Objective of Using Derivatives

We are exposed to certain risks arising from both our business operations and economic conditions. We principally manage our exposure to a wide variety of business and operational risks through management of our core business activities. We manage economic risks, including interest rate, liquidity, and credit risk, primarily by managing the amount, sources, and duration of our debt funding and the use of derivative financial instruments. Specifically, we enter into interest rate swaps to manage exposures that arise from business activities that result in the receipt or payment of future known and uncertain cash amounts, the value of which are determined by interest rates. Our derivative financial instruments are used to manage differences in the amount, timing, and duration of our known or expected cash receipts and our known or expected cash payments principally related to our investments and borrowings.

Cash Flow Hedges of Interest Rate Risk

Interest rate swaps designated as cash flow hedges involve the receipt of variable amounts from a counterparty in exchange for our making fixed-rate payments over the life of the agreements without exchange of the underlying notional amount.

The changes in the fair value of derivatives designated, and that qualify, as cash flow hedges is recorded in AOCI and is subsequently reclassified into earnings in the period that the hedged forecasted transaction affects earnings. During the nine months ended September 30, 2017 and 2016, such derivatives were used to hedge the variable cash flows associated with certain variable-rate debt. The ineffectiveness previously reported in earnings for the quarters ended March 31, 2017 and June 30, 2017, was adjusted to reflect application of the provisions of ASU 2017-12 as of the beginning of 2017 (as discussed above). This adjustment was not material.

Amounts reported in AOCI related to these derivatives will be reclassified to Interest Expense, Net as interest payments are made on the variable-rate debt. During the next twelve months, we estimate that an additional $0.6 million will be reclassified from Other Comprehensive (Loss) Income as a decrease to Interest Expense, Net.

The following is a summary of our interest rate swaps that were designated as cash flow hedges of interest rate risk as of September 30, 2017 and December 31, 2016, which includes an interest rate swap with a notional amount of $255 million that we entered into in October 2016 and became effective in July 2017 (notional amount in thousands):

Count	Notional Amount	Fixed LIBOR	Maturity Date
4	$642,000	1.2% - 1.5%	2019-2023

The table below details the location of the gain or loss recognized on interest rate derivatives designated as cash flow hedges in the consolidated statements of operations and comprehensive (loss) income for the three and nine months ended September 30, 2017 and 2016 (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2017	2016	2017	2016
Amount of (loss) gain recognized in OCI on derivative	$ (179)	$ 1,306	$ (1,944)	$ (9,584)
Amount of loss reclassified from AOCI into interest expense	(228)	(888)	(1,203)	(2,762)

Credit-risk-related Contingent Features

We have agreements with our derivative counterparties that contain provisions where, if we either default or are capable of being declared in default on any of our indebtedness, we could also be declared to be in default on our derivative obligations. As of September 30, 2017, the fair value of our derivatives in a net liability position, which included accrued interest but excluded any adjustment for nonperformance risk related to these agreements, was approximately $0.1 million. As of September 30, 2017, we had not posted any collateral related to these agreements and were not in breach of any agreement provisions. If we had breached any of these provisions, we could have been required to settle our obligations under the agreements at their termination value of $0.1 million.

9. EQUITY

On November 8, 2017, our Board increased the estimated value per share of our common stock to $11.00 based substantially on the estimated market value of our portfolio of real estate properties and our recently acquired third-party asset management business as of October 5, 2017, the first full business day after the closing of the PELP transaction. We engaged a third-party valuation firm to provide a calculation of the range in estimated value per share of our common stock as of October 5, 2017, which reflected certain pro forma balance sheet assets and liabilities as of that date. For a description of the methodology and assumptions used to determine the estimated value per share, see the Current Report on Form 8-K filed with the SEC on November 9, 2017. Prior to November 8, 2017, the estimated value per share was $10.20 based substantially on the estimated market value of our portfolio of real estate properties as of March 31, 2017.

Dividend Reinvestment Plan—We have adopted a DRIP that allows stockholders to invest distributions in additional shares of our common stock. For the nine months ended September 30, 2017 and 2016, shares were issued under the DRIP at a price of $10.20 per share. In connection with the May announcement of the PELP transaction (see Note 3), the DRIP was suspended during May 2017; therefore, all DRIP participants received their May distribution, which was payable in June, in cash rather than in stock. The DRIP plan resumed in June 2017, with distributions payable in July 2017.

Share Repurchase Program—Our share repurchase program (“SRP”) provides an opportunity for stockholders to have shares of common stock repurchased, subject to certain restrictions and limitations. The cash available for repurchases on any particular date will generally be limited to the proceeds from the DRIP during the preceding four fiscal quarters, less amounts already used for repurchases since the beginning of that period. The Board reserves the right, in its sole discretion, at any time and from time to time, to reject any request for repurchase. In connection with the May announcement of the PELP transaction, the SRP was suspended during May 2017 and resumed in June 2017.

During the nine months ended September 30, 2017, repurchase requests surpassed the funding limits under the SRP. Due to the program’s funding limits, no funds will be available for the remainder of 2017. When we are unable to fulfill all repurchase requests in any month, we will honor requests on a pro rata basis to the extent possible. As of September 30, 2017, we had 9.8 million shares of unfulfilled repurchase requests, which will be treated as requests for repurchase during future months until satisfied or withdrawn. We continue to fulfill repurchases sought upon a stockholder’s death, “qualifying disability,” or “determination of incompetence” in accordance with the terms of the SRP.

Class B and Operating Partnership Units—The Operating Partnership issued limited partnership units that were designated as Class B units for asset management services provided by PE-NTR. In connection with the PELP transaction, Class B units

were no longer issued for asset management services subsequent to September 19, 2017. Upon closing of the transaction, all outstanding Class B units were vested and will be converted to OP units.

OP units may be exchanged at the election of the holder for cash or, at the option of the Operating Partnership, for shares of our common stock, under the terms of the Third Amended and Restated Agreement of Limited Partnership, provided, however, that the OP units have been outstanding for at least one year. As the form of the redemptions for the OP units is within our control, the OP units outstanding as of September 30, 2017 and December 31, 2016, are classified as Noncontrolling Interests within permanent equity on our consolidated balance sheets. Additionally, the cumulative distributions that have been paid on these OP units are included in Distributions to Noncontrolling Interests on the consolidated statements of equity.

In September 2017, we entered into an agreement with American Realty Capital II Advisors, LLC (“ARC”) to terminate all remaining contractual and economic relationships between us and ARC. In exchange for a payment of $9.6 million, ARC sold their OP units, unvested Class B Units, and their special limited partnership interests back to us, terminating all fee-sharing arrangements between ARC and PE-NTR. The 417,801 OP unit repurchase was recorded at a value of $4.2 million on the consolidated statement of equity. The $5.4 million value of the unvested Class B units, special limited partnership interests, and value of fee-sharing arrangements is recorded on the consolidated statement of operations.

Below is a summary of our number of outstanding OP units and unvested Class B units as of September 30, 2017 and December 31, 2016 (in thousands):

	September 30, 2017	December 31, 2016
OP units	2,367	2,785
Class B units[(1)]	2,710	2,610

(1) Upon closing of the PELP transaction, all outstanding Class B units were converted to OP units.

10. EARNINGS PER SHARE

We use the two-class method of computing earnings per share (“EPS”), which is an earnings allocation formula that determines EPS for common stock and any participating securities according to dividends declared (whether paid or unpaid). Under the two-class method, basic EPS is computed by dividing the income available to common stockholders by the weighted-average
number of shares of common stock outstanding for the period. Diluted EPS reflects the potential dilution that could occur from share equivalent activity.

Class B units and OP units held by limited partners other than us are considered to be participating securities because they contain non-forfeitable rights to dividends or dividend equivalents and they have the potential to be exchanged for shares of our common stock in accordance with the terms of the Partnership Agreement. The impact of these Class B units and OP units on basic and diluted EPS has been calculated using the two-class method whereby earnings are allocated to the Class B units and OP units based on dividends declared and the units’ participation rights in undistributed earnings. The effects of the two-class method on basic and diluted EPS were immaterial to the consolidated financial statements for the three and nine months ended September 30, 2017 and 2016.

Since the OP units are fully vested, they were treated as potentially dilutive in the diluted earnings per share computations for the three and nine months ended September 30, 2017 and 2016. There were 2.7 million and 2.5 million Class B units outstanding as of September 30, 2017 and 2016, respectively, that remained unvested and, therefore, were not included in the diluted earnings per share computations. Upon closing of the PELP transaction, all outstanding Class B units were converted to OP units.

The following table provides a reconciliation of the numerator and denominator of the earnings per unit calculations for the three and nine months ended September 30, 2017 and 2016 (in thousands, except per share amounts):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2017	2016	2017	2016
Numerator for basic and diluted earnings per share:				
Net (loss) income attributable to stockholders	$ (8,232)	$ 2,464	$ (8,319)	$ 5,243
Denominator:				
Denominator for basic earnings per share - weighted-average shares	183,843	184,639	183,402	183,471
Effect of dilutive OP units	—	2,785	—	2,785
Effect of restricted stock awards	—	4	—	4
Denominator for diluted earnings per share - adjusted weighted-average shares	183,843	187,428	183,402	186,260
Earnings per common share:				
Net (loss) income attributable to stockholders - basic and diluted	$ (0.04)	$ 0.01	$ (0.05)	$ 0.03

As of September 30, 2017, approximately 2.4 million OP units and 17,200 restricted stock awards were outstanding. For the three and nine months ended September 30, 2017, these securities were anti-dilutive and, as a result, were excluded from the weighted average common shares used to calculate diluted EPS.

11. RELATED PARTY TRANSACTIONS

Economic Dependency—During the three and nine months ended September 30, 2017 and 2016, we were dependent on PE-NTR, Phillips Edison & Company Ltd. (the "Property Manager"), and their respective affiliates for certain services that were essential to us, including asset acquisition and disposition decisions, asset management, operating and leasing of our properties, and other general and administrative responsibilities.

As of September 30, 2017 and December 31, 2016, PE-NTR owned 176,509 shares of our common stock, or approximately 0.1% of our outstanding common stock issued during our initial public offering period. PE-NTR was not able to sell any of those shares while serving as our advisor.

Upon closing of the PELP transaction on October 4, 2017, our relationship with PE-NTR and the Property Manager was terminated. As a result, we now have an internalized management structure.

Advisory Agreement—On September 1, 2017, in connection with the termination of ARC's and PE-NTR's fee-sharing arrangements (see Note 9), we entered into an amended and restated advisory agreement (the "PE-NTR Agreement"). Under the PE-NTR Agreement, all fees payable to PE-NTR were decreased by 15%. Other than the foregoing, there were no material changes in the PE-NTR Agreement. Subsequent to September 30, 2017, upon closing of the PELP transaction, the PE-NTR

Agreement was terminated. As a result of purchasing PELP's third-party asset management business, we will no longer incur the fees listed below.

Pursuant to the PE-NTR Agreement, PE-NTR was entitled to specified fees for certain services, including managing our day-to-day activities and implementing our investment strategy. PE-NTR managed our day-to-day affairs and our portfolio of real estate investments subject to the Board's supervision. Expenditures were reimbursed to PE-NTR based on amounts incurred on our behalf.

Acquisition Fee—During the three and nine months ended September 30, 2017 and 2016, we paid PE-NTR under the PE-NTR Agreement an acquisition fee related to services provided in connection with the selection and purchase or origination of real estate and real estate-related investments. The acquisition fee was equal to 0.85%, or 1.0% prior to September 1, 2017, of the cost of investments we acquired or originated, including any debt attributable to such investments.

Due Diligence Fee—During the three and nine months ended September 30, 2017 and 2016, we reimbursed PE-NTR for expenses incurred related to selecting, evaluating, and acquiring assets on our behalf, including certain personnel costs.

Asset Management Fee and Subordinated Participation—During the three and nine months ended September 30, 2017 and 2016, the asset management compensation was equal to 0.85%, or 1.0% prior to September 1, 2017, of the cost of our assets. Prior to September 20, 2017, the asset management compensation was paid 80% in cash and 20% in Class B units of the Operating Partnership. The cash portion was paid on a monthly basis in arrears at the rate of 0.05667% multiplied by the cost of

our assets as of the last day of the preceding monthly period. All asset management fees incurred between September 20, 2017 and the closing of the PELP transaction were paid 100% in cash.

We paid an asset management subordinated participation by issuing a number of restricted operating partnership units designated as Class B units to PE-NTR, equal to: (i) the product of (x) the cost of our assets multiplied by (y) 0.0425%, or 0.05% prior to September 1, 2017, divided by (ii) the most recent primary offering price for a share of our common stock as of the last day of such calendar quarter less any selling commissions and dealer manager fees that would have been payable in connection with that offering.

PE-NTR was entitled to receive distributions on the Class B units (and OP units converted from previously issued and vested Class B units) at the same rate as distributions were paid to common stockholders. Subsequent to September 30, 2017, upon closing of the PELP transaction, all outstanding Class B units were converted to OP units. During the nine months ended September 30, 2017 and 2016, the Operating Partnership issued 0.6 million and 0.4 million Class B units, respectively, to PE-NTR and ARC under the PE-NTR Agreement for asset management services performed by PE-NTR.

Disposition Fee—During the three and nine months ended September 30, 2017 and 2016, we paid PE-NTR for substantial assistance by PE-NTR, or its affiliates, 1.7%, or 2.0% prior to September 1, 2017, of the contract sales price of each property or other investment sold. The conflicts committee of our Board determined whether PE-NTR or its affiliates had provided substantial assistance to us in connection with the sale of an asset. Substantial assistance in connection with the sale of a property included preparation of an investment package for the property (including an investment analysis, rent rolls, tenant information regarding credit, a property title report, an environmental report, a structural report, and exhibits) or such other substantial services performed by PE-NTR or its affiliates in connection with a sale. However, if we sold an asset to an affiliate, our organizational documents prohibited us from paying a disposition fee to PE-NTR or its affiliates.

Prior to September 1, 2017, ARC also received the acquisition fee, asset management subordinated participation, and disposition fee, as well as distributions on Class B and OP units. For a more detailed discussion of the termination of our relationship with ARC, see Note 9.

General and Administrative Expenses—As of September 30, 2017 and December 31, 2016, we owed PE-NTR and their affiliates approximately $117,000 and $43,000, respectively, for general and administrative expenses paid on our behalf.

Summarized below are the fees earned by and the expenses reimbursable to PE-NTR and ARC for the three and nine months ended September 30, 2017 and 2016. As of September 1, 2017, pursuant to the termination of our relationship with ARC, they were no longer entitled to these fees and reimbursements. This table includes any related amounts unpaid as of September 30, 2017 and December 31, 2016, except for unpaid general and administrative expenses, which we disclose above (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,		Unpaid Amount as of	
					September 30,	December 31,
	2017	2016	2017	2016	2017	2016
Acquisition fees[1]	$ 294	$ 367	$ 1,344	$ 1,307	$ —	$ —
Due diligence fees[1]	370	73	583	228	1	29
Asset management fees[2]	5,071	4,852	15,388	14,182	1,529	1,687
OP units distribution[3]	448	470	1,373	1,398	145	158
Class B units distribution[4]	482	408	1,393	1,144	130	148
Disposition fees	—	—	19	—	—	—
Total	$ 6,665	$ 6,170	$ 20,100	$ 18,259	$ 1,805	$ 2,022

(1) Prior to January 1, 2017, acquisition and due diligence fees were recorded on our consolidated statements of operations. The majority of these costs are now capitalized and allocated to the related investment in real estate assets on the consolidated balance sheet based on the acquisition-date fair values of the respective assets and liability acquired.

(2) Asset management fees are presented in General and Administrative on the consolidated statements of operations.

(3) The distributions paid to holders of OP units are presented as Distributions to Noncontrolling Interests on the consolidated statements of equity.

(4) The distributions paid to holders of unvested Class B units are presented in General and Administrative on the consolidated statements of operations.

Property Manager—During the three and nine months ended September 30, 2017 and 2016, all of our real properties were managed and leased by the Property Manager, which was wholly owned by our Phillips Edison sponsor. The Property Manager also manages real properties owned by Phillips Edison affiliates and other third parties.

Effective October 4, 2017, our agreement with the Property Manager was terminated. As a result, we will no longer incur the fees listed below.

Property Management Fee—We paid to the Property Manager a monthly property management fee of 4% of the monthly gross cash receipts from the properties it managed.

Leasing Commissions—In addition to the property management fee, if the Property Manager provided leasing services with respect to a property, we paid the Property Manager leasing fees in an amount equal to the leasing fees charged by unaffiliated persons rendering comparable services based on national market rates. The Property Manager was paid a leasing fee in connection with a tenant's exercise of an option to extend an existing lease, and the leasing fees payable to the Property Manager could have been increased by up to 50% if the Property Manager engaged a co-broker to lease a particular vacancy.

Construction Management Fee—If we engaged the Property Manager to provide construction management services with respect to a particular property, we paid a construction management fee in an amount that was usual and customary for comparable services rendered to similar projects in the geographic market of the property.

Expenses and Reimbursements—The Property Manager hired, directed, and established policies for employees who had direct responsibility for the operations of each real property it managed, which could have included, but was not limited to, on-site managers and building and maintenance personnel. Certain employees of the Property Manager may have been employed on a part-time basis and may have also been employed by PE-NTR or certain of its affiliates. The Property Manager also directed the purchase of equipment and supplies and supervised all maintenance activity. We reimbursed the costs and expenses incurred by the Property Manager on our behalf, including employee compensation, legal, travel, and other out-of-pocket expenses that were directly related to the management of specific properties and corporate matters, as well as fees and expenses of third-party accountants.

Summarized below are the fees earned by and the expenses reimbursable to the Property Manager for the three and nine months ended September 30, 2017 and 2016, and any related amounts unpaid as of September 30, 2017 and December 31, 2016 (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,		Unpaid Amount as of	
					September 30,	December 31,
	2017	2016	2017	2016	2017	2016
Property management fees[1]	$ 2,717	$ 2,457	$ 7,986	$ 7,456	$ 888	$ 840
Leasing commissions[2]	1,677	1,828	6,077	5,570	314	705
Construction management fees[2]	683	251	1,367	664	327	165
Other fees and reimbursements[3]	2,409	1,499	6,030	4,064	1,116	796
Total	$ 7,486	$ 6,035	$ 21,460	$ 17,754	$ 2,645	$ 2,506

(1) The property management fees are included in Property Operating on the consolidated statements of operations.

(2) Leasing commissions paid for leases with terms less than one year are expensed immediately and included in Depreciation and Amortization on the consolidated statements of operations. Leasing commissions paid for leases with terms greater than one year, and construction management fees, are capitalized and amortized over the life of the related leases or assets.

(3) Other fees and reimbursements are included in Property Operating, General and Administrative, and Transaction Expenses on the consolidated statements of operations based on the nature of the expense.

12. OPERATING LEASES

The terms and expirations of our operating leases with our tenants vary. The lease agreements frequently contain options to extend the terms of leases and other terms and conditions as negotiated. We retain substantially all of the risks and benefits of ownership of the real estate assets leased to tenants.

Approximate future rental income to be received under non-cancelable operating leases in effect as of September 30, 2017, assuming no new or renegotiated leases or option extensions on lease agreements, was as follows (in thousands):

Year	Amount
Remaining 2017	$ 53,743
2018	205,462
2019	182,579
2020	160,034
2021	134,587
2022 and thereafter	453,701
Total	$ 1,190,106

No single tenant comprised 10% or more of our aggregate annualized base rent as of September 30, 2017. As of September 30, 2017, our real estate investments in Florida represented 12.8% of our ABR. As a result, the geographic concentration of our portfolio makes it particularly susceptible to adverse economic developments in the Florida real estate market.

13. SUBSEQUENT EVENTS

Distributions to Stockholders

Distributions equal to a daily amount of $0.00183562 per share of common stock or OP unit outstanding were paid subsequent to September 30, 2017, to the stockholders and OP unit holders of record from September 1, 2017, through October 31, 2017, as follows (in thousands):

Distribution Period	Date Distribution Paid	Gross Amount of Distribution Paid	Distribution Reinvested through the DRIP	Net Cash Distribution
September 1, 2017, through September 30, 2017	10/2/2017	$ 10,145	$ 4,301	$ 5,844
October 1, 2017, through October 31, 2017	11/1/2017	12,541	4,415	8,126

In November 2017 our Board authorized distributions to the stockholders and OP unit holders of record at the close of business each day in the period commencing December 1, 2017 through December 31, 2017, equal to a daily amount of $0.00183562 per share of common stock or OP unit. They also authorized distributions for January 2018 and February 2018 to the stockholders and OP unit holders of record at the close of business on January 16, 2018 and February 15, 2018, respectively, equal to a monthly amount of $0.05583344 per share of common stock or OP unit. The monthly distribution rate will result in the same annual distribution amount as the current, daily distribution rate.

Acquisitions

Subsequent to September 30, 2017, we acquired the following properties (dollars in thousands):

Property Name	Location	Anchor Tenant	Acquisition Date	Contractual Purchase Price	Square Footage	Leased % of Rentable Square Feet at Acquisition
Winter Springs Town Center	Winter Springs, FL	Publix	10/20/2017	$24,870	118,735	91.9%
Flynn Crossing Center	Alpharetta, GA	Publix	10/26/2017	$23,691	95,002	96.0%

Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations

Cautionary Note Regarding Forward-Looking Statements

Certain statements contained in this Quarterly Report on Form 10-Q of Phillips Edison Grocery Center REIT I, Inc. (“we,” the “Company,” “our,” or “us”) other than historical facts may be considered forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the “Securities Act”), and Section 21E of the Securities Exchange Act of 1934, as amended (the “Exchange Act”). We intend for all such forward-looking statements to be covered by the applicable safe harbor provisions for forward-looking statements contained in those acts. Such statements include, in particular, statements about our plans, strategies, and prospects and are subject to certain risks and uncertainties, including known and unknown risks, which could cause actual results to differ materially from those projected or anticipated. Therefore, such statements are not

intended to be a guarantee of our performance in future periods. Such forward-looking statements can generally be identified by our use of forward-looking terminology such as “may,” “will,” “expect,” “intend,” “anticipate,” “estimate,” “believe,” “continue,” or other similar words. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date this report is filed with the SEC. We make no representations or warranties (express or implied) about the accuracy of any such forward-looking statements contained in this Quarterly Report on Form 10-Q, and we do not intend to publicly update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise.

Any such forward-looking statements are subject to risks, uncertainties, and other factors and are based on a number of assumptions involving judgments with respect to, among other things, future economic, competitive, and market conditions, all of which are difficult or impossible to predict accurately. To the extent that our assumptions differ from actual conditions, our ability to accurately anticipate results expressed in such forward-looking statements, including our ability to generate positive cash flow from operations, make distributions to stockholders, and maintain the value of our real estate properties, may be significantly hindered.

See Item 1A. Risk Factors, in Part II of this Form 10-Q and Item 1A. Risk Factors, in Part I of our 2016 Annual Report on Form 10-K, filed with the SEC on March 9, 2017, for a discussion of some of the risks and uncertainties, although not all of the risks and uncertainties, that could cause actual results to differ materially from those presented in our forward-looking statements. Except as required by law, we do not undertake any obligation to update or revise any forward-looking statements contained in this Form 10-Q. Important factors that could cause actual results to differ materially from the forward-looking statements are disclosed in Item 1A. Risk Factors, in Part II and Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations, of this Form 10-Q.

Overview

Organization

Phillips Edison Grocery Center REIT I, Inc. is a public non-traded real estate investment trust (“REIT”) that invests in retail real estate properties. Our primary focus is on grocery-anchored neighborhood and community shopping centers that meet the day-to-day needs of residents in the surrounding trade areas.

On October 4, 2017, we completed the PELP transaction. For a more detailed discussion of this transaction, see Note 3 to the consolidated financial statements.

Portfolio

Below are statistical highlights of our portfolio:

	Total Portfolio as of September 30, 2017	Properties Acquired in PELP Transaction October 4, 2017	Pro Forma Portfolio October 4, 2017
Number of properties	159	76	235
Number of states	28	25	32
Total square feet (in thousands)	17,415	8,721	26,136
Leased % of rentable square feet	96.4%	90.3%	94.4%
Average remaining lease term (in years)[(1)]	5.3	4.4	5.0

(1) As of September 30, 2017. The average remaining lease term in years excludes future options to extend the term of the lease.

Lease Expirations

The following table lists, on an aggregate basis, all of the scheduled lease expirations after September 30, 2017, for each of the next ten years and thereafter for our 159 shopping centers. The table shows the leased square feet and annualized base rent ("ABR") represented by the applicable lease expirations (dollars and square feet in thousands):

Year	Number of Leases Expiring	Leased Square Feet Expiring	% of Leased Square Feet Expiring	ABR[1]	% of Total Portfolio ABR
Remaining 2017[2]	104	274	1.6%	$ 3,577	1.7%
2018	332	1,227	7.3%	17,857	8.4%
2019	415	2,031	12.1%	26,936	12.7%
2020	349	1,827	10.9%	23,828	11.3%
2021	349	2,073	12.4%	24,691	11.7%
2022	306	2,123	12.7%	23,560	11.1%
2023	138	1,924	11.5%	22,892	10.8%
2024	149	1,271	7.6%	13,709	6.5%
2025	114	700	4.2%	11,200	5.3%
2026	119	974	5.8%	14,295	6.8%
Thereafter	218	2,356	13.9%	29,098	13.7%
	2,593	16,780	100.0%	$ 211,643	100.0%

(1) We calculate ABR as monthly contractual rent as of September 30, 2017, multiplied by 12 months.

(2) Subsequent to September 30, 2017, of the 2,593 leases expiring we renewed 24 leases, which accounts for 164,196 total square feet and total ABR of $2.2 million.

Portfolio Tenancy

The following table presents the composition of our portfolio by tenant type as of September 30, 2017 (dollars and square feet in thousands):

Tenant Type	ABR	% of ABR	Leased Square Feet	% of Leased Square Feet
Grocery anchor	$ 84,879	40.1%	8,829	52.6%
National and regional[1]	80,255	37.9%	5,448	32.5%
Local	46,509	22.0%	2,503	14.9%
	$ 211,643	100.0%	16,780	100.0%

(1) We define national tenants as those that operate in at least three states. Regional tenants are defined as those that have at least three locations.

The following table presents the composition of our portfolio by tenant industry as of September 30, 2017 (dollars and square feet in thousands):

Tenant Industry	ABR	% of ABR	Leased Square Feet	% of Leased Square Feet
Grocery	$ 84,879	40.1%	8,829	52.6%
Service	48,933	23.1%	2,549	15.2%
Retail	47,059	22.2%	3,962	23.6%
Restaurants	30,772	14.6%	1,440	8.6%
	$ 211,643	100.0%	16,780	100.0%

The following table presents our grocery anchor tenants, grouped according to parent company, by leased square feet as of September 30, 2017 (dollars and square feet in thousands):

Tenant	ABR	% of ABR	Leased Square Feet	% of Leased Square Feet	Number of Locations[1]
Kroger	$ 19,567	9.2%	2,377	14.1%	41
Publix Super Markets	15,514	7.3%	1,503	9.0%	32
Ahold Delhaize	8,383	4.0%	555	3.3%	10
Albertsons Companies	7,744	3.7%	756	4.5%	13
Giant Eagle	5,435	2.6%	560	3.3%	7
Walmart	5,197	2.5%	1,121	6.7%	9
Raley's Supermarkets	3,422	1.6%	193	1.2%	3
SuperValu	2,382	1.1%	273	1.6%	4
Sprouts Farmers Market	2,281	1.1%	195	1.1%	6
Southeastern Grocers	1,545	0.7%	147	0.9%	3
Schnuck Markets	1,459	0.7%	121	0.7%	2
Coborn's	1,388	0.7%	108	0.6%	2
BJ’s Wholesale Club	1,223	0.6%	115	0.7%	1
H.E. Butt Grocery Company	1,210	0.6%	81	0.5%	1
Big Y Foods	1,091	0.4%	65	0.4%	1
PAQ	1,046	0.5%	59	0.4%	1
Trader Joe's	934	0.4%	55	0.3%	4
McKeever Enterprises	844	0.4%	68	0.4%	1
Save Mart Supermarkets	843	0.4%	102	0.6%	2
The Fresh Market	841	0.4%	59	0.4%	3
Pete's Fresh Market	579	0.3%	72	0.4%	1
U R M Stores	574	0.3%	51	0.3%	1
Hy-Vee Food Stores	527	0.2%	127	0.8%	2
Fresh Thyme Farmers Market	450	0.2%	30	0.2%	1
Marc’s	400	0.2%	36	0.2%	1
	$ 84,879	40.1%	8,829	52.6%	152

(1) Number of locations excludes (a) auxiliary leases with grocery anchors such as fuel stations, pharmacies, and liquor stores, (b) four locations where we do not own the portion of the shopping center that contains the grocery anchor, and (c) four locations that have non-grocery anchors. Number of locations also includes one shopping center that has two grocery anchors.

Results of Operations

In conjunction with the closing of the PELP transaction on October 4, 2017, we expect our operations to change significantly. As a result of acquiring the third-party asset management business of PELP, we will earn fee and management income for certain services provided to Phillips Edison Grocery Center REIT II, Inc. and other funds, and incur expenses related to managing their day-to-day activities and implementing their investment strategy. Furthermore, following the termination of the PE-NTR Agreement, we will no longer pay fees to an advisor, including asset management fees. The acquisition of 76 real estate assets from PELP through this transaction substantially increased the size of our portfolio. Consequently, we expect our operating revenues to increase over the short- and long-term.

Summary of Operating Activities for the Three Months Ended September 30, 2017 and 2016

			Favorable (Unfavorable) Change	
(In thousands, except per share amounts)	2017	2016	$	%
Operating Data:				
Total revenues	$ 70,624	$ 65,270	$ 5,354	8.2 %
Property operating expenses	(10,882)	(10,030)	(852)	(8.5)%
Real estate tax expenses	(10,723)	(9,104)	(1,619)	(17.8)%
General and administrative expenses	(8,712)	(7,722)	(990)	(12.8)%
Termination of affiliate arrangements	(5,454)	—	(5,454)	NM
Acquisition expenses	(202)	(870)	668	76.8 %
Depreciation and amortization	(28,650)	(26,583)	(2,067)	(7.8)%
Interest expense, net	(10,646)	(8,504)	(2,142)	(25.2)%
Transaction expenses	(3,737)	—	(3,737)	NM
Other income, net	6	33	(27)	81.8 %
Net (loss) income	(8,376)	2,490	(10,866)	NM
Net loss (income) attributable to noncontrolling interests	144	(26)	170	NM
Net (loss) income attributable to stockholders	$ (8,232)	$ 2,464	$ (10,696)	NM
Net (loss) income per share—basic and diluted	$ (0.04)	$ 0.01	$ (0.05)	

Below are explanations of the significant fluctuations in the results of operations for the three months ended September 30, 2017 and 2016:

Total revenues—Of the $5.4 million increase in total revenues, $5.2 million was attributed to non-same-center properties, which are the properties acquired or disposed of after December 31, 2015, and those considered redevelopment properties. Of the $5.2 million increase, $6.7 million was related to acquisitions, offset by a decrease of $1.5 million related to redevelopment and disposed properties. There are nine properties being repositioned in the market and such repositioning is expected to have a significant impact on property operating income. As such, these properties have been classified as redevelopment and have been excluded from our same-center pool. The remaining increase in revenues was the result of a $0.2 million increase among same-center properties, which are the 137 properties that were owned and operational for the entire portion of both comparable reporting periods. The increase in same-center revenue was primarily driven by a $0.17 increase in minimum rent per square foot and a 0.7% increase in occupancy since September 30, 2016.

Property operating expenses—These expenses include (i) operating and maintenance expense, which consists of property-related costs including repairs and maintenance costs, landscaping, snow removal, utilities, property insurance costs, security, and various other property-related expenses; (ii) bad debt expense; and (iii) property management fees and expenses. The $0.9 million increase in property operating expenses primarily resulted from owning more properties for the entire three months ended September 30, 2017, than the comparable 2016 period.

Real estate tax expenses—The $1.6 million increase in real estate tax expenses was primarily due to having more properties in our portfolio for the entire three months ended September 30, 2017, than the comparable 2016 period.

General and administrative expenses—The $1.0 million increase in general and administrative expenses included a $0.6 million increase in third-party legal and consulting fees, as well as costs associated with distributing our Proxy. It also included a $0.3 million increase in asset management fees related to owning more properties for the entire three months ended September 30, 2017, than the comparable 2016 period.

Termination of affiliate arrangements—The $5.5 million expense was primarily related to the redemption of unvested Class B units at the estimated value per share on the date of termination, that had been earned by our former advisor for historical asset management services (see Note 9 to the consolidated financial statements).

Acquisition expenses—The $0.7 million decrease in acquisition expenses was attributed to the implementation of ASU 2017-01 on January 1, 2017, which caused us to capitalize most acquisition-related costs. For a more detailed discussion of this adoption, see Note 4 to the consolidated financial statements.

Depreciation and amortization—The $2.1 million increase in depreciation and amortization included a $2.8 million increase related to owning more properties for the entire three months ended September 30, 2017, than the comparable 2016 period. This was offset by a $0.4 million decrease due to the disposition of a property in December 2016, as well as a $0.4 million decrease among same-center properties that was primarily attributed to certain intangible lease assets becoming fully amortized.

Interest expense, net—The $2.1 million increase in interest expense was primarily due to additional borrowings since September 2016, offset by a decrease in amortization of loan closing costs due to refinancing certain mortgages in September 2016.

Transaction expenses—The $3.7 million of transaction expenses resulted from costs incurred in connection with the PELP transaction (see Note 3 to the consolidated financial statements), primarily third-party professional fees, such as accounting, legal, tax, financial advisor, and consulting fees, and fees associated with obtaining debt consents necessary to complete the transaction.

Summary of Operating Activities for the Nine Months Ended September 30, 2017 and 2016

			Favorable (Unfavorable) Change	
(In thousands, except per share amounts)	2017	2016	$	%
Operating Data:				
Total revenues	$ 208,778	$ 191,405	$ 17,373	9.1 %
Property operating expenses	(32,611)	(29,978)	(2,633)	(8.8)%
Real estate tax expenses	(31,136)	(27,745)	(3,391)	(12.2)%
General and administrative expenses	(25,438)	(23,736)	(1,702)	(7.2)%
Termination of affiliate arrangements	(5,454)	—	(5,454)	NM
Acquisition expenses	(466)	(2,392)	1,926	80.5 %
Depreciation and amortization	(84,481)	(78,266)	(6,215)	(7.9)%
Interest expense, net	(28,537)	(23,837)	(4,700)	(19.7)%
Transaction expenses	(9,760)	—	(9,760)	NM
Other income (expense), net	642	(125)	767	NM
Net (loss) income	(8,463)	5,326	(13,789)	NM
Net loss (income) attributable to noncontrolling interests	144	(83)	227	NM
Net (loss) income attributable to stockholders	$ (8,319)	$ 5,243	$ (13,562)	NM
Net (loss) income per share—basic and diluted	$ (0.05)	$ 0.03	$ (0.08)	

Below are explanations of the significant fluctuations in the results of operations for the nine months ended September 30, 2017 and 2016:

Total revenues—Of the $17.4 million increase in total revenues, $16.4 million was related to non-same-center properties. Of the $16.4 million increase, $19.3 million was related to acquisitions, offset by a decrease of $2.9 million related to redevelopment and disposed properties. The remaining $1.0 million increase was attributed to same-center properties, which was primarily driven by a $0.17 increase in minimum rent per square foot and a 0.7% increase in occupancy since September 30, 2016.

Property operating expenses—The $2.6 million increase in property operating expenses was primarily related to owning more properties for the nine months ended September 30, 2017, than the comparable 2016 period.

Real estate tax expenses—The $3.4 million increase in real estate tax expenses was due to having more properties in our portfolio for the nine months ended September 30, 2017, than the comparable 2016 period.

General and administrative expenses—The $1.7 million increase in general and administrative expenses was primarily attributed to an increase in asset management fees related to owning more properties for the nine months ended September 30, 2017, than the comparable 2016 period.

Termination of affiliate arrangements—The $5.5 million expense was primarily related to the redemption of unvested Class B units at the estimated value per share on the date of termination, that had been earned by our former advisor for historical asset management services (see Note 9 to the consolidated financial statements).

Acquisition expenses—The $1.9 million decrease in acquisition expenses was attributed to the implementation of ASU 2017-01 on January 1, 2017, which caused us to capitalize most acquisition-related costs. For a more detailed discussion of this adoption, see Note 4 to the consolidated financial statements.

Depreciation and amortization—The $6.2 million increase in depreciation and amortization included an $8.3 million increase related to owning more properties for the nine months ended September 30, 2017, than the comparable 2016 period. This was offset by a $1.2 million decrease due to the disposition of a property in December 2016, as well as a $1.1 million decrease that was primarily attributed to certain intangible lease assets becoming fully amortized.

Interest expense, net—The $4.7 million increase in interest expense was primarily due to additional borrowings since September 2016, offset by a decrease from refinancing certain mortgages and improving the associated interest rate.

Transaction expenses—The $9.8 million of transaction expenses resulted from costs incurred in connection with the PELP transaction (see Note 3 to the consolidated financial statements), primarily third-party professional fees, such as accounting, legal, tax, financial advisor, and consulting fees, and fees associated with obtaining debt consents necessary to complete the transaction.

Other income (expense), net—Other income increased $0.8 million primarily due to gains from the sale of land at two of our properties.

Leasing Activity

The average rent per square foot and cost of executing leases fluctuates based on the tenant mix, size of the space, and lease term. Leases with national and regional tenants generally require a higher cost per square foot than those with local tenants. However, such tenants will also execute leases for a longer term. As we continue to attract more of these national and regional tenants, our costs to lease may increase.

Below is a summary of leasing activity for the three months ended September 30, 2017 and 2016:

	Total Deals		Inline Deals[1]	
	2017	2016	2017	2016
New leases:				
Number of leases	35	35	34	32
Square footage (in thousands)	91	184	70	77
First-year base rental revenue (in thousands)	$ 1,380	$ 2,325	$ 1,186	$ 1,219
Average rent per square foot (“PSF”)	$ 15.24	$ 12.62	$ 16.92	$ 15.87
Average cost PSF of executing new leases[2][3]	$ 21.31	$ 19.83	$ 19.01	$ 29.78
Weighted average lease term (in years)	6.9	8.5	5.9	7.3
Renewals and options:				
Number of leases	84	93	79	86
Square footage (in thousands)	482	555	138	168
First-year base rental revenue (in thousands)	$ 5,285	$ 5,806	$ 2,959	$ 3,367
Average rent PSF	$ 10.96	$ 10.46	$ 21.42	$ 20.06
Average rent PSF prior to renewals	$ 10.24	$ 9.65	$ 19.24	$ 17.78
Percentage increase in average rent PSF	7.0%	8.4%	11.3%	12.9%
Average cost PSF of executing renewals and options[2][3]	$ 2.11	$ 1.68	$ 4.66	$ 3.51
Weighted average lease term (in years)	5.3	4.9	5.4	4.9
Portfolio retention rate[4]	91.9%	89.2%	87.2%	81.0%

[1] We consider an inline deal to be a lease for less than 10,000 square feet of gross leasable area (“GLA”).

[2] The cost of executing new leases, renewals, and options includes leasing commissions, tenant improvement costs, and tenant concessions.

[3] The costs associated with landlord improvements are excluded for repositioning and redevelopment projects.

[4] The portfolio retention rate is calculated by dividing (a) total square feet of retained tenants with current period lease expirations by (b) the square feet of leases expiring during the period.

Below is a summary of leasing activity for the nine months ended September 30, 2017 and 2016:

	Total Deals		Inline Deals	
	2017	2016	2017	2016
New leases:				
Number of leases	127	124	123	118
Square footage (in thousands)	328	512	265	296
First-year base rental revenue (in thousands)	$ 5,563	$ 6,756	$ 5,040	$ 4,808
Average rent PSF	$ 16.97	$ 13.20	$ 18.99	$ 16.22
Average cost PSF of executing new leases	$ 29.00	$ 24.10	$ 30.43	$ 32.16
Weighted average lease term (in years)	7.8	8.0	7.2	7.3
Renewals and options:				
Number of leases	254	238	236	222
Square footage (in thousands)	1,288	1,313	465	435
First-year base rental revenue (in thousands)	$ 17,751	$ 14,224	$ 10,621	$ 9,057
Average rent PSF	$ 13.78	$ 10.84	$ 22.86	$ 20.82
Average rent PSF prior to renewals	$ 12.73	$ 9.87	$ 20.44	$ 18.33
Percentage increase in average rent PSF	8.2%	9.8%	11.8%	13.6%
Average cost PSF of executing renewals and options	$ 2.68	$ 2.30	$ 5.03	$ 4.30
Weighted average lease term (in years)	5.1	5.3	5.3	5.2
Portfolio retention rate	92.9%	89.9%	88.1%	81.9%

Non-GAAP Measures

Same-Center Net Operating Income

We present Same-Center Net Operating Income ("Same-Center NOI") as a supplemental measure of our performance. We define Net Operating Income ("NOI") as total operating revenues, adjusted to exclude lease buy-out income and non-cash revenue items, less property operating expenses and real estate taxes. Same-Center NOI represents the NOI for the 137 properties that were owned and operational for the entire portion of both comparable reporting periods, except for the nine properties we currently classify as redevelopment. While there is judgment surrounding changes in designations, once a redevelopment property has stabilized, it is typically moved to the same-center pool the following year.

We believe that NOI and Same-Center NOI provide useful information to our investors about our financial and operating performance because each provides a performance measure of the revenues and expenses directly involved in owning and operating real estate assets and provides a perspective not immediately apparent from net income (loss). Because Same-Center NOI excludes the change in NOI from properties acquired after December 31, 2015, and those considered redevelopment properties, it highlights operating trends such as occupancy levels, rental rates, and operating costs on properties that were operational for both comparable periods. Other REITs may use different methodologies for calculating Same-Center NOI, and accordingly, our Same-Center NOI may not be comparable to other REITs.

Same-Center NOI should not be viewed as an alternative measure of our financial performance since it does not reflect the operations of our entire portfolio, nor does it reflect the impact of general and administrative expenses, acquisition expenses, depreciation and amortization, interest expense, other income, or the level of capital expenditures and leasing costs necessary to maintain the operating performance of our properties that could materially impact our results from operations.

The table below is a comparison of Same-Center NOI for the three and nine months ended September 30, 2017, to the three and nine months ended September 30, 2016 (in thousands):

	Three Months Ended September 30,				Nine Months Ended September 30,			
	2017	2016	$ Change	% Change	2017	2016	$ Change	% Change
Revenues:								
Rental income[1]	$ 42,621	$ 41,797	$ 824		$ 127,588	$ 124,664	$ 2,924	
Tenant recovery income	13,620	14,020	(400)		41,337	42,583	(1,246)	
Other property income	274	195	79		615	562	53	
Total revenues	56,515	56,012	503	0.9%	169,540	167,809	1,731	1.0 %
Operating expenses:								
Property operating expenses	8,831	8,813	18		26,563	26,673	(110)	
Real estate taxes	8,179	7,909	270		24,731	24,774	(43)	
Total operating expenses	17,010	16,722	288	1.7%	51,294	51,447	(153)	(0.3)%
Total Same-Center NOI	$ 39,505	$ 39,290	$ 215	0.5%	$ 118,246	$ 116,362	$ 1,884	1.6 %

[1] Excludes straight-line rental income, net amortization of above- and below-market leases, and lease buyout income.

Below is a reconciliation of Net (loss) income to NOI and Same-Center NOI for the three and nine months ended September 30, 2017 and 2016 (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2017	2016[1]	2017	2016[1]
Net (loss) income	$ (8,376)	$ 2,490	$ (8,463)	$ 5,326
Adjusted to exclude:				
Straight-line rental income	(970)	(1,067)	(2,913)	(2,793)
Net amortization of above- and below-market leases	(286)	(355)	(972)	(936)
Lease buyout income	(9)	—	(1,120)	(534)
General and administrative expenses	8,712	7,722	25,438	23,736
Termination of affiliate arrangements	5,454	—	5,454	—
Acquisition expenses	202	870	466	2,392
Depreciation and amortization	28,650	26,583	84,481	78,266
Interest expense, net	10,646	8,504	28,537	23,837
Transaction expenses	3,737	—	9,760	—
Other	(6)	(33)	(642)	125
NOI	47,754	44,714	140,026	129,419
Less: NOI from centers excluded from same-center	(8,249)	(5,424)	(21,780)	(13,057)
Total Same-Center NOI	$ 39,505	$ 39,290	$ 118,246	$ 116,362

[1] Certain prior period amounts have been restated to conform with current year presentation.

Funds from Operations and Modified Funds from Operations

Funds from operations ("FFO") is a non-GAAP financial measure that is widely recognized as a measure of REIT operating performance. We use FFO as defined by the National Association of Real Estate Investment Trusts ("NAREIT") to be net income (loss), computed in accordance with GAAP, adjusted for gains (or losses) from sales of depreciable real estate property (including deemed sales and settlements of pre-existing relationships), plus depreciation and amortization on real estate assets and impairment charges, and after related adjustments for unconsolidated partnerships, joint ventures, and noncontrolling interests. We believe that FFO is helpful to our investors and our management as a measure of operating performance because, when compared year over year, it reflects the impact on operations from trends in occupancy rates, rental rates, operating costs, development activities, general and administrative expenses, and interest costs, which are not immediately apparent from net income (loss).

Since the definition of FFO was promulgated by NAREIT, GAAP has expanded to include several new accounting pronouncements, such that management and many investors and analysts have considered the presentation of FFO alone to be

insufficient. Accordingly, in addition to FFO, we use modified funds from operations ("MFFO"), which, as defined by us, excludes from FFO the following items:

- acquisition and transaction expenses;
- straight-line rent amounts, both income and expense;
- amortization of above- or below-market intangible lease assets and liabilities;
- amortization of discounts and premiums on debt investments;
- gains or losses from the early extinguishment of debt;
- gains or losses on the extinguishment of derivatives, except where the trading of such instruments is a fundamental attribute of our operations;
- gains or losses related to fair value adjustments for derivatives not qualifying for hedge accounting;
- adjustments related to the above items for joint ventures, noncontrolling interests, and unconsolidated entities in the application of equity accounting; and
- termination of affiliate arrangements.

We believe that MFFO is helpful in assisting management and investors with the assessment of the sustainability of operating performance in future periods because MFFO excludes acquisition expenses that affect operations only in the period in which the property is acquired. Thus, MFFO provides helpful information relevant to evaluating our operating performance in periods in which there is no acquisition activity.

Many of the adjustments in arriving at MFFO are not applicable to us. Nevertheless, as explained below, management's evaluation of our operating performance may also exclude items considered in the calculation of MFFO based on the following economic considerations:

- *Adjustments for straight-line rents and amortization of discounts and premiums on debt investments*—GAAP requires rental receipts and discounts and premiums on debt investments to be recognized using various systematic methodologies. This may result in income recognition that could be significantly different than underlying contract terms. By adjusting for these items, MFFO provides useful supplemental information on the realized economic impact of lease terms and debt investments and aligns results with management's analysis of operating performance. The adjustment to MFFO for straight-line rents, in particular, is made to reflect rent and lease payments from a GAAP accrual basis to a cash basis.
- *Adjustments for amortization of above- or below-market intangible lease assets*—Similar to depreciation and amortization of other real estate-related assets that are excluded from FFO, GAAP implicitly assumes that the value of intangibles diminishes ratably over the lease term and should be recognized in revenue. Since real estate values and market lease rates in the aggregate have historically risen or fallen with market conditions, and the intangible value is not adjusted to reflect these changes, management believes that by excluding these charges, MFFO provides useful supplemental information on the performance of the real estate.
- *Gains or losses related to fair value adjustments for derivatives not qualifying for hedge accounting*—This item relates to a fair value adjustment, which is based on the impact of current market fluctuations and underlying assessments of general market conditions and specific performance of the holding, which may not be directly attributable to current operating performance. As these gains or losses relate to underlying long-term assets and liabilities, management believes MFFO provides useful supplemental information by focusing on the changes in core operating fundamentals rather than changes that may reflect anticipated, but unknown, gains or losses.
- *Adjustment for gains or losses related to early extinguishment of derivatives and debt instruments*—These adjustments are not related to continuing operations. By excluding these items, management believes that MFFO provides supplemental information related to sustainable operations that will be more comparable between other reporting periods and to other real estate operators.
- *Adjustment for the termination of affiliate arrangements*—This adjustment is related to our redemption of Class B units at the estimated value per share on the date of termination, that had been earned by our former advisor for historical asset management services, and is not related to continuing operations. By excluding this item, management believes that MFFO provides supplemental information related to sustainable operations that will be more comparable between other reporting periods and to other real estate operators.

Neither FFO nor MFFO should be considered as an alternative to net income (loss) or income (loss) from continuing operations under GAAP, nor as an indication of our liquidity, nor is either of these measures indicative of funds available to fund our cash

needs, including our ability to fund distributions. MFFO may not be a useful measure of the impact of long-term operating performance on value if we do not continue to operate our business plan in the manner currently contemplated.

Accordingly, FFO and MFFO should be reviewed in connection with other GAAP measurements. FFO and MFFO should not be viewed as more prominent measures of performance than our net income (loss) or cash flows from operations prepared in accordance with GAAP. Our FFO and MFFO, as presented, may not be comparable to amounts calculated by other REITs.

The following section presents our calculation of FFO and MFFO and provides additional information related to our operations for the three and nine months ended September 30, 2017 and 2016 (in thousands, except per share amounts):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2017	2016	2017	2016
Calculation of FFO				
Net (loss) income attributable to stockholders	$ (8,232)	$ 2,464	$ (8,319)	$ 5,243
Adjustments:				
Depreciation and amortization of real estate assets	28,650	26,583	84,481	78,266
Noncontrolling interests	(410)	(397)	(1,244)	(1,171)
FFO attributable to common stockholders	$ 20,008	$ 28,650	$ 74,918	$ 82,338
Calculation of MFFO				
FFO	$ 20,008	$ 28,650	$ 74,918	$ 82,338
Adjustments:				
Acquisition expenses	202	870	466	2,392
Net amortization of above- and below-market leases	(286)	(354)	(972)	(936)
Gain on extinguishment of debt	(43)	(184)	(567)	(79)
Straight-line rental income	(970)	(1,068)	(2,913)	(2,793)
Amortization of market debt adjustment	(267)	(285)	(838)	(1,631)
Change in fair value of derivatives	(30)	(98)	(153)	(66)
Transaction expenses	3,737	—	9,760	—
Termination of affiliate arrangements	5,454	—	5,454	—
Noncontrolling interests	(53)	4	(90)	47
MFFO attributable to common stockholders	$ 27,752	$ 27,535	$ 85,065	$ 79,272
FFO/MFFO per share:				
Weighted-average common shares outstanding - basic	183,843	184,639	183,402	183,471
Weighted-average common shares outstanding - diluted[(1)]	186,502	187,428	186,150	186,260
FFO per share - basic	$ 0.11	$ 0.16	$ 0.41	$ 0.45
FFO per share - diluted	$ 0.11	$ 0.15	$ 0.40	$ 0.44
MFFO per share - basic and diluted	$ 0.15	$ 0.15	$ 0.46	$ 0.43

(1) OP units and restricted stock awards were dilutive to FFO/MFFO for the three and nine months ended September 30, 2017 and 2016, and, accordingly, were included in the weighted average common shares used to calculate diluted FFO/MFFO per share.

Liquidity and Capital Resources

General

Our principal cash demands, aside from standard operating expenses, are for investments in real estate, capital expenditures, repurchases of common stock, distributions to stockholders, and principal and interest on our outstanding indebtedness. We intend to use our cash on hand, operating cash flows, and proceeds from debt financings, including borrowings under our unsecured credit facility, as our primary sources of immediate and long-term liquidity. On October 4, 2017, we completed the PELP transaction. Under the terms of the agreement, we issued 39.6 million OP units, assumed $501 million of debt, and paid approximately $25 million in cash (see Note 3 to the consolidated financial statements).

As of September 30, 2017, we had cash and cash equivalents of $7.2 million, a net cash decrease of $1.0 million during the nine months ended September 30, 2017.

Operating Activities

Our net cash provided by operating activities consists primarily of cash inflows from tenant rental and recovery payments and cash outflows for property operating expenses, real estate taxes, general and administrative expenses, and interest payments.

Our cash flows from operating activities were $67.5 million for the nine months ended September 30, 2017, compared to $85.2 million for the same period in 2016. The decrease primarily resulted from having a net loss, which was due to increased expenses related to the redemption of unvested Class B units at the estimated value per share on the date of termination, that had been earned by our former advisor for historical asset management services (see Note 9 to the consolidated financial statements), and expenses related to the PELP transaction.

Investing Activities

Net cash flows from investing activities are affected by the nature, timing, and extent of improvements to, as well as acquisitions and dispositions of, real estate and real estate-related assets, as we continue to evaluate the market for available properties and may acquire properties when we believe strategic opportunities exist.

Our net cash used in investing activities was $97.4 million for the nine months ended September 30, 2017, compared to $148.8 million for the same period in 2016. The decrease in cash used primarily resulted from the release of $35.9 million from restricted cash due to the completion of a reverse Section 1031 like-kind exchange, which originated from the sale of a property in December 2016.

During the nine months ended September 30, 2017, we acquired six shopping centers for a total cash outlay of $111.7 million. During the same period in 2016, we acquired three shopping centers and additional real estate adjacent to previously acquired shopping centers for a total cash outlay of $132.3 million.

Financing Activities

Net cash flows from financing activities are affected by payments of distributions, share repurchases, principal and other payments associated with our outstanding debt, and borrowings during the period. As our debt obligations mature, we intend to refinance the remaining balance, if possible, or pay off the balances at maturity using proceeds from operations and/or corporate-level debt. Our net cash provided by financing activities was $28.9 million for the nine months ended September 30, 2017, compared to net cash flow provided by financing activities of $44.3 million for the same period in 2016. The decrease in cash provided by financing activities primarily resulted from increased share repurchases in January 2017, as well as increased cash distributions as a result of fewer investors participating in the DRIP. The decrease was also due to the redemption of OP units that had been earned by our former advisor for historical asset management services. These cash flow decreases were partially offset by an increase in net borrowings.

As of September 30, 2017, our debt to total enterprise value was 39.1%. Debt to total enterprise value is calculated as net debt (total debt, excluding below-market debt adjustments and deferred financing costs, less cash and cash equivalents) as a percentage of enterprise value (equity value, calculated as diluted shares outstanding multiplied by the estimated value per share of $10.20 as of September 30, 2017, plus net debt).

Our debt is subject to certain covenants, as disclosed in our 2016 Annual Report on Form 10-K filed with the SEC on March 9, 2017. As of September 30, 2017, we were in compliance with the restrictive covenants of our outstanding debt obligations. We expect to continue to meet the requirements of our debt covenants over the short- and long-term. Our debt to total enterprise value and debt covenant compliance as of September 30, 2017, allow us access to future borrowings as needed.

We have access to a revolving credit facility with a capacity of $500 million and a current interest rate of LIBOR plus 1.3%. As of September 30, 2017, $121.0 million was available for borrowing under the revolving credit facility. In October 2017, the maturity date of the revolving credit facility was extended to October 2021, with additional options to extend the maturity to October 2022.

To increase the availability on our revolving credit facility and refinance the corporate debt assumed from the PELP transaction, we entered into two new term loan agreements that have principal balances of $310 million, with a delayed draw feature for a total capacity of $375 million, and $175 million that mature in April 2022 and October 2024, respectively. We also entered into two new secured loan facilities with principal balances of $175 million and $195 million that mature in November 2026 and November 2027, respectively. For more information regarding these loans, see Note 6 to the consolidated financial statements.

We offer an SRP that provides a limited opportunity for stockholders to have shares of common stock repurchased, subject to certain restrictions and limitations. For a more detailed discussion of our SRP, see Note 9 to the consolidated financial statements.

Activity related to distributions to our common stockholders for the nine months ended September 30, 2017 and 2016, is as follows (in thousands):

	2017	2016
Gross distributions paid	$ 92,397	$ 92,266
Distributions reinvested through the DRIP	36,171	44,731
Net cash distributions	$ 56,226	$ 47,535
Net (loss) income attributable to stockholders	$ (8,319)	$ 5,243
Net cash provided by operating activities	$ 67,522	$ 85,179
FFO[(1)]	$ 74,918	$ 82,338

[(1)] See Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations - Non-GAAP Measures - Funds from Operations and Modified Funds from Operations, for the definition of FFO, information regarding why we present FFO, as well as for a reconciliation of this non-GAAP financial measure to Net (Loss) Income on the consolidated statements of operations.

We paid distributions monthly and expect to continue paying distributions monthly unless our results of operations, our general financial condition, general economic conditions, or other factors, as determined by our Board, make it imprudent to do so. The timing and amount of distributions is determined by our Board and is influenced in part by our intention to comply with REIT requirements of the Internal Revenue Code.

To maintain our qualification as a REIT, we must make aggregate annual distributions to our stockholders of at least 90% of our REIT taxable income (which is computed without regard to the dividends paid deduction or net capital gain, and which does not necessarily equal net income (loss) as calculated in accordance with GAAP). We generally will not be subject to U.S. federal income tax on the income that we distribute to our stockholders each year due to meeting the REIT qualification requirements. However, we may be subject to certain state and local taxes on our income, property, or net worth and to federal income and excise taxes on our undistributed income.

We have not established a minimum distribution level, and our charter does not require that we make distributions to our stockholders.

Critical Accounting Policies

Real Estate Acquisition Accounting—In January 2017, the FASB issued ASU 2017-01, *Business Combinations (Topic 805): Clarifying the Definition of a Business*. This update amends existing guidance in order to clarify when an integrated set of assets and activities is considered a business. We adopted ASU 2017-01 on January 1, 2017, and applied it prospectively. Under this new guidance, most of our real estate acquisition activity will no longer be considered a business combination and will instead be classified as an asset acquisition. As a result, most acquisition-related costs that would have been recorded on our consolidated statements of operations have been capitalized and will be amortized over the life of the related assets.

For a summary of all of our critical accounting policies, refer to our 2016 Annual Report on Form 10-K filed with the SEC on March 9, 2017.

Recently Issued Accounting Pronouncements—Refer to Note 2 of our consolidated financial statements in this report for discussion of the impact of recently issued accounting pronouncements.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

We hedge a portion of our exposure to interest rate fluctuations through the utilization of interest rate swaps in order to mitigate the risk of this exposure. We do not intend to enter into derivative or interest rate transactions for speculative purposes. Our hedging decisions are determined based upon the facts and circumstances existing at the time of the hedge and may differ from our currently anticipated hedging strategy. Because we use derivative financial instruments to hedge against interest rate fluctuations, we may be exposed to both credit risk and market risk. Credit risk is the failure of the counterparty to perform under the terms of the derivative contract. If the fair value of a derivative contract is positive, the counterparty will owe us, which creates credit risk for us. If the fair value of a derivative contract is negative, we will owe the counterparty and, therefore, do not have credit risk. We seek to minimize the credit risk in derivative instruments by entering into transactions with high-quality counterparties. Market risk is the adverse effect on the value of a financial instrument that results from a change in interest rates. The market risk associated with interest-rate contracts is managed by establishing and monitoring parameters that limit the types and degree of market risk that may be undertaken.

As of September 30, 2017, we had four interest rate swaps that fixed the LIBOR on $642 million of our unsecured term loan facilities, and we were party to an interest rate swap that fixed the variable interest rate on $10.8 million of one of our secured mortgage notes. We had no other outstanding interest rate swap agreements as of September 30, 2017.

As of September 30, 2017, we had not fixed the interest rate on $392.0 million of our unsecured debt through derivative financial instruments, and as a result, we are subject to the potential impact of rising interest rates, which could negatively impact our profitability and cash flows. The impact on our results of operations of a one-percentage point increase in interest rates on the outstanding balance of our variable-rate debt at September 30, 2017, would result in approximately $3.9 million of additional interest expense annually. The additional interest expense was determined based on the impact of hypothetical interest rates on our borrowing cost and assumes no changes in our capital structure.

Upon completion of the PELP transaction, we entered into two new variable-rate term loans with principal balances of $310 million and $175 million that mature in April 2022 and October 2024, respectively. On October 27, 2017, we entered into an interest rate swap agreement with a notional amount of $175 million that fixed the interest rate on the term loan maturing in 2022 at 3.29%. Also on October 27, 2017, we entered into an interest rate swap with a notional amount of $175 million that fixed the interest rate on the term loan maturing in 2024 at 3.93%. These interest rate swaps were effective November 1, 2017.

The information presented above does not consider all exposures or positions that could arise in the future. Hence, the information represented herein has limited predictive value. As a result, the ultimate realized gain or loss with respect to interest rate fluctuations will depend on the exposures that arise during the period, the hedging strategies at the time, and the related interest rates.

We do not have any foreign operations, and thus we are not exposed to foreign currency fluctuations.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

Our management, with the participation of our Principal Executive Officer and Principal Financial Officer, has evaluated the effectiveness of our disclosure controls and procedures (as defined in Rule 13a-15(e) under the Exchange Act) as of September 30, 2017. Based on that evaluation, our Principal Executive Officer and Principal Financial Officer concluded that our disclosure controls and procedures (as defined in Rule 13a-15(e) under the Exchange Act) were effective as of September 30, 2017.

Internal Control Changes

During the quarter ended September 30, 2017, there were no changes in our internal control over financial reporting (as defined in Rule 13a-15(f) under the Exchange Act) that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings

We are involved in various claims and litigation matters arising in the ordinary course of business, some of which involve claims for damages. Many of these matters are covered by insurance, although they may nevertheless be subject to deductibles or retentions. Although the ultimate liability for these matters cannot be determined, based upon information currently available, we believe the ultimate resolution of such claims and litigation will not have a material adverse effect on our consolidated financial statements, nor are we aware of any such legal proceedings contemplated by governmental authorities.

Item 1A. Risk Factors

For a listing of risk factors associated with investing in us, please see Item 1A. Risk Factors in Part I of our 2016 Annual Report on Form 10-K filed with the SEC on March 9, 2017, and the risk factors listed below:

We recently transitioned to a self-managed real estate investment trust and have limited operating experience being self-managed.

Effective October 4, 2017, we transitioned to a self-managed real estate investment trust following the closing of a transaction to acquire certain real estate assets and the third-party asset management business of Phillips Edison Limited Partnership (“PELP”) in a stock and cash transaction (“PELP transaction”). While we no longer bear the costs of the various fees and

expense reimbursements previously paid to our former external advisor and its affiliates, our expenses now include the compensation and benefits of our officers, employees and consultants, as well as overhead previously paid by our former external advisor or their affiliates. Our employees now provide us services historically provided by our former external advisor and its affiliates. We are also now subject to potential liabilities that are commonly faced by employers, such as workers' disability and compensation claims, potential labor disputes, and other employee-related liabilities and grievances, and we bear the costs of the establishment and maintenance of any employee compensation plans. In addition, we have limited experience operating as a self-managed real estate investment trust ("REIT") and we may encounter unforeseen costs, expenses, and difficulties associated with providing those services on a self-advised basis. If we incur unexpected expenses as a result of our self-management, our results of operations could be lower than they otherwise would have been. Furthermore, our results of operations following our transition to self-management may not be comparable to our results prior to the transition.

Mr. Edison, or his designee, will be nominated to the board of directors ("Board") for each of the next ten succeeding annual meetings, subject to certain terminating events.

As part of the PELP transaction, Mr. Edison, or his designee, will be nominated to the Board for each of the ten succeeding annual meetings, subject to certain terminating events, including the sale or transfer of more than 35% of the partnership units ("OP Units") of Phillips Edison Grocery Center Operating Partnership I, L. P. ("PECO I OP") that he beneficially owns. As a result, it is possible that Mr. Edison may continue to be nominated as a director in circumstances when the independent directors would not otherwise have done so.

Mr. Edison shall continue to serve as Chairman of the Board until the third anniversary of the closing of the PELP transaction, subject to certain terminating events.

Our bylaws provide that Mr. Edison will continue to serve as Chairman of the Board until the third anniversary of the closing of the PELP transaction, subject to certain terminating events, including the listing of our common stock on a national securities exchange. As a result, Mr. Edison may continue to serve as Chairman of the Board in circumstances when the independent directors would not otherwise have selected him.

Upon closing of the PELP transaction, the PECO I OP partnership agreement was amended to, among other things, grant certain rights and protections to the limited partners, which may prevent or delay a change of control transaction that might involve a premium price for our shares of common stock.

The amended and restated PECO I OP partnership agreement, which, among other things, grants certain rights and protections to the limited partners, including granting limited partners the right to consent to a change of control transaction. Furthermore, Mr. Edison currently has voting control over approximately 9.6% of the OP Units (inclusive of those owned by us) and therefore could have a significant influence over votes on change of control transactions. As part of the PELP transaction, we entered into certain provisions that should reduce the possibility that Mr. Edison or other protected partners ("Tax Protection Agreement") would have an economic incentive to oppose a change of control transaction that would otherwise be in our best interest, we cannot be certain however that such limited partners would view a change of control transaction as favorably as our stockholders. The Tax Protection Agreement expires after ten years from the closing of the PELP transaction.

We have and will incur substantial expenses related to the PELP transaction and its integration.

We have incurred and will incur substantial expenses in connection with completing the PELP transaction. While we expected to incur a certain level of transaction and integration expenses, factors beyond our control could affect the total amount or the timing of its integration expenses. As a result, the transaction and integration expenses associated with the PELP transaction could, particularly in the near term, exceed the savings that we expect to achieve from the acquisition of the companies contributed under the PELP transaction ("Contributed Companies") following the closing. If the expenses we incur as a result of the PELP transaction are higher than anticipated, our net income per common share and funds from operations per common share would be adversely affected.

Our future results will suffer if we do not effectively manage our expanded portfolio and operations.

There can be no assurance, however, regarding when or to what extent we will be able to realize the benefits of the PELP transaction, which may be difficult, unpredictable and subject to delays. We will be required to devote significant management attention and resources to integrating our business practices and operations with the Contributed Companies. It is possible that the integration process could result in the distraction of our management, the disruption of our ongoing business or inconsistencies in our operations, services, standards, controls, procedures and policies, any of which could adversely affect our ability to maintain relationships with operators, vendors and employees or to fully achieve the anticipated benefits of the PELP transaction. There may also be potential unknown or unforeseen liabilities, increased expenses, or delays associated with integrating the Contributed Companies into us.

With the closing of the PELP transaction, we have an expanded portfolio and operations, and likely will continue to expand our operations through additional acquisitions and other strategic transactions, some of which may involve complex challenges.

Our future success will depend, in part, upon our ability to manage expansion opportunities, integrate new operations into our existing business in an efficient and timely manner, successfully monitor our operations, costs, regulatory compliance and service quality and maintain other necessary internal controls. There can be no assurance that our expansion or acquisition opportunities will be successful, or that it will realize our expected operating efficiencies, cost savings, revenue enhancements, synergies or other benefits.

We may be unable to retain key employees.

Our success after the PELP transaction closing depends in part upon its ability to retain key employees. Key employees of the Contributed Companies and subsidiaries thereof may depart because of issues relating to the uncertainty and difficulty of integration. Accordingly, no assurance can be given that we will be able to retain key employees.

We may be exposed to risks to which we have not historically been exposed to.

We historically have not had employees. We now have employees following the consummation of the PELP transaction, and as their employer, we will be subject to those potential liabilities that are commonly faced by employers, such as workers disability and compensation claims, potential labor disputes and other employee-related liabilities and grievances. Further, we will bear the costs of the establishment and maintenance of health, retirement and similar benefit plans for our employees.

Following the closing of the PELP transaction, we agreed to honor and fulfill the rights to certain indemnification claims for acts or omissions occurring at or prior to the closing in favor of managers, directors, officers, trustees, agents or fiduciaries of any Contributed Company or subsidiary thereof.

We have agreed to honor and fulfill, following the closing, the rights to indemnification and exculpation from liabilities for acts or omissions occurring at or prior to the closing now existing in favor of a manager, director, officer, trustee, agent or fiduciary of any Contributed Company or subsidiary contained in (i) the organizational documents of the Contributed Companies and their subsidiaries and (ii) all existing indemnification agreements of the Contributed Companies and their subsidiaries. For six years after the closing, we may not amend, modify or repeal the organizational documents of the Contributed Companies and their subsidiaries in any way that would adversely affect such rights. We may incur substantial costs to address such claims and are limited in our ability to modify such indemnification obligations.

The estimated net asset value per common share may decline now or in the future as a result of the PELP transaction.

The estimated net asset value per common share may decline as a result of the PELP transaction for a number of reasons, including if we do not achieve the perceived benefits of the PELP transaction as rapidly or to the extent that is anticipated.

We cannot assure stockholders that we will be able to continue paying distributions at the rate currently paid.

We expect to continue our current distribution practices following the closing of the PELP transaction. Stockholders however, may not receive distributions following the closing of the PELP transaction equivalent to those previously paid by us for various reasons, including the following:

- as a result of the PELP transaction and the issuance of OP Units in connection with the PELP transaction, the total amount of cash required for us to pay distributions at our current rate has increased;
- we may not have enough cash to pay such distributions due to changes in our cash requirements, indebtedness, capital spending plans, cash flows or financial position or as a result of unknown or unforeseen liabilities incurred in connection with the PELP transaction;
- decisions on whether, when and in what amounts to make any future distributions will remain at all times entirely at the discretion of the Board, which reserves the right to change our distribution practices at any time and for any reason; and
- we may desire to retain cash to maintain or improve our credit ratings and financial position.

Existing and future stockholders have no contractual or other legal right to distributions that have not been declared.

We may have failed to uncover all liabilities of the Contributed Companies through the due diligence process prior to the PELP transaction, exposing us to potentially large, unanticipated costs.

Prior to completing the PELP transaction, we performed certain due diligence reviews of the business of PELP. Our due diligence review may not have adequately uncovered all of the contingent or undisclosed liabilities we may incur as a consequence of the PELP transaction. Any such liabilities could cause us to experience potentially significant losses, which could materially adversely affect our business, results of operations and financial condition.

The Tax Protection Agreement, during its term, could limit PECO I OP's ability to sell or otherwise dispose of certain properties and may require PECO I OP to maintain certain debt levels that otherwise would not be required to operate its business.

We and PECO I OP entered into a Tax Protection Agreement at closing, pursuant to which if PECO I OP (i) sells, exchanges, transfers, conveys or otherwise disposes of a Protected Property (as defined in the Tax Protection Agreement) in a taxable transaction for a period of ten years commencing on the closing (the "Tax Protection Period") or (ii) fails, prior to the expiration of the Tax Protection Period, to maintain minimum levels of indebtedness that would be allocable to each Protected Partner (as defined in the Tax Protection Agreement) for tax purposes or, alternatively, fails to offer such Protected Partner the opportunity to guarantee specific types of PECO I OP's indebtedness in order to enable such Protected Partner to continue to defer certain tax liabilities, PECO I OP will indemnify each affected Protected Partner against certain resulting tax liabilities. Therefore, although it may be in the stockholders' best interest for us to cause PECO I OP to sell, exchange, transfer, convey or otherwise dispose of one of these properties, it may be economically prohibitive for us to do so during the Tax Protection Period because of these indemnity obligations. Moreover, these obligations may require us to cause PECO I OP to maintain more or different indebtedness than we would otherwise require for our business. As a result, the Tax Protection Agreement will, during its term, restrict our ability to take actions or make decisions that otherwise would be in our best interests.

If PECO I OP fails to qualify as a partnership for U.S. federal income tax purposes, we would fail to qualify as a REIT and suffer other adverse consequences.

We believe that PECO I OP is organized and will be operated in a manner so as to be treated as a partnership, and not an association or publicly traded partnership taxable as a corporation for U.S. federal income tax purposes. As a partnership, PECO I OP will not be subject to U.S. federal income tax on its income. Instead, each of its partners, including us, will be allocated that partner's share of PECO I OP's income. No assurance can be provided, however, that the Internal Revenue Service will not challenge PECO I OP's status as a partnership for U.S. federal income tax purposes, or that a court would not sustain such a challenge. If the Internal Revenue Service were successful in treating PECO I OP as an association or publicly traded partnership taxable as a corporation for U.S. federal income tax purposes, we would fail to meet the gross income tests and certain of the asset tests applicable to REITs and, accordingly, would cease to qualify as a REIT. Also, the failure of PECO I OP to qualify as a partnership would cause it to become subject to U.S. federal corporate income tax, which would reduce significantly the amount of its cash available for debt service and for distribution to its partners, including us.

PECO I OP has a carryover tax basis on certain of its assets as a result of the PELP transaction, and the amount that we have to distribute to Stockholders therefore may be higher.

As a result of the PELP transaction, certain of PECO I OP's properties have carryover tax bases that are lower than the fair market values of these properties at the time of the acquisition. As a result of this lower aggregate tax basis, PECO I OP will recognize higher taxable gain upon the sale of these assets, and PECO I OP will be entitled to lower depreciation deductions on these assets than if it had purchased these properties in taxable transactions at the time of the acquisition. Such lower depreciation deductions and increased gains on sales allocated to us generally will increase the amount of our required distribution under the REIT rules, and will decrease the portion of any distribution that otherwise would have been treated as a "return of capital" distribution.

We intend to use taxable REIT subsidiaries ("TRSs"), which may cause us to fail to qualify as a REIT.

To qualify as a REIT for federal income tax purposes, we hold, and plan to continue to hold, our non-qualifying REIT assets and conduct our non-qualifying REIT income activities in or through one or more TRSs. A TRS is a corporation other than a REIT in which a REIT directly or indirectly holds stock, and that has made a joint election with such REIT to be treated as a TRS. A TRS also includes any corporation other than a REIT with respect to which a TRS owns securities possessing more than 35% of the total voting power or value of the outstanding securities of such corporation. Other than some activities relating to lodging and health care facilities, a TRS may generally engage in any business, including the provision of customary or non-customary services to tenants of its parent REIT. A TRS is subject to income tax as a regular C corporation.

The net income of our TRSs is not required to be distributed to us and income that is not distributed to us will generally not be subject to the REIT income distribution requirement. However, our TRS may pay dividends. Such dividend income should qualify under the 95%, but not the 75%, gross income test. We will monitor the amount of the dividend and other income from our TRS and will take actions intended to keep this income, and any other non-qualifying income, within the limitations of the REIT income tests. While we expect these actions will prevent a violation of the REIT income tests, we cannot guarantee that such actions will in all cases prevent such a violation.

Our ownership of TRSs will be subject to limitations that could prevent us from growing our management business and our transactions with our TRSs could cause us to be subject to a 100% penalty tax on certain income or deductions if those transactions are not conducted on an arm's-length basis.

Overall, (i) for taxable years beginning prior to January 1, 2018, no more than 25% of the value of a REIT's gross assets, and (ii) for taxable years beginning after December 31, 2017, no more than 20% of the value of a REIT's gross assets, may consist of interests in TRSs; compliance with this limitation could limit our ability to grow our management business. In addition, the Internal Revenue Code limits the deductibility of interest paid or accrued by a TRS to its parent REIT to assure that the TRS is subject to an appropriate level of corporate taxation. The Internal Revenue Code also imposes a 100% excise tax on certain transactions between a TRS and its parent REIT that are not conducted on an arm's-length basis. We will monitor the value of investments in our TRSs in order to ensure compliance with TRS ownership limitations and will structure our transactions with our TRSs on terms that we believe are arm's-length to avoid incurring the 100% excise tax described above. There can be no assurance, however, that we will be able to comply with the TRS ownership limitation or be able to avoid application of the 100% excise tax.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

a) None.

b) Not applicable.

c) During the quarter ended September 30, 2017, we repurchased shares as follows (shares in thousands):

Period	Total Number of Shares Repurchased	Average Price Paid per Share[1]	Total Number of Shares Purchased as Part of a Publicly Announced Plan or Program[2]	Approximate Dollar Value of Shares Available That May Yet Be Repurchased Under the Program
July 2017	75	$ 10.20	75	[3]
August 2017	46	10.20	46	[3]
September 2017	104	10.20	104	[3]

(1) On November 8, 2017, our Board increased the estimated value per share of our common stock to $11.00 based substantially on the estimated market value of our portfolio of real estate properties our recently acquired third-party asset management business as of October 5, 2017, the first full business day after the closing of the PELP transaction. Prior to November 8, 2017, the estimated value per share was $10.20 (see Note 9 to the consolidated financial statements). The repurchase price per share for all stockholders is equal to the estimated value per share on the date of the repurchase.

(2) We announced the commencement of the share repurchase program ("SRP") on August 12, 2010, and it was subsequently amended on September 29, 2011, and on April 14, 2016.

(3) We currently limit the dollar value and number of shares that may yet be repurchased under the SRP, as described below.

Our SRP may provide a limited opportunity for stockholders to have shares of common stock repurchased, subject to certain restrictions and limitations that are discussed below:

- During any calendar year, we may repurchase no more than 5% of the weighted-average number of shares outstanding during the prior calendar year.
- We have no obligation to repurchase shares if the repurchase would violate the restrictions on distributions under Maryland law, which prohibits distributions that would cause a corporation to fail to meet statutory tests of solvency.
- The cash available for repurchases on any particular date will generally be limited to the proceeds from the DRIP during the preceding four fiscal quarters, less any cash already used for repurchases since the beginning of the same period; however, subject to the limitations described above, we may use other sources of cash at the discretion of the Board. The limitations described above do not apply to shares repurchased due to a stockholder's death, "qualifying disability," or "determination of incompetence."
- Only those stockholders who purchased their shares from us or received their shares from us (directly or indirectly) through one or more non-cash transactions may be able to participate in the SRP. In other words, once our shares are transferred for value by a stockholder, the transferee and all subsequent holders of the shares are not eligible to participate in the SRP.
- The Board reserves the right, in its sole discretion, at any time and from time to time, to reject any request for repurchase.

Our Board may amend, suspend, or terminate the program upon 30 days' notice. We may provide notice by including such information (a) in a Current Report on Form 8-K or in our annual or quarterly reports, all publicly filed with the SEC, or (b) in a separate mailing to the stockholders. In connection with the May announcement of the PELP transaction (see Note 3 to the consolidated financial statements), the SRP was suspended during the month of May and resumed in June.

During the three and nine months ended September 30, 2017, repurchase requests surpassed the funding limits under the SRP. Due to the program's funding limits, no funds will be available for the remainder of 2017. When we are unable to fulfill all repurchase requests in any month, we will honor requests on a pro rata basis to the extent possible. As of September 30, 2017, we had 9.8 million shares of unfulfilled repurchase requests, which will be treated as requests for repurchase during future months until satisfied or withdrawn. We continue to fulfill repurchases sought upon a stockholder's death, "qualifying disability," or "determination of incompetence" in accordance with the terms of the SRP.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

On November 8, 2017, the independent directors of the Board unanimously approved Les Chao as their lead independent director.

Item 6. Exhibits

Ex.	Description
2.1	Contribution Agreement, dated as of May 18, 2017, between Phillips Edison Grocery Center REIT I, Inc., Phillips Edison Grocery Center Operating Partnership I, L.P., and the Contributors Listed Therein (incorporated by reference to Exhibit 2.1 to the Company's Current Report on Form 8-K filed May 23, 2017)
3.1	Third Amended and Restated Bylaws of Phillips Edison Grocery Center REIT I, Inc. (incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K filed October 11, 2017)
10.2	Letter Agreement with Phillips Edison NTR LLC dated September 20, 2017*
10.3	Third Amended and Restated Agreement of Limited Partnership of Phillips Edison Grocery Center Operating Partnership I, L.P. (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed October 11, 2017)
10.4	Tax Protection Agreement dated as of October 4, 2017 by and among Phillips Edison Grocery Center REIT I, Inc., Phillips Edison Grocery Center Operating Partnership I, L.P. and each Protected Partner identified as a signatory on Schedule I, as amended from time to time (incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K filed October 11, 2017)
10.5	Equityholder Agreement dated October 4, 2017 by and among Phillips Edison Grocery Center REIT I, Inc., Phillips Edison Grocery Center Operating Partnership I, L.P. and each of the individuals signatory thereto (incorporated by reference to Exhibit 10.3.1 to the Company's Current Report on Form 8-K filed October 11, 2017)
10.6	Fifth Amendment dated October 4, 2017 to the $900.0 million Credit Agreement*
10.6.1	Exhibit A to Fifth Amendment dated October 4, 2017 to the $900.0 million Credit Agreement*
10.7	Term Loan Credit Agreement dated October 4, 2017 for $175.0 million*
10.8	Term Loan Credit Agreement dated October 4, 2017 for $375.0 million*
10.9	First Amendment dated October 4, 2017 to the $255.0 million Term Loan*
10.10	Secured Loan Facility dated October 4, 2017 for $175.0 million*
10.11	Form of Deed of Trust, Assignment of Leases and Rents, Security Agreement and Fixture Filing dated October 23, 2017 Used for $195.0 million Secured Borrowings of 14 Properties Owned by a Subsidiaries of Phillips Edison Grocery Center Operating Partnership I, L.P.*
10.12	RMU Cancellation and Exchange Agreement dated October 4, 2017**
10.13	Executive Severance and Change in Control Plan dated October 4, 2017**
10.14	Amended and Restated 2010 Long-Term Incentive Plan**
10.15	Equity Vesting Agreement with Devin I. Murphy dated October 2, 2017**
10.16	PELP Participation Agreement for Jeffrey Edison dated October 4, 2017**
10.17	PELP Participation Agreement for Devin Murphy dated October 4, 2017**
10.18	PELP Participation Agreement for Robert Myers dated October 4, 2017**
10.19	PELP Participation Agreement for R. Mark Addy dated October 4, 2017**
31.1	Certification of Principal Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002*
31.2	Certification of Principal Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002*
32.1	Certification of Principal Executive Officer pursuant to 18 U.S.C. 1350, as created by Section 906 of the Sarbanes-Oxley Act of 2002*
32.2	Certification of Principal Financial Officer pursuant to 18 U.S.C. 1350, as created by Section 906 of the Sarbanes-Oxley Act of 2002*
101.1	The following information from the Company's quarterly report on Form 10-Q for the quarter ended September 30, 2017, formatted in XBRL (eXtensible Business Reporting Language): (i) Consolidated Balance Sheets; (ii) Consolidated Statements of Operations and Comprehensive (Loss) Income; (iii) Consolidated Statements of Equity; and (iv) Consolidated Statements of Cash Flows*

*Filed herewith.

**Compensation Plan or Benefit filed herewith.

SIGNATURES

Pursuant to the requirements 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.

PHILLIPS EDISON GROCERY CENTER REIT I, INC.

Date: November 9, 2017

By: */s/ Jeffrey S. Edison*

Jeffrey S. Edison
Chairman of the Board and Chief Executive Officer
(Principal Executive Officer)

Date: November 9, 2017

By: */s/ Devin I. Murphy*

Devin I. Murphy
Chief Financial Officer
(Principal Financial Officer)

September 20, 2017

Phillips Edison Grocery Center REIT I, Inc.
11501 Northlake Drive
Cincinnati, Ohio 45249

Phillips Edison Grocery Center Operating Partners I, L.P.
11501 Northlake Drive
Cincinnati, Ohio 45249

Re: Asset Management Compensation for Remainder of 2017

Ladies and Gentlemen:

Reference is made to (i) that certain Amended and Restated Advisory Agreement, dated as of September 1, 2017 (the "Advisory Agreement") between Phillips Edison Grocery Center REIT I, Inc., a Maryland corporation (the "Company"), Phillips Edison Grocery Center Operating Partnership I, L.P., a Delaware limited partnership (the "Partnership"), and Phillips Edison NTR LLC, a Delaware limited liability company (the "Advisor"), and (ii) that certain Amended and Restated Agreement of Limited Partnership of the Partnership, dated as of December 2, 2014, as amended (the "Partnership Agreement"). Capitalized terms not otherwise defined herein shall have the respective meanings assigned to such terms in the Advisory Agreement and the Partnership Agreement.

WHEREAS, the Company anticipates closing its acquisition of certain real estate assets, the third-party asset management business and certain other assets of Phillips Edison Limited Partnership (the "PELP Transaction") in the fourth quarter of 2017;

WHEREAS, in anticipation of the closing of the PELP Transaction (the "Closing"), the Advisor seeks to make certain changes with respect to the manner in which the Partnership issues Class B Units to the Advisor and the manner in which the Company pays Asset Management Fees to the Advisor in connection with services provided by the Advisor under the Advisory Agreement;

NOW, THEREFORE, in consideration of the foregoing and of the mutual covenants and agreements contained herein, the parties hereto agree as follows:

1. Third Quarter 2017 Class B Unit Issuance. In connection with services provided under the Advisory Agreement, the General Partner shall cause the Partnership to issue to the Advisor prior to the Closing a number of Class B Units equal to the quotient of (a) the product of the Cost of Assets as of September 19, 2017 multiplied by 0.0425% divided by (b) the Value of one share of Common Stock as of September 19, 2017; provided, that such issuance of Class B Units shall be subject to the approval of the Company's board of directors. Such Class B Units shall be issued in lieu of the Class B Units otherwise issuable to the Advisor pursuant to Section 16.1 of the Partnership Agreement for the same period, and the parties hereto acknowledge and agree that Advisor will not be issued any additional Class B Units pursuant to Section 16.1 of the Partnership Agreement for any period thereafter. Notwithstanding the foregoing: (i) if the Cost of Assets as of September 30, 2017 is greater than the Cost of Assets as of September 19, 2017, then the Partnership shall pay to the Advisor, subsequent to September 30, 2017, an amount of cash equal to (w) the difference between the Cost of Assets as of September 30, 2017 less the Cost of Assets as of September 19, 2017 multiplied by (x) 0.0425%; and (ii) if the Cost of Assets as of September 30, 2017 is less than the Cost of Assets as of September 19, 2017, then the Advisor shall pay to the Partnership, subsequent to September 30, 2017, an amount of cash equal to (y) the difference between the Cost of Assets as of September 19, 2017 less the Cost of Assets as of September 30, 2017 multiplied by (z) 0.0425%. The Partnership or the Advisor, as applicable, shall make any such cash payment on or before October 31, 2017.

2. Asset Management Fees. The Company shall pay the Advisor or its assignees an Asset Management Fee for asset management services provided subsequent to September 30, 2017 in an amount equal to (i) 1/365th of 0.85% multiplied by (ii) the number of days from (and including) October 1, 2017 through (and including) the day immediately preceding the Closing multiplied by (iii) the Cost of Assets as of the day immediately

preceding the Closing. Such Asset Management Fee shall be paid within 30 days of the day immediately preceding the Closing and shall be paid in lieu of any Asset Management Fee or other fee otherwise payable to the Advisor

pursuant to the Advisory Agreement (including Sections 8.2 and 12.3 thereof) or the Partnership Agreement for the same period.

3. Modification. This agreement shall not be changed, modified, terminated or discharged, in whole or in part, except by an instrument in writing signed by both parties hereto, or their respective successors or permitted assigns.

4. Severability. The provisions of this agreement are independent of and severable from each other, and no provision shall be affected or rendered invalid or unenforceable by virtue of the fact that for any reason any other or others of them may be invalid or unenforceable in whole or in part.

5. Construction. The provisions of this agreement shall be construed and interpreted in accordance with the laws of the State of New York.

6. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original as against any party whose signature appears thereon, and all of which shall together constitute one and the same instrument. This Agreement shall become binding when one or more counterparts hereof, individually or taken together, shall bear the signatures of all of the parties reflected hereon as the signatories.

[Signature Page Follows]

Please confirm your agreement to the foregoing by signing a copy of this letter in the space provided below.

Very truly yours,

PHILLIPS EDISON NTR LLC

By: Phillips Edison Limited Partnership, its sole member

By: Phillips Edison & Company, Inc., its general partner

By: */s/ Devin Murphy*

Devin I. Murphy, Vice President

Acknowledged and Agreed to
as of the date first written above:

PHILLIPS EDISON GROCERY CENTER REIT I, INC.

By: */s/ Jeffrey S. Edison*
Jeffrey S. Edison, Chief Executive Officer

PHILLIPS EDISON GROCERY CENTER OPERATING PARTNERSHIP I, L.P.

By: Phillips Edison Grocery Center OP GP I, LLC, its general partner

By: */s/ Devin Murphy*
Devin I. Murphy, Vice President

FIFTH AMENDMENT TO CREDIT AGREEMENT

THIS FIFTH AMENDMENT TO CREDIT AGREEMENT, dated as of October 4, 2017 (this "Amendment"), is entered into among Phillips Edison Grocery Center Operating Partnership I, L.P., a Delaware limited partnership (the "Borrower"), Phillips Edison Grocery Center REIT I, Inc., a Maryland corporation (the "Parent Entity"), the Lenders party hereto and Bank of America, N.A., as Administrative Agent (in such capacity, the "Administrative Agent"). Capitalized terms used herein and not otherwise defined shall have the meanings ascribed thereto in the Credit Agreement (as defined below).

RECITALS

A. The Borrower, the Parent Entity, the other guarantors party thereto, the Lenders and the Administrative Agent entered into that certain Credit Agreement, dated as of December 18, 2013 (as amended by that certain First Amendment dated as of March 26, 2014, that certain Second Amendment to Credit Agreement and Waiver dated as of November 17, 2014, that certain Third Amendment dated as of September 15, 2015, that certain Fourth Amendment dated as of March 10, 2017 and as further amended, restated, extended, supplemented or otherwise modified in writing from time to time, the "Existing Credit Agreement").

B. The Borrower has requested that the Required Lenders agree to make certain amendments to the Credit Agreement.

D. The Borrower has requested that the Existing Credit Agreement be amended to provide for the matters referred to above and that, as so amended, the Existing Credit Agreement for ease of reference be restated (after giving effect to this Amendment) in the form of Appendix A hereto.

E. In consideration of the agreements hereinafter set forth, and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties hereto agree as follows.

AGREEMENT

1. Defined Terms. Capitalized terms used but not otherwise defined herein have the meanings assigned to them in the Amended Credit Agreement (as defined below), as the context may require.

2. Amendment. Effective as of the date hereof (the "Fifth Amendment Effective Date"), (a) the Existing Credit Agreement is hereby amended by this Amendment and for ease of reference restated (after giving effect to this Amendment) in the form of Appendix A hereto (the Existing Credit Agreement, as so amended by this Amendment, being referred to as the "Amended Credit Agreement") and (b) Schedule 2.01 to the Existing Credit Agreement is hereby amended to read as provided on Schedule 2.01 attached hereto.

3. Effectiveness; Conditions Precedent. This Amendment shall be effective as of the date hereof when all of the conditions set forth in this Section 3 shall have been satisfied in form and substance satisfactory to the Administrative Agent.

(a) Execution and Delivery of Agreement. The Administrative Agent shall have received copies of this Amendment duly executed by the Borrower, the Parent Entity, as

Guarantor, each Lender with a Revolving Commitment, the Required Lenders under the Existing Credit Agreement and the Administrative Agent.

(b) Joinder Agreement. Receipt by the Administrative Agent of a joinder agreement duly executed by any Person that is providing a portion of the Revolving Loans if such Person is not currently a Lender under the Existing Credit Agreement, in form and substance reasonably satisfactory to the Administrative Agent.

(c) Notes. Receipt by the Administrative Agent of a Note for each Lender requesting a Note.

(d) Opinions of Counsel. Receipt by the Administrative Agent of customary opinions of legal counsel to the Loan Parties, addressed to the Administrative Agent and each Lender, dated as of the date hereof, and in form and substance reasonably satisfactory to the Administrative Agent.

(e) Resolutions, Etc. Receipt by the Administrative Agent of such certificates of resolutions or other action, incumbency certificates and/or other certificates of Responsible Officers of each Loan Party as the Administrative Agent may require evidencing the identity, authority and capacity of each Responsible Officer thereof authorized to act as a Responsible Officer in connection with this Amendment and the other Loan Documents to which such Loan Party is a party.

(f) Closing Certificate. Receipt by the Administrative Agent of a duly completed closing certificate setting forth such matters as reasonably requested by the Administrative Agent, signed by a Responsible Officer of the Borrower.

(g) Fees/Expenses. The Borrower shall have paid all fees and expenses, if any, owed by the Borrower to the Administrative Agent, its counsel or any Lender.

4. Ratification of Credit Agreement. Each of the Loan Parties acknowledges and consents to the terms set forth herein and agrees that this Amendment does not impair, reduce or limit any of its obligations under the Loan Documents as amended hereby.

5. Representations and Warranties. Each of the Loan Parties represents and warrants to the Lenders as follows:

(a) It has taken all necessary action to authorize the execution, delivery and performance of this Amendment;

(b) This Amendment has been duly executed and delivered by such Person and constitutes such Person's legal, valid and binding obligations, enforceable in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency or similar laws affecting creditor’s rights generally;

(c) Except to the extent not already obtained, no material consent, approval, authorization or order of, or filing, registration or qualification with, any court or governmental authority or third party is required in connection with the execution, delivery or performance by such Person of this Amendment;

(d) The execution and delivery of this Amendment does not (i) violate, contravene or conflict with any provision of such Person's Organization Documents or (ii) violate, contravene or conflict with any Laws applicable to such Person except, in the case referred to in this clause (ii), to the extent that failure to do so could not reasonably be expected to have a Material Adverse Effect;

(e) After giving effect to this Amendment, the representations and warranties of the Borrower and each other Loan Party set forth in Article VI of the Credit Agreement and the other Loan Documents are true and correct in all material respects (unless already qualified by materiality or Material Adverse Effect, in which case they shall be true and correct in all respects) as of the date hereof, 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 (unless already qualified by materiality or Material Adverse Effect, in which case they shall be true and correct in all respects) as of such earlier date, and except that for purposes of this Section 5, the representations and warranties contained in subsections (a) and (b) of Section 6.05 of the Credit Agreement shall be deemed to refer to the most recent statements furnished pursuant to clauses (a) and (b), respectively, of Section 7.01 of the Credit Agreement; and

(f) After giving effect to this Amendment, no event has occurred and is continuing which constitutes a Default or an Event of Default.

6. Counterparts/Telecopy/PDF. This Amendment may be executed in any number of counterparts, each of which when so executed and delivered shall be an original, but all of which shall constitute one and the same instrument. Delivery of executed counterparts of this Amendment by telecopy or .pdf shall be effective as an original.

7. GOVERNING LAW. THIS AMENDMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER SHALL BE GOVERNED BY AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK.

8. Reference to and Effect on Credit Agreement. Except as specifically modified herein, the Credit Agreement and the other Loan Documents shall remain in full force and effect and are each hereby ratified and confirmed. This Amendment shall be considered a Loan Document from and after the date hereof. The Loan Parties intend for the amendments to the Loan Documents set forth herein to evidence an amendment to the terms of the existing indebtedness of the Loan Parties to the Administrative Agent and the Lenders and do not intend for such amendments to constitute a novation in any manner whatsoever.

[remainder of page intentionally left blank]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed as of the date first above written.

BORROWER: PHILLIPS EDISON GROCERY CENTER OPERATING PARTNERSHIP I, L.P.,
a Delaware limited partnership

By: Phillips Edison Grocery Center OP GP I LLC, a Delaware limited liability company,
its General Partner

By: */s/ John Caulfield*
Name: John Caulfield
Title: Vice President

PARENT ENTITY: PHILLIPS EDISON GROCERY CENTER REIT I, INC.,
a Maryland corporation

By: */s/ John Caulfield*
Name: John Caulfield
Title: Vice President

ADMINISTRATIVE
AGENT: BANK OF AMERICA, N.A.,
as Administrative Agent

By: */s/ Gary J. Katunas*
Name: Gary J. Katunas
Title: Senior Vice President

[SIGNATURES CONTINUE ON THE FOLLOWING PAGE]

LENDERS: BANK OF AMERICA, N.A.,
as a Lender, L/C Issuer and Swing Line Lender

By: */s/ Gary J. Katunas*
Name: Gary J. Katunas
Title: Senior Vice President

KEYBANK NATIONAL ASSOCIATION.,
as a Lender, L/C Issuer and Swing Line Lender

By: */s/ Michael P. Szuba*
Name: Michael P. Szuba
Title: Vice President

WELLS FARGO BANK, NATIONAL ASSOCIATION,
as a Lender, L/C Issuer and Swing Line Lender

By: */s/ Scott S. Solis*
Name: Scott S. Solis
Title: Managing Director

PNC BANK, NATIONAL ASSOCIATION,
as a Lender,

By: */s/ Brian B. Fagan*
Name: Brian B. Fagan
Title: Senior Vice President

JPMORGAN CHASE BANK, N.A.,
as a Lender, L/C Issuer and Swing Line Lender

By: */s/ Paul Choi*
Name: Paul Choi
Title: Executive Director

CAPITAL ONE, NATIONAL ASSOCIATION,
as a Lender,

By: */s/ Barbara Heubner*
Name: Barbara Heubner
Title: Vice President

FIFTH THIRD BANK,
as a Lender,

By: */s/ Michael P. Perillo*
Name: Michael P. Perillo
Title: Vice President

REGIONS BANK,
as a Lender,

By: */s/ C. Vincent Hughes, Jr,*
Name: C. Vincent Hughes, Jr,
Title: Vice President

U.S. BANK, NATIONAL ASSOCIATION,
as a Lender,

By: */s/ Melissa M, Casto*
Name: Melissa M, Casto
Title: Senior Vice President

CITIBANK, N.A.,
as a Lender,

By: */s/ John C. Rowland*
Name: John C. Rowland
Title: Vice President

ROYAL BANK OF CANADA,
as a Lender,

By: */s/ Sheena Lee*
Name: Sheena Lee
Title: Authorized Signatory

CREDIT AGREEMENT

Dated as of October 4, 2017

among

PHILLIPS EDISON GROCERY CENTER OPERATING PARTNERSHIP I, L.P.
as the Borrower,

PHILLIPS EDISON GROCERY CENTER REIT I, INC.
as the Parent Entity

KEYBANK NATIONAL ASSOCIATION,
as Administrative Agent,

PNC BANK, NATIONAL ASSOCIATION,
CAPITAL ONE, NATIONAL ASSOCIATION
and
FIFTH THIRD BANK,
as Co-Syndication Agents,

REGIONS BANK,
and
U.S. BANK, NATIONAL ASSOCIATION,
as Co-Documentation Agents

and

THE OTHER LENDERS PARTY HERETO

KEYBANC CAPITAL MARKETS INC.,
PNC CAPITAL MARKETS LLC,
CAPITAL ONE, NATIONAL ASSOCIATION
and
FIFTH THIRD BANK
as Joint Lead Arrangers

and

KEYBANC CAPITAL MARKETS INC.
as Sole Bookrunner

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SCHEDULES

EXHIBITS

CREDIT AGREEMENT

This CREDIT AGREEMENT is entered into as of October 4, 2017 among PHILLIPS EDISON GROCERY CENTER OPERATING PARTNERSHIP I, L.P., a Delaware limited partnership (the "Borrower"), PHILLIPS EDISON GROCERY CENTER REIT I, INC. (or its successors as permitted hereunder), the other Guarantors (defined herein), the Lenders (defined herein) and KEYBANK NATIONAL ASSOCIATION, as Administrative Agent.

The Borrower has requested that the Lenders provide a term loan credit facility in an initial aggregate principal amount of $175,000,000 for the purposes set forth herein, and the Lenders are willing to do so on the terms and conditions set forth herein.

In consideration of the mutual covenants and agreements herein contained, the parties hereto covenant and agree as follows:

ARTICLE I

DEFINITIONS AND ACCOUNTING TERMS

1.01 Defined Terms

As used in this Agreement, the following terms shall have the meanings set forth below:

"Adjusted EBITDA" means (i) Consolidated EBITDA for the most recently ended period of four fiscal quarters minus (ii) the aggregate Annual Capital Expenditure Adjustment.

"Administrative Agent" means KeyBank in its capacity as administrative agent under any of the Loan Documents, or any successor administrative agent.

"Administrative Agent's Office" means the Administrative Agent's address and, as appropriate, account as set forth on Schedule 11.02 or such other address or account as the Administrative Agent may from time to time notify the Borrower and the Lenders.

"Administrative Questionnaire" means an Administrative Questionnaire in a form supplied by the Administrative Agent.

"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.

"Agreement" means this Credit Agreement.

"Annual Capital Expenditure Adjustment" means, for any retail Property, an amount equal to the product of (a) $0.15 multiplied by (b) the aggregate net rentable area (determined on a square feet basis) of all such Properties.

"Anti-Money Laundering Laws" has the meaning set forth in Section 6.21.

"Applicable Percentage" means with respect to any Lender at any time, (a) with respect to such Lender's portion of the outstanding Term Loan A-1, the percentage of the outstanding principal amount of the Term Loan A-1 held by such Lender at such time and (b) with respect to such Lender's portion of

the outstanding amount of any Incremental Term Loan, the percentage of the outstanding principal amount of such Incremental Term Loan held by such Lender at such time. The initial Applicable Percentage of each Lender in respect of the Term Loan A-1 is set forth opposite the name of such Lender on Schedule 2.01 or in the Assignment and Assumption or other agreement pursuant to which such Lender becomes a party hereto, as applicable.

"Applicable Rate" means:

(a) subject to clause (b) below, the applicable rate per annum set forth in the table below opposite the Leverage Ratio, as determined as of the last day of the immediately preceding fiscal quarter.

Pricing Level	Leverage Ratio	Applicable Rate for Eurodollar Rate Loans/ LIBOR Daily Floating Rate Loans	Applicable Rate for Base Rate Loans
1	≤ 40%	1.70%	0.70%
2	> 40% - ≤ 45%	1.75%	0.75%
3	> 45% - ≤ 50%	1.90%	0.90%
4	> 50% - ≤ 55%	2.05%	1.05%
5	> 55% - ≤ 60%	2.35%	1.35%
6	> 60%	2.55%	1.55%

Any increase or decrease in the Applicable Rate resulting from a change in the Leverage Ratio shall become effective as of the first Business Day immediately following the date a Compliance Certificate is delivered pursuant to Section 7.02(a); provided, however, that if a Compliance Certificate is not delivered when due in accordance with such Section 7.02(a), then, upon the request of the Required Lenders, Pricing Tier 6 shall apply as of the first Business Day after the date on which such Compliance Certificate was required to have been delivered and shall continue to apply until the first Business Day immediately following the date a Compliance Certificate is delivered in accordance with Section 7.02(a), whereupon the Applicable Rate shall be adjusted based upon the calculation of the Leverage Ratio contained in such Compliance Certificate; and provided further, that the Applicable Rate for any Incremental Term Loan shall be set forth in the relevant Incremental Term Loan Agreement. The Applicable Rate in effect from the Closing Date to the first Business Day immediately following the date a Compliance Certificate is delivered pursuant to Section 7.02(a) for the fiscal quarter ending September 30, 2017 shall be determined based on Pricing Level 2. Notwithstanding anything to the contrary contained in this clause (a), the determination of the Applicable Rate under this clause (a) for any period shall be subject to the provisions of Section 2.10(b).

(b) If the Parent Entity obtains an Investment Grade Rating, the Borrower may, upon written notice to the Administrative Agent, make an irrevocable one time written election to exclusively use the below table based on the Debt Rating of the Parent Entity (setting forth the date for such election to be effective), and thereafter the Applicable Rate shall be determined based on the applicable rate per annum set forth in the below table notwithstanding any failure of the Parent Entity to maintain an Investment Grade Rating or any failure of Parent Entity to maintain a Debt Rating.

Pricing Level	Debt Rating of Parent Entity	Applicable Rate for Eurodollar Rate Loans/LIBOR Daily Floating Rate Loans	Applicable Rate for Base Rate Loans
1	≥ A-/ A-/A3	1.50%	0.50%
2	BBB+ / BBB+ Baa1	1.55%	0.55%
3	BBB / BBB / Baa2	1.65%	0.65%
4	BBB- / BBB- / Baa3	1.90%	0.90%
5	< BBB- / BBB- / Baa3 or unrated	2.45%	1.45%

Each change in the Applicable Rate resulting from a change in the Debt Rating of the Parent Entity shall be effective for the period commencing on the effective date of such change and ending on the date immediately preceding the effective date of the next such change. Notwithstanding the above, after making the one time election described herein, (i) if at any time there are two ratings and there is a split in such Debt Ratings of the Parent Entity, and the Debt Ratings differ by one level, then the Pricing Level for the higher of such Debt Ratings shall apply (with the Debt Rating for Pricing Level 1 being the highest and the Debt Rating for Pricing Level 5 being the lowest); (ii) if there are two ratings and there is a split in Debt Ratings of the Parent Entity of more than one level, then the Pricing Level that is one level lower than the Pricing Level of the higher Debt Rating shall apply; (iii) if the Parent Entity has only one Debt Rating, such Debt Rating shall apply; provided, that, if the only Debt Rating is from Fitch, pricing shall be set at Pricing Level 5; (iv) if there are three ratings, but two ratings are at the same level, then the Pricing Level for those two Debt Ratings shall apply; (v) if there are three ratings and each rating is at a different level, the Pricing Level for the middle Debt Rating shall apply; and (vi) if S&P, Moody's and Fitch discontinue their ratings of the REIT industry generally or the Parent Entity specifically (so long as the reason for such discontinuance is not the Parent Entity's non-payment for the services of S&P, Moody's and Fitch), (A) for the period from such discontinuance until the earlier of (x) ninety days after such discontinuance and (y) the date the Parent Entity receives a rating from another substitute rating agency reasonably acceptable to the Administrative Agent, the Pricing Level in effect immediately prior to such discontinuance shall apply, (B) if no such substitute rating agency reasonably acceptable to the Administrative Agent has been identified and accepted by the Administrative Agent within 90 days of such discontinuance, Pricing Level 5 under this subsection (b) shall apply and (C) if the Parent Entity receives a substitute rating from a rating agency reasonably acceptable to the Administrative Agent, the above pricing grid will be adjusted upon the receipt of such new rating from such new rating agency in a manner that the Pricing Levels based on such new rating most closely correspond to the above ratings levels.

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

"Arrangers" means KeyBanc, PNCCM, Capital One, National Association and Fifth Third Bank.

"Assignment and Assumption" means an assignment and assumption entered into by a Lender and an Eligible Assignee (with the consent of any party whose consent is required by Section 11.06(b)), and accepted by the Administrative Agent, in substantially the form of Exhibit E or any other form (including electronic documentation generated by MarkitClear or other electronic platform) approved by the Administrative Agent.

"Attributable Indebtedness" means, on any date, (a) in respect of any Capitalized Lease Obligations 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 Obligations of any Person, 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 Capitalized Lease Obligations.

"Audited Financial Statements" means the audited consolidated balance sheet of the Consolidated Group for the fiscal year ended December 31, 2016, and the related consolidated statements of income or operations, shareholders' equity and cash flows for such fiscal year of the Consolidated Group, including the notes thereto, audited by independent public accountants of recognized national standing and prepared in conformity with GAAP.

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

"Bail-In Legislation" means, with respect to any EEA Member Country implementing Article 55 of Directive 2014/59/EU of the European Parliament and of the Council of the European Union, the implementing law for such EEA Member Country from time to time which is described in the EU Bail-In Legislation Schedule.

"Balance Sheet Cash" means all unrestricted cash and Cash Equivalents set forth on the balance sheet of the Consolidated Group, as determined in accordance with GAAP.

"Base Rate" means for any day a fluctuating rate per annum equal to the highest of (a) the Federal Funds Rate plus 0.50%, (b) the rate of interest in effect for such day as publicly announced from time to time by KeyBank as its "prime rate" and (c) the Eurodollar Rate plus 1.00%; provided that if the Base Rate shall be less than zero, such rate shall be deemed zero for purposes of this Agreement. The "prime rate" is a rate set by KeyBank based upon various factors including KeyBank's costs and desired return, general economic conditions and other factors, and is used as a reference point for pricing some loans, which may be priced at, above, or below such announced rate. Any change in the "prime rate" announced by KeyBank shall take effect at the opening of business on the day specified in the public announcement of such change.

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

"Borrower" has the meaning specified in the introductory paragraph hereto.

"Borrower Materials" has the meaning specified in Section 7.02.

"Borrowing" means a Term Borrowing.

"Business Day" means any day other than a Saturday, Sunday or other day on which commercial banks are authorized to close under the Laws of, or are in fact closed in, the state where the Administrative Agent's Office is located and, if such day relates to any Eurodollar Rate Loan, means any such day that is also a London Banking Day.

"Capitalization Rate" means six and three quarters percent (6.75%).

"Capitalized Lease Obligation" means the monetary obligation of a Person under any lease of any property by such Person as lessee which would, in accordance with GAAP, be required to be accounted for as a capital lease on the balance sheet of such Person.

"Cash Equivalents" means, as at any date, (a) securities issued or directly and fully guaranteed or insured by the United States or any agency or instrumentality thereof (provided that the full faith and credit of the United States is pledged in support thereof) having maturities of not more than twelve months from the date of acquisition, (b) Dollar denominated time deposits and certificates of deposit of (i) any Lender, (ii) any domestic commercial bank of recognized standing having capital and surplus in excess of $500,000,000 or (iii) any bank whose short-term commercial paper rating from S&P is at least A-1 or the equivalent thereof or from Moody's is at least P-1 or the equivalent thereof (any such bank being an "Approved Bank"), in each case with maturities of not more than 270 days from the date of acquisition, (c) commercial paper and variable or fixed rate notes issued by any Approved Bank (or by the parent company thereof) or any variable rate notes issued by, or guaranteed by, any domestic corporation rated A-1 (or the equivalent thereof) or better by S&P or P-1 (or the equivalent thereof) or better by Moody's and maturing within six months of the date of acquisition, (d) repurchase agreements entered into by any Person with a bank or trust company (including any of the Lenders) or recognized securities dealer having capital and surplus in excess of $500,000,000 for direct obligations issued by or fully guaranteed by the United States in which such Person shall have a perfected first priority security interest (subject to no other Liens) and having, on the date of purchase thereof, a fair market value of at least 100% of the amount of the repurchase obligations and (e) investments, classified in accordance with GAAP as current assets, in money market investment programs registered under the Investment Company Act of 1940 which are administered by reputable financial institutions having capital of at least $500,000,000 and the portfolios of which are limited to investments of the character described in the foregoing subdivisions (a) through (d).

"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.

"Change of Control" means the occurrence of any of the following events:

(a) any "person" or "group" (as such terms are used in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934, but excluding the Key Principals, their respective immediate familymembers, Affiliates, or trusts or entities for the benefit of, or directly or indirectly controlled by, the Key Principals or their respective immediate family members and

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), is or 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 (such right, an "option right"), whether such right is exercisable immediately or only after the passage of time), directly or indirectly, of 40% of the Equity Interests of the Parent Entity entitled to vote for members of the board of directors or equivalent governing body of the Parent Entity on a fully diluted basis (and taking into account all such securities that such person or group has the right to acquire pursuant to any option right);

(b) during any period of 12 consecutive months, a majority of the members of the board of directors or other equivalent governing body of the Parent Entity 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 (including, without limitation, each replacement for any such members resulting from (1) the death or incapacity of any such member and/or (2) the resignation or removal of any such member or any such member's refusal to stand or failure to be nominated for re-election to the board or other equivalent governing body);

(c) the Parent Entity (i) ceases to own, directly or indirectly, a majority of the Voting Stock and economic and beneficial interests of the Borrower, or (ii) ceases to be the sole owner of the General Partner; or

(d) the General Partner ceases to be the sole general partner of the Borrower.

"Closing Date" means the date of this Agreement.

"Closing Date Material Adverse Effect" means any event or circumstance, either individually or in the aggregate, that has had or could reasonably be expected to have (A) a material adverse change in, or a material adverse effect on, the operations, business, assets, properties, liabilities (actual or contingent), or financial condition of the Consolidated Group, taken as a whole, (B) a material adverse effect on the rights and remedies of the Administrative Agent or any Lender under any Loan Document, or of the ability of the Borrower and the Guarantors taken as a whole to perform their obligations under any Loan Document, and (C) a material adverse effect upon the legality, validity, binding effect or enforceability against the Borrower or a Guarantor of any Loan Document to which it is a party.

"Commitment" means, as to each Lender, the Term Loan A-1 Commitment of such Lender and any commitment of such Lender to make an Incremental Term Loan, as applicable.

"Commodity Exchange Act" means the Commodity Exchange Act (7 U.S.C. § 1 *et seq.*) as amended or otherwise modified, and any successor statute.

"Compliance Certificate" means a certificate substantially in the form of Exhibit B.

"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 EBITDA" means, for the Consolidated Group, without duplication, the sum of (a) Net Income of the Consolidated Group, in each case, excluding (i) any non-recurring, extraordinary and unusual charges, expenses, impairment, gains and losses for such period (including, without limitation, prepayment penalties and costs or fees incurred in connection with any capital markets offering, debt financing, or amendment thereto, redemption or exchange of Indebtedness, tender offer, lease termination, business combination, acquisition, exchange listing or delisting, disposition, recapitalization or similar transaction including, without limitation, pursuant to any Permitted Reorganization (regardless of whether such transaction is completed), (ii) any income or gain and any loss in each case resulting from early extinguishment of Indebtedness, (iii) any net income or gain or any loss resulting from a swap or other derivative contract (including by virtue of a termination thereof), and (iv) non-cash expenses or charges, plus (b) an amount which, in the determination of net income for such period pursuant to clause (a) above, has been deducted for or in connection with (i) Interest Expense, (ii) income taxes, (iii) depreciation and amortization, (iv) adjustments as a result of the straight lining of rents, (v) amortization of above and below market lease adjustments and market debt adjustments, (vi) amortization of tenant allowance, (vii) amortization of deferred financing costs, in each case of (i) through (vii) above, as determined in accordance with GAAP and (viii) any unused fee paid by the Borrower pursuant to the Existing Credit Agreement, plus (c) the Consolidated Group Pro Rata Share of the above attributable to interests in Unconsolidated Affiliates.

"Consolidated Group" means the Loan Parties and their consolidated subsidiaries, as determined in accordance with GAAP.

"Consolidated Group Pro Rata Share" means, with respect to any Unconsolidated Affiliate, the percentage of the total equity ownership interests held by the Consolidated Group, in the aggregate, in such Unconsolidated Affiliate determined by calculating the greater of (a) the percentage of the issued and outstanding stock, partnership interests or membership interests in such Unconsolidated Affiliate held by the Consolidated Group in the aggregate and (b) the percentage of the total book value of such Unconsolidated Affiliate that would be received by the Consolidated Group in the aggregate, upon liquidation of such Unconsolidated Affiliate, after repayment in full of all Indebtedness of such Unconsolidated Affiliate; provided, that to the extent a given calculation includes liabilities, obligations or Indebtedness of any Unconsolidated Affiliate and the Consolidated Group, in the aggregate, is or would be liable for a portion of such liabilities, obligations or Indebtedness in a percentage in excess of that calculated pursuant to clauses (a) and (b) above, the "Consolidated Group Pro Rata Share" with respect to such liabilities, obligations or Indebtedness shall be equal to the percentage of such liabilities, obligations or Indebtedness for which the Consolidated Group is or would be liable.

"Construction in Progress" means, as of any date, any Property then under development; provided that a Property shall no longer be included in Construction in Progress and shall be deemed to be a stabilized project upon the earlier of (a) the date on which the first rental payment for such Property is received and (b) the last day of the fiscal quarter in which the annualized Net Operating Income attributable to such Property divided by the Capitalization Rate exceeds the undepreciated book value of such Property.

"Contractual Obligation" means, as to any Person, any provision of any security issued by such Person or of any agreement, instrument or other undertaking to which such Person is a party or by which it or any of its property is bound.

"Control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through the ability to exercise voting power, by contract or otherwise. "Controlling" and "Controlled" have meanings correlative thereto. Without limiting the generality of the foregoing, a Person shall be deemed to be Controlled by another Person if

such other Person possesses, directly or indirectly, power to vote 5% or more of the securities having ordinary voting power for the election of directors, managing general partners or the equivalent.

"Credit Extension" means a Borrowing.

"Debt Rating" means, as of any date of determination, the rating as determined by S&P, Moody's or Fitch of a Person's non-credit-enhanced, senior unsecured long-term debt. The Debt Rating in effect at any date is the Debt Rating that is in effect at the close of business on such date.

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

"Default" means any event or condition that constitutes an Event of Default or that, with the giving of any notice, the passage of time, or both, would be an Event of Default.

"Default Rate" means an interest rate equal to (i) the Base Rate plus (ii) the Applicable Rate, if any, applicable to Base Rate Loans plus (iii) 2% per annum; provided, however, that with respect to a Eurodollar Rate Loan, the Default Rate shall be an interest rate equal to the interest rate (including any Applicable Rate) otherwise applicable to such Loan plus 2% per annum, in each case to the fullest extent permitted by applicable Laws.

"Defaulting Lender" means, subject to Section 2.15(b), any Lender that (a) has failed to (i) fund all or any portion of its Loans within two (2) Business Days of the date such Loans were required to be funded hereunder unless such Lender notifies the Administrative Agent and the Borrower 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 or any other Lender any other amount required to be paid by it hereunder within two Business Days of the date when due, (b) has notified the Borrower or the Administrative Agent 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 Borrower, to confirm in writing to the Administrative Agent and the Borrower that it will comply with its prospective funding obligations hereunder (provided that such Lender shall cease to be a Defaulting Lender pursuant to this clause (c) upon receipt of such written confirmation by the Administrative Agent and the Borrower), or (d) has, or has a direct or indirect parent company that has, (i) become the subject of a proceeding under any Debtor Relief Law, (ii) had appointed for it a receiver, custodian, conservator, trustee, administrator, assignee for the benefit of creditors or similar Person charged with reorganization or liquidation of its business or assets, including the Federal Deposit Insurance Corporation or any other state or federal regulatory authority acting in such a capacity or (iii) become the subject of a Bail-In Action; provided, that, a Lender shall not be a Defaulting Lender solely by virtue of the ownership or acquisition of any Equity Interests in that Lender or any direct or indirect parent company thereof by a Governmental Authority so long as such ownership interest does not result in or provide such Lender with immunity from the jurisdiction of courts within the United States or from the enforcement of judgments or writs of attachment on its assets or permit such Lender (or such Governmental Authority) to reject, repudiate, disavow or disaffirm any contracts or agreements made with such Lender. Any determination by the Administrative Agent that a Lender is a Defaulting Lender

under any one or more of clauses (a) through (d) above, and of the effective date of such status, shall be conclusive and binding absent manifest error, and such Lender shall be deemed to be a Defaulting Lender (subject to Section 2.15(b)) as of the date established therefor by the Administrative Agent in a written notice of such determination, which shall be delivered by the Administrative Agent to the Borrower and each other Lender promptly following such determination.

"Designated Jurisdiction" means any country or territory to the extent that such country or territory is the subject of any Sanction or target of any comprehensive Sanctions.

"Disposition" or "Dispose" means the sale, transfer, license, lease or other disposition (including any Sale and Leaseback Transaction) of any property by any Loan Party or any Subsidiary (including the Equity Interests of any Subsidiary), including any sale, assignment, transfer or other disposal, with or without recourse, of any notes or accounts receivable or any rights and claims associated therewith.

"Dividend Payout Ratio" means, for any four fiscal quarter period, the ratio of (a) an amount equal to (i) one hundred percent (100%) of all dividends or other distributions paid, direct or indirect, on account of any Equity Interests of the Parent Entity (except (x) for dividends or other distributions payable solely in shares of that class of Equity Interest to the holders of that class and (y) in connection with any redemption, retirement, surrender, defeasance, repurchase, purchase or other similar transaction or acquisition for value, direct or indirect, on account of any Equity Interests of the Parent Entity) during such four fiscal quarter period, less (ii) any amount of such dividends or distributions constituting Dividend Reinvestment Proceeds, to (b) Funds From Operations of the Consolidated Group for such four fiscal quarter period.

"Dividend Reinvestment Proceeds" means all dividends or other distributions, direct or indirect, on account of any shares of any Equity Interests of the Parent Entity which any holder(s) of such Equity Interests direct to be used, concurrently with the making of such dividend or distribution, for the purpose of purchasing for the account of such holder(s) additional Equity Interests in the Consolidated Group.

"Dollar" and "$" mean lawful money of the United States.

"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.

"Eligible Assignee" means any Person that meets the requirements to be an assignee under Section 11.06(b)(iii) and (v) (subject to such consents, if any, as may be required under Section 11.06(b)(iii)).

"Environmental Laws" means any and all federal, state, local, foreign and other applicable statutes, laws, regulations, ordinances, rules, judgments, orders, decrees, permits, concessions, grants,

franchises, licenses, agreements or governmental restrictions relating to pollution and the protection of the environment or the release of any materials into the environment, including those related to hazardous substances or wastes, air emissions and discharges to waste or public systems.

"Environmental Liability" means any liability (including any liability for damages, costs of environmental remediation, fines, penalties or indemnities), of the Borrower, any other Loan Party or (to the extent any such liability is recourse to a Loan Party) any of their respective Subsidiaries directly or indirectly resulting from or based upon (a) violation of any Environmental Law with respect to any project, (b) the generation, use, handling, transportation, storage, treatment or disposal of any Hazardous Materials on any project, (c) exposure of any project to any Hazardous Materials, (d) the release of any Hazardous Materials originating from any project into the environment or (e) any contract, agreement or other consensual arrangement pursuant to which liability is assumed or imposed with respect to any of the foregoing.

"Equity Interests" means, with respect to any Person, all of the shares of capital stock of (or other ownership or profit interests in) such Person, all of the warrants, options or other rights for the purchase or acquisition from such Person of shares of capital stock of (or other ownership or profit interests in) such Person, all of the securities convertible into or exchangeable for shares of capital stock of (or other ownership or profit interests in) such Person or warrants, rights or options for the purchase or acquisition from such Person of such shares (or such other interests), and all of the other ownership or profit interests in such Person (including partnership, member or trust interests therein), whether voting or nonvoting, and whether or not such shares, warrants, options, rights or other interests are outstanding on any date of determination.

"ERISA" means the Employee Retirement Income Security Act of 1974.

"ERISA Affiliate" means any trade or business (whether or not incorporated) under common control with the Borrower within the meaning of Section 414(b) or (c) of the Internal Revenue Code (and Sections 414(m) and (o) of the Internal Revenue Code for purposes of provisions relating to Section 412 of the Internal Revenue Code).

"ERISA Event" means (a) a Reportable Event with respect to a Pension Plan; (b) the withdrawal of the Borrower or any ERISA Affiliate from a Pension Plan subject to Section 4063 of ERISA during a plan year in which such entity was a "substantial employer" as defined in Section 4001(a)(2) of ERISA or a cessation of operations that is treated as such a withdrawal under Section 4062(e) of ERISA; (c) a complete or partial withdrawal by the Borrower or any ERISA Affiliate from a Multiemployer Plan or notification that a Multiemployer Plan is in reorganization; (d) the filing of a notice of intent to terminate, the treatment of a Pension Plan amendment as a termination under Sections 4041 or 4041A of ERISA; (e) the institution by the PBGC of proceedings to terminate a Pension Plan; (f) any event or condition which constitutes grounds under Section 4042 of ERISA for the termination of, or the appointment of a trustee to administer, any Pension Plan; (g) the determination that any Pension Plan is considered an at-risk plan or a plan in endangered or critical status within the meaning of Sections 430, 431 and 432 of the Internal Revenue Code or Sections 303, 304 and 305 of ERISA; or (h) 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 the Borrower or any ERISA Affiliate.

"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.

"Eurodollar Base Rate" means:

(c) for any Interest Period with respect to a Eurodollar Rate Loan, the rate per annum equal to the London Interbank Offered Rate ("LIBOR") (rounded upward to the next highest 1/16th of 1%), which rate is approved by the Administrative Agent, as published on the applicable Reuters screen page (or such other commercially available source providing such quotations as may be designated by the Administrative Agent from time to time) at approximately 11:00 a.m., London time, two Business Days prior to the commencement of such Interest Period, for Dollar deposits (for delivery on the first day of such Interest Period) with a term equivalent to such Interest Period; and

(d) for any interest rate calculation with respect to a Base Rate Loan on any date, the rate per annum equal to LIBOR, at approximately 11:00 a.m., London time, determined two Business Days prior to such date for Dollar deposits with a term of one month commencing that date;

provided, that, (i) if Reuters no longer reports such rate or the Administrative Agent determines in good faith that the rate so reported no longer accurately reflects the rate available to the Administrative Agent in the London Interbank Market, the Administrative Agent may select a replacement index in reasonable prior consultation with the Borrower and (ii) if the Eurodollar Base Rate shall be less than zero, such rate shall be deemed to be zero for purposes of this Agreement.

"Eurodollar Rate" means

(a) for any Interest Period with respect to any Eurodollar Rate Loan, a rate per annum determined by the Administrative Agent to be equal to the quotient obtained by dividing (i) the Eurodollar Base Rate for such Eurodollar Rate Loan for such Interest Period by (ii) one minus the Eurodollar Reserve Percentage for such Eurodollar Rate Loan for such Interest Period and

(b) for any day with respect to any Base Rate Loan bearing interest at a rate based on the Eurodollar Rate, a rate per annum determined by the Administrative Agent to be equal to the quotient obtained by dividing (i) the Eurodollar Base Rate for such Base Rate Loan for such day by (ii) one minus the Eurodollar Reserve Percentage for such Base Rate Loan for such day.

"Eurodollar Rate Loan" means a Loan that bears interest at a rate based on clause (a) of the definition of "Eurodollar Rate".

"Eurodollar Reserve Percentage" means, for any day, the reserve percentage (expressed as a decimal, carried out to five decimal places) in effect on such day, whether or not applicable to any Lender, under regulations issued from time to time by the FRB for determining the maximum reserve requirement (including any emergency, supplemental or other marginal reserve requirement) with respect to Eurocurrency funding (currently referred to as "Eurocurrency liabilities"). The Eurodollar Rate for each outstanding Eurodollar Rate Loan and for each outstanding Base Rate Loan the interest on which is determined by reference to the Eurodollar Rate, in each case, shall be adjusted automatically as of the effective date of any change in the Eurodollar Reserve Percentage.

"Event of Default" has the meaning specified in Section 9.01.

"Excluded Swap Obligation" means, with respect to any Guarantor, any Swap Obligation if, and to the extent that, all or a portion of the Guaranty of such Guarantor of, or the grant under a Loan Document by such Guarantor of a security interest to secure, such Swap Obligation (or any Guarantee thereof) is or becomes illegal under the Commodity Exchange Act (or the application or official

interpretation thereof) by virtue of such Guarantor's failure for any reason to constitute an "eligible contract participant" as defined in the Commodity Exchange Act (determined after giving effect to Section 4.08 hereof and any and all guarantees of such Guarantor's Swap Obligations by other Loan Parties) at the time the Guaranty of such Guarantor, or grant by such Guarantor of a security interest, becomes effective with respect to such Swap Obligation. If a Swap Obligation arises under a Master Agreement governing more than one Swap Contract, such exclusion shall apply only to the portion of such Swap Obligation that is attributable to Swap Contracts for which such Guaranty or security interest becomes illegal.

"Excluded Taxes" means any of the following Taxes imposed on or with respect to any Recipient or required to be withheld or deducted from a payment to a Recipient, (a) Taxes imposed on or measured by net income (however denominated), franchise Taxes, and branch profits Taxes, in each case, (i) imposed as a result of such Recipient being organized under the laws of, or having its principal office or, in the case of any Lender, its Lending Office located in, the jurisdiction imposing such Tax (or any political subdivision thereof) or (ii) that are Other Connection Taxes, (b) in the case of a Lender, 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 Borrower under Section 11.13) or (ii) such Lender changes its Lending Office, except in each case to the extent that pursuant to Section 3.01(a)(ii), (a)(iii) or (c), amounts with respect to such Taxes were payable either to such Lender's assignor immediately before such Lender became a party hereto or to such Lender immediately before it changed its Lending Office, (c) Taxes attributable to such Recipient's failure to comply with Section 3.01(e) and (d) any U.S. federal withholding Taxes imposed under FATCA.

"Existing Credit Agreement" means that certain Credit Agreement dated as of December 18, 2013 among the Borrower, the Parent Entity, the other guarantors party thereto, the lenders party thereto and Bank of American, N.A. as administrative agent, as such agreement is amended, modified, restated or replaced from time to time.

"Extension Amendments" has the meaning specified in Section 11.01.

"FATCA" means Sections 1471 through 1474 of the Internal Revenue Code, as of the date of this Agreement (or any amended or successor version that is substantively comparable and not materially more onerous to comply with), any current or future regulations or official interpretations thereof and any agreements entered into pursuant to Section 1471(b)(1) of the Code and any intergovernmental agreements entered into pursuant thereto.

"Federal Funds Rate" means, for any day, the rate per annum equal to the weighted average of the rates on overnight federal funds transactions with members of the Federal Reserve System 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 (rounded upward, if necessary, to a whole multiple of 1/100 of 1%) charged to KeyBank on such day on such transactions as determined by the Administrative Agent.

"Fee Letters" means the Key Fee Letter, the PNC Fee Letter and any other fee letter between the Borrower and an Arranger.

"FFO Percentage" means 95%.

"Fitch" means Fitch Ratings Inc., and any successor thereto.

"Fixed Charge Coverage Ratio" means, for any four fiscal quarter period, the ratio of (a) Adjusted EBITDA for such four fiscal quarter period to (b) Fixed Charges for such four fiscal quarter period.

"Fixed Charges" means, for the Consolidated Group, without duplication, the sum of (a) Interest Expense, plus (b) scheduled principal payments, exclusive of balloon payments, plus (c) dividends and distributions on preferred stock, if any, plus (d) the Consolidated Group Pro Rata Share of the above attributable to interests in Unconsolidated Affiliates, all for the most recently ended period of four fiscal quarters.

"Foreign Lender" means (a) if the Borrower is a U.S. Person, a Lender that is not a U.S. Person, and (b) if the Borrower is not a U.S. Person, a Lender that is resident or organized under the laws of a jurisdiction other than that in which the Borrower is resident for tax purposes. For purposes of this definition, the United States, each State thereof and the District of Columbia shall be deemed to constitute a single jurisdiction.

"FRB" means the Board of Governors of the Federal Reserve System of the United States.

"Fund" means any Person (other than a natural Person) that is (or will be) engaged in making, purchasing, holding or otherwise investing in commercial loans and similar extensions of credit in the ordinary course of its activities.

"Funds from Operations" means, with respect to any Person for any period, an amount equal to (a) the Net Income of such Person for such period, computed in accordance with GAAP, excluding gains and losses from sales of depreciated property other than out lot sales, non-cash impairment charges, gains and losses from extinguishment of debt, amortization of above and below market lease adjustments and market debt adjustments, amortization of tenant allowances, amortization of deferred financing costs, other non-cash charges, and gains or losses to the extent non-cash from Swap Contracts, plus (b) depreciation and amortization and non-cash amortization of transaction expenses arising from the creation of new investment funds, and after adjustments for unconsolidated partnerships and joint ventures; provided, that (x) adjustments for unconsolidated partnerships and joint ventures will be recalculated to reflect funds from operations on the same basis, (y) Funds from Operations shall be reported in accordance with the NAREIT policies unless otherwise agreed to above in this definition and (z) costs and fees incurred by the Consolidated Group in connection with the acquisition or disposition of real property assets and transaction costs incurred by the Consolidated Group in connection with any capital markets offering, debt financing, or amendment thereto, redemption or exchange of indebtedness, tender offer, lease termination, business combination, acquisition, exchange listing or delisting, disposition, recapitalization or similar transaction including, without limitation, pursuant to any Permitted Reorganization (regardless of whether such transaction is completed), in each case, shall be excluded from the calculation of Funds from Operations.

"GAAP" means generally accepted accounting principles in the United States set forth in the opinions and pronouncements of the Accounting Principles Board and the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board, consistently applied and as in effect from time to time.

"General Partner" means Phillips Edison Grocery Center OP GP I LLC, a Delaware limited liability company, or any successor general partner of the Borrower approved by the Administrative Agent in accordance with this Agreement.

"Governmental Authority" means the government of the United States 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).

"Guarantee" means, as to any Person, (a) any obligation, contingent or otherwise, of such Person guaranteeing or having the economic effect of guaranteeing any Indebtedness or other obligation payable or performable by another Person (the "primary obligor") in any manner, whether directly or indirectly, and including any obligation of such Person, direct or indirect, (i) to purchase or pay (or advance or supply funds for the purchase or payment of) such Indebtedness or other obligation, (ii) to purchase or lease property, securities or services for the purpose of assuring the obligee in respect of such Indebtedness or other obligation of the payment or performance of such Indebtedness or other obligation, (iii) to maintain working capital, equity capital or any other financial statement condition or liquidity or level of income or cash flow of the primary obligor so as to enable the primary obligor to pay such Indebtedness or other obligation, or (iv) entered into for the purpose of assuring in any other manner the obligee in respect of such Indebtedness or other obligation of the payment or performance thereof or to protect such obligee against loss in respect thereof (in whole or in part); provided that any customary non-recourse carve-out guarantee shall not be deemed a Guarantee hereunder, except, if and to the extent that the guarantor thereunder has acknowledged such liability or it has been determined, by a court of competent jurisdiction to be liable for a claim thereunder for which such guarantor is not otherwise indemnified by any third party which has the financial ability to perform with respect to such indemnity and is not disavowing its obligations thereunder or (b) any Lien on any assets of such Person securing any Indebtedness or other obligation of any other Person, whether or not such Indebtedness or other obligation is assumed by such Person (or any right, contingent or otherwise, of any holder of such Indebtedness to obtain any such Lien). The amount of any Guarantee shall be deemed to be an amount equal to the stated or determinable amount of the related primary obligation, or portion thereof, in respect of which such Guarantee is made or, if not stated or determinable, the maximum reasonably anticipated liability in respect thereof as determined by the guaranteeing Person in good faith. The term "Guarantee" as a verb has a corresponding meaning.

"Guarantors" means (a) the Parent Entity, (b) any Subsidiary that is required to be a Guarantor pursuant to Section 7.13, (c) with respect to (i) Obligations under any Swap Contract between any Loan Party and a Lender or Affiliate of a Lender, (ii) Obligations under any Treasury Management Agreement between any Loan Party and a Lender or Affiliate of a Lender and (iii) any Swap Obligation of a Specified Loan Party (determined before giving effect to Sections 4.01 and 4.08) under the Guaranty, the Borrower and (d) the successors and permitted assigns of the foregoing.

"Guaranty" means the Guaranty made by the Guarantors in favor of the Administrative Agent, the Lenders and the other holders of the Obligations pursuant to Article IV.

"Hazardous Materials" means all explosive or radioactive substances or wastes and all hazardous or toxic substances, wastes or other pollutants, 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.

"Impacted Loans" has the meaning specified in Section 3.03.

"Incremental Term Loan" has the meaning specified in Section 2.16(a).

"Incremental Term Loan Agreement" has the meaning specified in Section 2.16(e).

"Indebtedness" means, for the Consolidated Group, without duplication, all of the following, whether or not included as indebtedness or liabilities in accordance with GAAP:

(a) all obligations for borrowed money and all obligations evidenced by bonds, debentures, notes, loan agreements or other similar instruments.

(b) all direct or contingent obligations under letters of credit (including standby and commercial), bankers' acceptances and similar instruments (including bank guaranties, surety bonds, comfort letters, keep-well agreements and capital maintenance agreements) to the extent such instruments or agreements support financial, rather than performance, obligations.

(c) net obligations under any Swap Contract.

(d) all obligations to pay the deferred purchase price of property or services.

(e) Capitalized Lease Obligations and Synthetic Lease Obligations.

(f) all obligations to purchase, redeem, retire, defease or otherwise make any payment in respect of any equity interest, valued, in the case of a redeemable preferred interest, at the greater of its voluntary or involuntary liquidation preference, plus accrued and unpaid dividends.

(g) indebtedness (excluding prepaid interest thereon) secured by a Lien on property (including indebtedness arising under conditional sales or other title retention agreements) whether or not such indebtedness has been assumed by the grantor of the Lien or is limited in recourse.

(h) all Guarantees in respect of any of the foregoing.

For all purposes hereof, Indebtedness shall include the Consolidated Group Pro Rata Share of the foregoing items and components attributable to Indebtedness of Unconsolidated Affiliates. The amount of any net obligation under any Swap Contract on any date shall be deemed to be the Swap Termination Value thereof as of such date. The amount of any Capitalized Lease Obligation or Synthetic Lease Obligation as of any date shall be deemed to be the amount of Attributable Indebtedness in respect thereof as of such date.

"Indemnified Taxes" means (a) Taxes, other than Excluded Taxes, imposed on or with respect to any payment made by or on account of any obligation of any Loan Party under any Loan Document and (b) to the extent not otherwise described in (a), Other Taxes.

"Indemnitees" has the meaning specified in Section 11.04(b).

"Information" has the meaning specified in Section 11.07.

"Interest Expense" means, without duplication, total interest expense of the Consolidated Group determined in accordance with GAAP; provided that (a) amortization of deferred financing costs shall be excluded, to the extent included in accordance with GAAP and (b) for the avoidance of doubt capitalized interest and interest expense attributable to the Consolidated Group Pro Rata Share in Unconsolidated Affiliates shall be included.

"Interest Payment Date" means (a) as to any Eurodollar Rate Loan, the last day of each Interest Period applicable to such Loan and the applicable Maturity Date; provided, however, that if any Interest Period for a Eurodollar Rate Loan exceeds three months, the respective dates that fall every three months after the beginning of such Interest Period shall also be Interest Payment Dates; and (b) as to any Base Rate Loan or LIBOR Daily Floating Rate Loan, the first Business Day of each calendar month and the applicable Maturity Date.

"Interest Period" means as to each Eurodollar Rate Loan, the period commencing on the date such Eurodollar Rate Loan is disbursed or converted to or continued as a Eurodollar Rate Loan and ending on the date one, two, three or six months thereafter (in each case, subject to availability), as selected by the Borrower in its Loan Notice; provided that:

(a) any Interest Period that would otherwise end on a day that is not a Business Day shall be extended to the next succeeding Business Day unless, in the case of a Eurodollar Rate Loan, such Business Day falls in another calendar month, in which case such Interest Period shall end on the next preceding Business Day;

(b) any Interest Period pertaining to a Eurodollar Rate Loan that begins on the last Business Day of a calendar month (or on a day for which there is no numerically corresponding day in the calendar month at the end of such Interest Period) shall end on the last Business Day of the calendar month at the end of such Interest Period; and

(c) no Interest Period with respect to any Loan shall extend beyond the applicable Maturity Date.

"Interim Financial Statements" means the unaudited consolidated financial statements of the Consolidated Group for the fiscal quarter ended June 30, 2017, including balance sheets and statements of income or operations, shareholders' equity and cash flows.

"Internal Revenue Code" means the Internal Revenue Code of 1986, as amended.

"Internal Revenue Service" means the United States Internal Revenue Service.

"Investment Grade Rating" means a senior unsecured debt rating of the Parent Entity of BBB- or better from Standard & Poor's or Fitch or Baa3 or better from Moody's.

"IP Rights" has the meaning specified in Section 6.17.

"Joinder Agreement" means a joinder agreement substantially in the form of Exhibit D executed and delivered by a Subsidiary in accordance with the provisions of Section 7.13.

"KeyBank" means KeyBank National Association and its successors.

"KeyBanc" means KeyBanc Capital Markets Inc. and its successors.

"Key Fee Letter" means that certain fee letter, dated as of the Closing Date, among the Borrower, KeyBank and KeyBanc.

"Key Principals" means each of Jeffrey S. Edison, Michael C. Phillips and Devin I. Murphy.

"Laws" means, collectively, all international, foreign, federal, state and local statutes, treaties, rules, guidelines, regulations, ordinances, codes and administrative or judicial precedents or authorities, including the interpretation or administration thereof by any Governmental Authority charged with the enforcement, interpretation or administration thereof, and all applicable administrative orders, directed duties, requests, licenses, authorizations and permits of, and agreements with, any Governmental Authority, in each case whether or not having the force of law.

"Lenders" means each of the Persons identified as a "Lender" on the signature pages hereto and their successors and assigns.

"Lending Office" means, as to any Lender, the office or offices of such Lender described as such in such Lender's Administrative Questionnaire, or such other office or offices as a Lender may from time to time notify the Borrower and the Administrative Agent.

"Leverage Ratio" means, with respect to the Consolidated Group as of any date of calculation, (a) Total Indebtedness as of such date minus the amount of Balance Sheet Cash as of such date in excess of $25,000,000 to the extent there is an equivalent amount of Total Indebtedness that matures within twenty-four (24) months from such date of calculation divided by (b) Total Asset Value as of such date minus the amount of Balance Sheet Cash deducted in subsection (a) of this definition.

"LIBOR" has the meaning specified in the definition of "Eurodollar Base Rate".

"LIBOR Daily Floating Rate" means the rate per annum equal to (i) LIBOR (rounded upward to the next highest 1/16th of 1%), at approximately 11:00 a.m., London time determined two (2) London Banking Days prior to such date for Dollar deposits being delivered in the London interbank market for a term of one (1) month commencing that day or (ii) if Reuters no longer reports such rate or the Administrative Agent determines in good faith that the rate so reported no longer accurately reflects the rate available to the Administrative Agent in the London Interbank Market, the Administrative Agent Agent may select a replacement index in reasonable prior consultation with the Borrower.

"LIBOR Daily Floating Rate Loan" means a Loan that bears interest based on the LIBOR Daily Floating Rate.

"Lien" means any mortgage, deed of trust, pledge, hypothecation, assignment, deposit arrangement, encumbrance, lien (statutory or other), charge, or preference, priority or other security interest or preferential arrangement in the nature of a security interest of any kind or nature whatsoever (including (i) any conditional sale or other title retention agreement, (ii) any easement, right of way or other encumbrance on title to real Property that materially affects the value of such real Property, and (iii) any financing lease having substantially the same economic effect as any of the foregoing).

"Loan" means an extension of credit by a Lender to the Borrower under Article II in the form of a Term Loan A-1 or an Incremental Term Loan, as applicable.

"Loan Amendment" has the meaning specified in Section 11.01.

"Loan Documents" means this Agreement, each Note, each Joinder Agreement, the Fee Letters and any Incremental Term Loan Agreement.

"Loan Modification Offer" has the meaning specified in Section 11.01.

"Loan Notice" means a notice of (a) a Borrowing of Term Loans, (b) a conversion of Term Loans from one Type to the other, or (c) a continuation of Eurodollar Rate Loans, in each case pursuant to Section 2.02(a), which, if in writing, shall be substantially in the form of Exhibit A.

"Loan Party" means the Borrower or any Guarantor and "Loan Parties" means, collectively, the Borrower and the Guarantors.

"London Banking Day" means any day on which dealings in Dollar deposits are conducted by and between banks in the London interbank eurodollar market.

"Major Tenant" means a tenant of a Loan Party under a lease of Property which entitles it to occupy 15,000 square feet or more of the net rentable area of such Property.

"Master Agreement" has the meaning specified in the definition of "Swap Contract".

"Material Acquisition" means a simultaneous acquisition of assets with a purchase price of 5% or more of Total Asset Value.

"Material Adverse Effect" means any event or circumstance, either individually or in the aggregate, that has had or could reasonably be expected to have (a) a material adverse change in, or a material adverse effect on, the business, properties, liabilities or financial condition of the Consolidated Group, taken as a whole, (B) a material adverse effect on the rights and remedies of the Administrative Agent or any Lender under any Loan Document, or of the ability of the Borrower and the Guarantors taken as a whole to perform their obligations under any Loan Document, or (C) a material adverse effect upon the legality, validity, binding effect or enforceability against the Borrower or a Guarantor of any Loan Document to which it is a party.

"Maturity Date" means (a) the Term Loan A-1 Maturity Date and (b) with respect to an outstanding Incremental Term Loan, the maturity date provided in the applicable Incremental Term Loan Agreement.

"Mezzanine Debt Investments" means any mezzanine or subordinated mortgage loans made (or acquired) by a member of the Consolidated Group to entities that own commercial real estate or to the members, partners or stockholders of such entities, which real estate has a value in excess of the sum of (a) (i) if such mezzanine or subordinated mortgage loans was originated by a third party and acquired by such member of the Consolidated Group, the purchase price of such indebtedness with respect to any such indebtedness or (ii) if such mezzanine or subordinated mortgage loans was originated by such member of the Consolidated Group, the amount of such indebtedness plus (b) any senior indebtedness encumbering such commercial real estate, in each case to the extent such mezzanine or subordinated mortgage loans has been designated by the Borrower as a "Mezzanine Debt Investment" in its most recent compliance certificate; provided, however, that (i) any such indebtedness owed by an Unconsolidated Affiliate shall be reduced by the Consolidated Group Pro Rata Share of such indebtedness, and (ii) any such indebtedness owed by a non-wholly owned member of the Consolidated Group shall be reduced by the Consolidated Group Pro Rata Share of such indebtedness.

"Moody's" means Moody's Investors Service, Inc. and any successor thereto.

"Mortgage Receivables" means any investment securities that represent an interest in, or are secured by, one or more pools of commercial mortgage loans or synthetic mortgages.

"Multiemployer Plan" means any employee benefit plan of the type described in Section 4001(a)(3) of ERISA, to which the Borrower or any ERISA Affiliate makes or is obligated to make contributions, or during the preceding five plan years, has made or been obligated to make contributions.

"Multiple Employer Plan" means a Plan which has two or more contributing sponsors (including the Borrower or any ERISA Affiliate) at least two of whom are not under common control, as such a plan is described in Section 4064 of ERISA.

"Negative Pledge" shall mean with respect to a given asset, any provision of a document, instrument or agreement (other than any Loan Document) which prohibits or purports to prohibit the creation or assumption of any Lien on such asset as security for Indebtedness of the Person owning such asset or any other Person; provided, however, that an agreement that conditions a Person's ability to encumber its assets upon the maintenance of one or more specified ratios that limit such Person's ability to encumber its assets but that do not generally prohibit the encumbrance of its assets, or the encumbrance of specific assets, shall not constitute a Negative Pledge.

"Net Income" means the net income (or loss) of the Consolidated Group for the subject period; provided, however that Net Income shall exclude (a) extraordinary gains and extraordinary losses for such period, (b) the net income of any Subsidiary of the Parent Entity during such period to the extent that the declaration or payment of dividends or similar distributions by such Subsidiary of such income is not permitted by operation of the terms of its Organization Documents or any agreement, instrument or Law applicable to such Subsidiary during such period, except that the Parent Entity's equity in any net loss of any such Subsidiary for such period shall be included in determining Net Income, (c) any income (or loss) from an Unconsolidated Affiliate of the Parent Entity in an amount equal to the aggregate amount of cash actually distributed by such Unconsolidated Affiliate during such period to the Parent Entity or a Subsidiary thereof as a dividend or other distribution (and in the case of a dividend or other distribution to a Subsidiary of the Parent Entity, such Subsidiary is not precluded from further distributing such amount to the Parent Entity as described in clause (b) of this proviso), and (d) any rental income received from leases to Major Tenants in any bankruptcy proceedings, to the extent the relevant leases have been rejected pursuant to such bankruptcy proceedings during the subject period.

"Net Operating Income" means for any Property, for any period, an amount equal to (a) the aggregate gross revenues from the operations of such Property during such period from tenants paying rent (exclusive of any rental income from any leases to Major Tenants in any bankruptcy proceedings, to the extent the relevant leases have been rejected pursuant to such bankruptcy proceedings during the subject period and exclusive of above and below market lease adjustments and amortization of tenant allowance in accordance with GAAP) minus (b) the sum of all expenses and other charges incurred in connection with the operation of such Property during such period (including accruals for real estate taxes and insurance and Property Management Fees, but excluding debt service charges, income taxes, depreciation, amortization and other non-cash expenses), which expenses and accruals shall be calculated in accordance with GAAP.

"New Lenders" has the meaning set forth in Section 2.16(c).

"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 11.01 and (b) has been approved by the Required Lenders.

"Non-Defaulting Lender" means, at any time, each Lender that is not a Defaulting Lender at such time.

"Non-Recourse Debt" means Indebtedness of any member of the Consolidated Group in which the liability of the applicable obligor is limited to such obligor's interest in specified assets securing such Indebtedness, subject to customary nonrecourse carve-outs, including, without limitation, exclusions for claims that are based on fraud, intentional misrepresentation, misapplication of funds, gross negligence or willful misconduct to the extent no claim of liability has been made pursuant to any such carve-outs.

"Non-Stabilized Property" means, for any Property, (a) a Property designated in writing by the Borrower as a Non-Stabilized Property which has not previously been designated as such and (b) the occupancy rate for such designated Property is below 80% at the time of such designation; provided, that, once designated as a Non-Stabilized Property, such Property shall cease to be a Non-Stabilized Property upon the earlier of (i) Borrower's request or (ii) eight fiscal quarters following the designation of such Property as a Non-Stabilized Property.

"Note" or "Notes" means the Term Notes, individually or collectively, as appropriate.

"OFAC" means the Office of Foreign Assets Control of the United States Department of the Treasury.

"Obligations" means all advances to, and debts, liabilities, obligations, covenants and duties of, any Loan Party arising under any Loan Document or otherwise with respect to any Loan, whether direct or indirect (including those acquired by assumption), absolute or contingent, due or to become due, now existing or hereafter arising and including interest and fees that accrue after the commencement by or against any Loan Party of any proceeding under any Debtor Relief Laws naming such Person as the debtor in such proceeding, regardless of whether such interest and fees are allowed claims in such proceeding. The foregoing shall also include any Swap Contract and any Treasury Management Agreement between any Loan Party and any Lender or Affiliate of a Lender; provided that the "Obligations" shall exclude any Excluded Swap Obligations.

"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.

"Other Connection Taxes" means, with respect to any Recipient, Taxes imposed as a result of a present or former connection between such Recipient and the jurisdiction imposing such Tax (other than connections arising from such Recipient having executed, delivered, become a party to, performed its obligations under, received payments under, received or perfected a security interest under, engaged in any other transaction pursuant to or enforced any Loan Document, or sold or assigned an interest in any Loan or Loan Document).

"Other Taxes" means all present or future stamp, court or documentary, intangible, recording, filing or similar Taxes that arise from any payment made under, from the execution, delivery, performance, enforcement or registration of, from the receipt or perfection of a security interest under, or otherwise with respect to, any Loan Document, except any such Taxes that are Other Connection Taxes imposed with respect to an assignment (other than an assignment made pursuant to Section 3.06).

"PACE Financings" means (a) any "Property-Assessed Clean Energy" loan or financing or (b) any other indebtedness, without regard to the name given thereto, which is (i) incurred for improvements to a Property for the purpose of increasing energy efficiency, increasing use of renewable energy sources, resource conservation, or a combination of the foregoing, and (ii) repaid through multi-year assessments against such Property.

"Parent Entity" means Phillips Edison Grocery Center REIT I, Inc. or such other entity following any reorganization permitted by Section 8.04.

"Participant" has the meaning specified in Section 11.06(d).

"Participant Register" has the meaning specified in Section 11.06(d).

"Patriot Act" has the meaning set forth in Section 11.17.

"PBGC" means the Pension Benefit Guaranty Corporation or any successor thereto.

"PNCCM" means PNC Capital Markets LLC.

"PNC Fee Letter" means that certain fee letter, dated as of the Closing Date, among the Borrower, PNCCM and PNC Bank, National Association.

"Pension Funding Rules" means the rules of the Code and ERISA regarding minimum required contributions (including any installment payment thereof) to Pension Plans set forth in Section 412, 430, 431, 432 and 436 of the Code and Sections 302, 303, 304 and 305 of ERISA.

"Pension Plan" means any employee pension benefit plan (including a Multiple Employer Plan or a Multiemployer Plan) that is maintained or is contributed to by the Borrower and any ERISA Affiliate and is either covered by Title IV of ERISA or is subject to the minimum funding standards under Section 412 of the Code.

"Permitted Liens" means the following:

(a) Liens pursuant to any Loan Document;

(b) Liens (other than Liens imposed under ERISA) for taxes, assessments or governmental charges or levies not yet delinquent or which are being contested in good faith and by appropriate proceedings diligently conducted, if adequate reserves with respect thereto are maintained on the books of the applicable Person in accordance with GAAP;

(c) statutory Liens of landlords and Liens of carriers, warehousemen, mechanics, materialmen and suppliers and other Liens imposed by law or pursuant to customary reservations or retentions of title arising in the ordinary course of business; provided that such Liens secure only amounts not yet due and payable or, if due and payable, are unfiled and no other action has been taken to enforce the same or are being contested in good faith by appropriate proceedings for which adequate reserves determined in accordance with GAAP have been established;

(d) pledges or deposits in the ordinary course of business in connection with workers' compensation, unemployment insurance and other social security legislation, other than any Lien imposed by ERISA;

(e) deposits to secure the performance of bids, trade contracts and leases (other than Indebtedness), statutory obligations, surety and appeal bonds, performance bonds and other obligations of a like nature incurred in the ordinary course of business;

(f) easements, rights-of-way, restrictions and other similar encumbrances affecting real property which, in the aggregate, are not substantial in amount, and which do not in any case materially detract from the value of the property subject thereto for its current use or materially interfere with the use thereof by the Loan Parties;

(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 9.01(h);

(h) leases or subleases granted to others not interfering in any material respect with the business of any Loan Party or any of its Subsidiaries;

(i) any interest of title of a lessor under, and Liens arising from UCC financing statements relating to, leases permitted by this Agreement;

(j) normal and customary rights of setoff upon deposits of cash in favor of banks or other depository institutions;

(k) Liens of a collection bank arising under Section 4-210 of the Uniform Commercial Code on items in the course of collection;

(l) Liens of sellers of goods to a Loan Party and any of its Subsidiaries 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 securing PACE Financings in an amount not to exceed (a) $1,000,000 in any one year and (b) $2,500,000, in the aggregate, during the term of this Agreement; and

(n) Liens, if any, in favor of Bank of America, N.A., on Cash Collateral (as defined in the Existing Credit Agreement) pursuant to Section 2.14(a) of the Existing Credit Agreement.

"Permitted Reorganization" means any or all of the following: (a) the corporate reorganization of the Consolidated Group and any related mergers with respect thereto (including, without limitation, any merger, purchase, contribution or assumption of assets and/or liabilities or other similar transaction with any Affiliate), (b) the internalization (in whole or in part, whether by merger, purchase, contribution or assumption of assets and/or liabilities or other similar transaction) of the existing external manager of the Parent Entity and the Borrower, (c) the initial public offering of the Parent Entity and/or the listing of the Parent Entity on a recognized US stock exchange, and (d) the issuance of additional Equity Interests of the Borrower and/or the conversion of Equity Interests of the Borrower into Equity Interests of the Parent Entity; provided that after giving effect to any Permitted Reorganization (i) the Parent Entity shall remain a Guarantor, (ii) the Parent Entity shall continue to own, directly or indirectly, a majority of the Voting Stock and economic and beneficial interests of the Borrower, (iii) Phillips Edison Grocery Center Operating Partnership I, L.P., a Delaware limited partnership, shall remain as the Borrower, and (iv) the Borrower shall deliver to the Administrative Agent, (x) a written certificate reasonably satisfactory to the Administrative Agent showing, in reasonable detail, that the Consolidated Group will be in pro forma compliance with the financial covenants in Section 8.11 after giving effect to any Permitted Reorganization and (y) all documentation and other

information required by bank regulatory authorities under applicable "know-your-customer" and anti-money laundering rules and regulations, including, without limitation, the Patriot Act.

"Person" means any natural person, corporation, limited liability company, trust, joint venture, association, company, partnership, Governmental Authority or other entity.

"Plan" means any employee benefit plan within the meaning of Section 3(3) of ERISA (including a Pension Plan), maintained for employees of the Borrower or any such Plan to which the Borrower is required to contribute on behalf of any of its employees.

"Platform" has the meaning specified in Section 7.02.

"PNC Agreement" has the meaning set forth in Section 8.03(a).

"Property" means any real estate asset directly owned by any member of the Consolidated Group, any of its Subsidiaries or any Unconsolidated Affiliate.

"Property Management Fees" means, with respect to each Property for any period, 3% of the aggregate base rent and percentage rent due and payable under leases with tenants at such Property.

"Public Lender" has the meaning specified in Section 7.02.

"Qualified ECP Guarantor" means, at any time, each Loan Party with total assets exceeding $10,000,000 or that qualified at such time as an "eligible contract participant" under the Commodity Exchange Act and can cause another Person to qualify as an "eligible contract participant" at such time under Section 1a(18)(A)(v)(II) of the Commodity Exchange Act.

"Qualified Fees" means, to the extent earned on a current basis (i.e. expected to be paid or settled in 30 days but excluding any payments made with Equity Interests) and are not deferred (except as set forth in (vii) below) by (a) the Borrower, (b) a wholly-owned Subsidiary of the Borrower or (c) a majority owned Subsidiary of the Borrower in which the Borrower, directly or indirectly, has the sole discretion to distribute any Qualified Fees at such Subsidiary to the Borrower (for clarification purposes, with respect to any non-wholly owned Subsidiary, only the pro rata portion of those fees that can be distributed to the Borrower shall constitute Qualified Fees for the purposes hereunder), all amounts consisting of the following: (i) property management fees, (ii) asset management fees, (iii) leasing commissions, (iv) tenant improvement oversight fees, (v) property acquisition fees, (vi) property financing fees and (vii) deferred asset management fees; provided that if the Qualified Fees attributable to the fees incurred with respect to clauses (v), (vi) and (vii) above accounts for more than 40% of the aggregate Qualified Fees, the amount of such property acquisition fees, property financing fees and deferred asset management fees that exceeds such limit shall be deducted from Qualified Fees. With respect to a transaction that constitutes the acquisition of any Person or any management contracts, for the purpose of calculating Total Asset Value and Unencumbered Asset Value for the quarter during which the acquisition occurs and each of the next three full fiscal quarter periods subsequent to such acquisition, the Qualified Fees with respect to the acquired Person or management contracts, if any, shall be determined as follows: (1) for the quarter in which such acquisition occurs, the Qualified Fees for the last full quarter period prior to such acquisition multiplied by four, (2) for the first full quarter period subsequent to such acquisition, the actual Qualified Fees for such quarter multiplied by four, (3) for the first two full quarter period subsequent to such acquisition, the actual Qualified Fees for such two quarter period multiplied by two and (4) for the first three full quarter period subsequent to such acquisition, the actual Qualified Fees for such three quarter period multiplied by 4/3.

"Recipient" means the Administrative Agent or any Lender.

"Recourse Debt" means any Indebtedness (other than Non-Recourse Debt) of any member of the Consolidated Group for which such Person has personal liability; provided that any customary non-recourse carve-outs with respect to such Indebtedness shall not be deemed Recourse Debt hereunder, except, if and to the extent that the obligor thereunder has acknowledged such liability or it has been determined, by a court of competent jurisdiction to be liable for a claim thereunder for which such obligor is not otherwise indemnified by any third party which has the financial ability to perform with respect to such indemnity and is not disavowing its obligations thereunder.

"Register" has the meaning specified in Section 11.06(c).

"REIT" means a "real estate investment trust" under Sections 856-860 of the Internal Revenue Code.

"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.

"Reportable Event" means any of the events set forth in Section 4043(c) of ERISA, other than events for which the thirty-day notice period has been waived.

"Request for Credit Extension" means with respect to a Borrowing, conversion or continuation of Term Loans, a Loan Notice.

"Required Lenders" means, at any time, Lenders having Total Credit Exposures representing more than 50% of the Total Credit Exposures of all Lenders. The Total Credit Exposure of any Defaulting Lender shall be disregarded in determining Required Lenders at any time.

"Responsible Officer" means the chief executive officer, president (including co-president) vice-president, chief financial officer, treasurer, assistant treasurer or controller of a Loan Party and, solely for purposes of the delivery of certificates pursuant to Sections 5.01 or 7.13, the secretary or any assistant secretary of a Loan Party. Any document delivered hereunder that is signed by a Responsible Officer of a Loan Party shall be conclusively presumed to have been authorized by all necessary corporate, partnership and/or other action on the part of such Loan Party and such Responsible Officer shall be conclusively presumed to have acted on behalf of such Loan Party.

"Restricted Payment" means any dividend or other distribution (whether in cash, securities or other property) with respect to any Equity Interests of any Loan Party or any Subsidiary, or any payment (whether in cash, securities or other property), including any sinking fund or similar deposit, on account of the purchase, redemption, retirement, acquisition, cancellation or termination of any such Equity Interests or on account of any return of capital to the Borrower's stockholders, partners or members (or the equivalent Person thereof), or any setting apart of funds or property for any of the foregoing.

"S&P" means Standard & Poor's Financial Services LLC, a subsidiary of The McGraw-Hill Companies, Inc., and any successor thereto.

"Sale and Leaseback Transaction" means any arrangement pursuant to which any Loan Party, directly or indirectly, becomes liable as lessee, guarantor or other surety with respect to any lease, whether an operating lease or a capital lease, of any Property (a) which such Person has sold or transferred (or is to sell or transfer) to another Person which is not a Loan Party or (b) which such Person

intends to use for substantially the same purpose as any other Property which has been sold or transferred (or is to be sold or transferred) by such Person to another Person which is not a Loan Party in connection with such lease.

"Sanctions" means any international economic sanction administered or enforced by the United States government (including, without limitation, OFAC) the United Nations Security Council, the European Union, Her Majesty's Treasury or other relevant sanctions authority.

"SEC" means the Securities and Exchange Commission, or any Governmental Authority succeeding to any of its principal functions.

"Secured Indebtedness" means, for any Person, Indebtedness of such Person that is secured by a Lien; provided that (a) direct Indebtedness (as opposed to a Guarantee) that is secured solely by a Lien on Equity Interests and (b) PACE Financings, in each case, shall not be deemed to be Secured Indebtedness for the purposes of this Agreement.

"Secured Leverage Ratio" means, with respect to the Consolidated Group as of any date of calculation, (a) Total Secured Indebtedness as of such date minus the amount of Balance Sheet Cash as of such date in excess of $25,000,000 to the extent there is an equivalent amount of Total Secured Indebtedness that matures within twenty-four (24) months from the applicable date of calculation divided by (b) Total Asset Value as of such date minus the amount of Balance Sheet Cash deducted in subsection (a) of this definition.

"Shareholders' Equity" means an amount equal to shareholders' equity or net worth of the Consolidated Group, as determined in accordance with GAAP.

"Solvent" or "Solvency" means, with respect to any Person as of a particular date, that on such date (a) such Person is able to pay its debts and other liabilities, contingent obligations and other commitments as they mature in the ordinary course of business, (b) such Person does not intend to, and does not believe that it will, incur debts or liabilities beyond such Person's ability to pay as such debts and liabilities mature in their ordinary course, (c) such Person is not engaged in a business or a transaction, and is not about to engage in a business or a transaction, for which such Person's property would constitute unreasonably small capital after giving due consideration to the prevailing practice in the industry in which such Person is engaged or is to engage, (d) the fair value of the property of such Person is greater than the total amount of liabilities, including, without limitation, contingent liabilities, of such Person and (e) the present fair salable value of the assets of such Person is not less than the amount that will be required to pay the probable liability of such Person on its debts as they become absolute and matured. In computing the amount of contingent liabilities at any time, it is intended that such liabilities will be computed at the amount which, in light of all the facts and circumstances existing at such time, represents the amount that can reasonably be expected to become an actual or matured liability.

"Specified Loan Party" has the meaning set forth in Section 4.08.

"Subsidiary" of a Person means a corporation, partnership, joint venture, limited liability company or other business entity of which a majority of the shares of Voting Stock is at the time beneficially owned, or the management of which is otherwise controlled, directly, or indirectly through one or more intermediaries, or both, by such Person. Unless otherwise specified, all references herein to a "Subsidiary" or to "Subsidiaries" shall refer to a Subsidiary or Subsidiaries of the Parent Entity.

"Subsidiary Guarantors" means any Subsidiary who becomes a Guarantor hereunder.

"Swap Contract" means (a) any and all rate swap transactions, basis swaps, credit derivative transactions, forward rate transactions, commodity swaps, commodity options, forward commodity contracts, equity or equity index swaps or options, bond or bond price or bond index swaps or options or forward bond or forward bond price or forward bond index transactions, interest rate options, forward foreign exchange transactions, cap transactions, floor transactions, collar transactions, currency swap transactions, cross-currency rate swap transactions, currency options, spot contracts, or any other similar transactions or any combination of any of the foregoing (including any options to enter into any of the foregoing), whether or not any such transaction is governed by or subject to any master agreement, and (b) any and all transactions of any kind, and the related confirmations, which are subject to the terms and conditions of, or governed by, any form of master agreement published by the International Swaps and Derivatives Association, Inc., any International Foreign Exchange Master Agreement, or any other master agreement (any such master agreement, together with any related schedules, a "Master Agreement"), including any such obligations or liabilities under any Master Agreement.

"Swap Obligation" means with respect to any Guarantor any obligation to pay or perform under any agreement, contract or transaction that constitutes a "swap" within the meaning of Section 1a(47) of the Commodity Exchange Act.

"Swap Termination Value" means, after taking into account the effect of any legally enforceable netting agreement relating to any Swap Contract, (a) for any date on or after the date such Swap Contract has been closed out and termination value(s) determined in accordance therewith, such termination value(s), and (b) for any date prior to the date referenced in clause (a), the amount(s) determined as the mark-to-market value(s) for such Swap Contract, as determined based upon one or more mid-market or other readily available quotations provided by any recognized dealer in such Swap Contracts (which may include a Lender or any affiliate of a Lender).

"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).

"Tangible Net Worth" means, for the Consolidated Group as of any date of determination, (a) total equity (including, without limitation, redeemable Equity Interests) determined in accordance with GAAP, minus (b) all intangible assets determined in accordance with GAAP (except for intangible assets related to the value of acquired in-place leases), plus (c) all accumulated depreciation and amortization determined in accordance with GAAP.

"Taxes" means all present or future taxes, levies, imposts, duties, deductions, withholdings (including backup withholding), assessments, fees or other charges imposed by any Governmental Authority, including any interest, additions to tax or penalties applicable thereto.

"Term Borrowing" means a borrowing consisting of simultaneous Term Loans of the same tranche, the same Type and, in the case of Eurodollar Rate Loans, having the same Interest Period made by each of the Lenders pursuant to Section 2.01(b) or Section 2.16.

"Term Loan A-1" has the meaning specified in Section 2.01(b).

"Term Loan A-1 Commitment" has the meaning specified in the definition of Term Loan Commitment.

"Term Loan Commitment" means, as to each Lender, (a) its obligation to make its portion of the Term Loan A-1 to the Borrower on the Closing Date pursuant to Section 2.01(b), in the principal amount set forth opposite such Lender's name on Schedule 2.01 (the "Term Loan A-1 Commitment") and (b) its obligation to make any portion of an Incremental Term Loan pursuant to Section 2.16. The aggregate principal amount of the Term Loan A-1 Commitments of all Lenders as in effect on the Closing Date is $175,000,000.

"Term Loan A-1 Maturity Date" means, with respect to Term Loan A-1, October 4, 2024; provided, however, that if such date is not a Business Day, the Term Loan A-1 Maturity Date shall be the immediately preceding Business Day.

"Term Loan A-1 Note" has the meaning specified in Section 2.11(a).

"Term Loans" means Term Loan A-1 or any Incremental Term Loan, as the context may require.

"Term Notes" means the Term Loan A-1 Note and any note in connection with an Incremental Term Loan.

"Threshold Amount" means $20,000,000.

"Total Asset Value" means, at any time for the Consolidated Group, without duplication, the sum of the following: (a) an amount equal to (i) Net Operating Income for the most recently ended four fiscal quarters from all Properties (other than Non-Stabilized Properties) owned by the Consolidated Group for four full fiscal quarters or longer (which amount for each individual Property as well as the aggregate amount for all Properties shall not be less than zero) divided by (ii) the Capitalization Rate, plus (b) the aggregate acquisition cost of all Properties acquired by the Consolidated Group during the then most recently ended four fiscal quarter period, plus (c) the undepreciated book value of Non-Stabilized Properties; provided that, if the Total Asset Value attributable to Non-Stabilized Properties accounts for more than 15% of Total Asset Value, the amount of undepreciated book value of such Non-Stabilized Properties that exceeds such limit shall be deducted from Total Asset Value, plus (d) the product of (i) Qualified Fees for the most recently ended four fiscal quarter period multiplied by (ii) six (6); provided that if the Total Asset Value attributable to Qualified Fees calculated pursuant to this clause (d) accounts for more than 10% of Total Asset Value, the amount of Qualified Fees calculated pursuant to this clause (d) that exceeds such limit shall be deducted from Total Asset Value, plus (e) cash from like-kind exchanges on deposit with a qualified intermediary ("1031 proceeds"), plus (f) the value of Mezzanine Debt Investments and the value of Mortgage Receivables owned by the Consolidated Group, in each case that are not more than ninety (90) days past due determined in accordance with GAAP and are not with an obligor subject to a bankruptcy or insolvency proceeding; provided that if the Total Asset Value attributable to Mezzanine Debt Investments and Mortgage Receivables accounts for more than 10% of Total Asset Value, the amount of Mezzanine Debt Investments and Mortgage Receivables that exceeds such limit shall be deducted from Total Asset Value, plus (g) the aggregate undepreciated book value of all Unimproved Land and Construction in Progress owned by the Consolidated Group, plus (h) the Consolidated Group Pro Rata Share of the foregoing items and components attributable to interests in Unconsolidated Affiliates, plus (i) Total Cash; provided that, to the extent that Total Asset Value attributable to investments in Mezzanine Debt Investments, Mortgage Receivables, 1031 proceeds, Unimproved Land, Unconsolidated Affiliates, and Construction in Progress accounts for more than 25% of Total Asset Value, in the aggregate, the amount that exceeds such limit shall be deducted from Total Asset Value.

"Total Cash" means all cash and Cash Equivalents of the Consolidated Group, including, cash and Cash Equivalents held as collateral, in escrow in a bank account by a lender, creditor or contract

counterparty and from like-kind exchanges (including cash from like-kind exchanges on deposit with a qualified intermediary).

"Total Credit Exposure" means, as to any Lender at any time, the sum of the outstanding unpaid principal amount of Term Loans and any unused Term Loan Commitment of such Lender at such time.

"Total Indebtedness" means (a) all Indebtedness of the Consolidated Group determined on a consolidated basis plus (b) the Consolidated Group Pro Rata Share of Indebtedness attributable to interests in Unconsolidated Affiliates.

"Total Secured Indebtedness" means (a) all Secured Indebtedness of the Consolidated Group determined on a consolidated basis plus (b) the Consolidated Group Pro Rata Share of Secured Indebtedness attributable to interests in Unconsolidated Affiliates.

"Treasury Management Agreement" means any agreement governing the provision of treasury or cash management services, including deposit accounts, overdraft, credit or debit card, funds transfer, automated clearinghouse, zero balance accounts, returned check concentration, controlled disbursement, lockbox, account reconciliation and reporting and trade finance services and other cash management services.

"Type" means, with respect to any Loan, its character as a Base Rate Loan, a Eurodollar Rate Loan or a LIBOR Daily Floating Rate Loan.

"Unconsolidated Affiliates" means an Affiliate of the Parent Entity or any other member of the Consolidated Group whose financial statements are not required to be consolidated with the financial statements of the Parent Entity in accordance with GAAP.

"Unencumbered Asset Value" means, at any time for the Consolidated Group, without duplication, the sum of the following: (a) an amount equal to (i) Unencumbered NOI from all Unencumbered Properties (other than Non-Stabilized Properties and acquisition properties described in clause (b) below) that have been owned by the Consolidated Group for four full fiscal quarter periods or longer (which amount for each individual Unencumbered Property as well as the aggregate amount for all Unencumbered Properties shall not be less than zero) divided by (ii) the Capitalization Rate, plus (b) the aggregate acquisition cost of all Unencumbered Properties acquired during the then most recently ended four fiscal quarter period, plus (c) the undepreciated book value of Unencumbered Properties that are Non-Stabilized Properties; provided that if the Unencumbered Asset Value attributable to Non-Stabilized Properties accounts for more than 15% of Unencumbered Asset Value, the amount of undepreciated book value of such Non-Stabilized Properties that exceeds such limit shall be deducted from Unencumbered Asset Value, plus (d) cash from like-kind exchanges on deposit with a qualified intermediary ("1031 proceeds"), plus (e) the value of Mezzanine Debt Investments and Mortgage Receivables owned by the Consolidated Group that are not more than ninety (90) days past due determined in accordance with GAAP, in each case that are not subject to a Lien or Negative Pledge; provided that if the Unencumbered Asset Value attributable to Mezzanine Debt Investments and Mortgage Receivables accounts for more than 10% of Unencumbered Asset Value, the amount of Mezzanine Debt Investments and Mortgage Receivables that exceeds such limit shall be deducted from Unencumbered Asset Value, plus (f) the undepreciated book value of all Unimproved Land and Construction in Progress owned by the Consolidated Group to the extent any such assets are not subject to a Lien or Negative Pledge, plus (g) Balance Sheet Cash; provided that, to the extent that Unencumbered Asset Value attributable to investments in Mezzanine Debt Investments, Mortgage Receivables, 1031 proceeds, Unimproved Land, and Construction in Progress account for more than 25% of Unencumbered Asset Value, in the aggregate, the amount that exceeds such limit shall be deducted from Unencumbered Asset Value. For clarification

purposes, in determining whether clause (a) or clause (b) above applies, the date a Property will be deemed to have been acquired is the date it was acquired by the Consolidated Group or any prior Affiliate of the Consolidated Group.

"Unencumbered NOI" means (a) for Unencumbered Properties that have been owned for four full fiscal quarters or longer, the Net Operating Income from such Unencumbered Property asset for the four fiscal quarter period minus the Annual Capital Expenditure Adjustment with respect to such Unencumbered Property, (b) for Unencumbered Properties that have been owned for at least one full fiscal quarter but less than four full fiscal quarters, the Net Operating Income from such Unencumbered Property for the most recently ended fiscal quarter, multiplied by four minus the Annual Capital Expenditure Adjustment with respect to such Unencumbered Property, (c) for Unencumbered Properties that have not been owned for at least one full fiscal quarter, but owned for at least one month, the Net Operating Income from such Unencumbered Property for the most recently ended calendar month, multiplied by twelve minus the Annual Capital Expenditure Adjustment with respect to such Unencumbered Property and (d) for Unencumbered Properties that have been owned for less than one month, the average daily Net Operating Income from such Unencumbered Property for the period of ownership of such Unencumbered Property, multiplied by 30, multiplied by 12 minus the Annual Capital Expenditure Adjustment with respect to such Unencumbered Property; provided that (x) the Net Operating Income of a Property that is sold by a member of the Consolidated Group within the most recently ended fiscal quarter will be excluded in calculating Unencumbered NOI, (y) income from Major Tenants in bankruptcy will be excluded from the calculation to the extent the relevant leases have been rejected pursuant to such bankruptcy proceedings and (z) if the Net Operating Income related to ground leases in connection with Unencumbered Properties accounts for more than 5% of the aggregate Unencumbered NOI, the amount of Net Operating Income that exceeds such limit shall be deducted from the aggregate Unencumbered NOI.

"Unencumbered Properties" means a Property that: (a) is one hundred percent (100%) fee owned by a member of the Consolidated Group or subject to a ground lease approved by the Administrative Agent (such approval not to be unreasonably withheld or delayed); provided, that if such property is subject to a ground lease and the Unencumbered NOI related to such ground lease does not exceed twenty percent (20%) of the aggregate Net Operating Income of such property, such ground lease shall be deemed approved by the Administrative Agent; (b) is located in the United States; (c) is not subject to any Liens other than Permitted Liens or any Negative Pledges and the owner thereof has (i) not granted a Negative Pledge to any other creditor that would affect the Lenders' ability to take a Lien on such property and (ii) not agreed to guarantee or otherwise become liable for any Indebtedness of another party; (d) if such Property is a single tenant Property, it is one hundred percent (100%) occupied, (e) is a shopping center retail property or such other type of property consented to by the Lenders; (f) is not subject to any material environmental, title or structural problems; (g) is not subject to any leases that are in payment or bankruptcy default, after giving effect to any notice or cure periods set forth therein; provided that, in the case of multi-tenant Properties, the qualification in this clause (g) shall be limited to leases of anchor tenants in payment or bankruptcy default; (h) is insured in accordance with the requirements under the Loan Documents and (i) is not owned by a Subsidiary that, if such Subsidiary was subject to Section 9.01(f) or (g), would cause an Event of Default under either such Section.

"Unimproved Land" means Properties which have not been developed for any type of commercial, industrial, residential or other income-generating use and are not, as of such date, under development.

"United States" and "U.S." mean the United States of America.

"Unsecured Indebtedness" means all Indebtedness which is not secured by a Lien; provided that (a) direct Indebtedness (as opposed to a Guarantee) that is secured solely by a Lien on Equity Interests and (b) PACE Financings, in each case, shall be deemed Unsecured Indebtedness for the purposes of this Agreement.

"U.S. Person" means any Person that is a "United States Person" as defined in Section 7701(a)(30) of the Internal Revenue Code.

"U.S. Tax Compliance Certificate" has the meaning specified in Section 3.01(e)(ii)(B)(III).

"Voting Stock" means, with respect to any Person, Equity Interests issued by such Person the holders of which are ordinarily, in the absence of contingencies, entitled to vote for the election of directors (or persons performing similar functions) of such Person, even though the right so to vote has been suspended by the happening of such a contingency.

"Wells Agreement" has the meaning set forth in Section 8.03(a).

"Write-Down and Conversion Powers" means, with respect to any EEA Resolution Authority, the write-down and conversion powers of such EEA Resolution Authority from time to time under the Bail-In Legislation for the applicable EEA Member Country, which write-down and conversion powers are described in the EU Bail-In Legislation Schedule.

1.02 Other Interpretive Provisions.

With reference to this Agreement and each other Loan Document, unless otherwise specified herein or in such other Loan Document:

(a) The definitions of terms herein shall apply equally to the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words "include," "includes" and "including" shall be deemed to be followed by the phrase "without limitation." The word "will" shall be construed to have the same meaning and effect as the word "shall." Unless the context requires otherwise, (i) any definition of or reference to any agreement, instrument or other document (including the Loan Documents and any Organization Document) shall be construed as referring to such agreement, instrument or other document as from time to time amended, modified, extended, restated, replaced or supplemented from time to time (subject to any restrictions on such amendments, supplements or modifications set forth herein or in any other Loan Document), (ii) any reference herein to any Person shall be construed to include such Person's successors and assigns, (iii) the words "hereto", "herein," "hereof" and "hereunder," and words of similar import when used in any Loan Document, shall be construed to refer to such Loan Document in its entirety and not to any particular provision thereof, (iv) all references in a Loan Document to Articles, Sections, Preliminary Statements, Exhibits and Schedules shall be construed to refer to Articles and Sections of, and Preliminary Statements, Exhibits and Schedules to, the Loan Document in which such references appear, (v) any reference to any law shall include all statutory and regulatory rules, regulations, orders and provisions consolidating, amending, replacing or interpreting such law and any reference to any law or regulation shall, unless otherwise specified, refer to such law or regulation as amended, modified, extended, restated, replaced or supplemented from time to time, and (vi) the words "asset" and "property" shall be construed to have the same meaning and effect and to refer to any and all real and personal property and tangible and intangible assets and properties, including cash, securities, accounts and contract rights.

(b) In the computation of periods of time from a specified date to a later specified date, the word "from" means "from and including;" the words "to" and "until" each mean "to but excluding;" and the word "through" means "to and including."

(c) Section headings herein and in the other Loan Documents are included for convenience of reference only and shall not affect the interpretation of this Agreement or any other Loan Document.

1.03 Accounting Terms.

(d) Generally. All accounting terms not specifically or completely defined herein shall be construed in conformity with, and all financial data (including financial ratios and other financial calculations) required to be submitted pursuant to this Agreement shall be prepared in conformity with, GAAP applied on a consistent basis, as in effect from time to time, applied in a manner consistent with that used in preparing the Audited Financial Statements, except as otherwise specifically prescribed herein. Notwithstanding any other provision contained herein, all terms of an accounting or financial nature used herein shall be construed, and all computations of amounts and ratios referred to herein shall be made, (i) without giving effect to any election under Accounting Standards Codification 825 (or any other Financial Accounting Standard or Accounting Standards Codification having a similar result or effect) to value any Indebtedness or other liabilities of the Consolidated Group or any Unconsolidated Affiliate at "fair value," as defined therein and (ii) any change to lease accounting rules from those in effect pursuant to FASB ASC 840 and other related lease accounting guidance as in effect on the Closing Date.

(e) Changes in GAAP. If at any time any change in GAAP (including the adoption of IFRS) would affect the computation of any financial ratio or requirement set forth in any Loan Document, and either the Borrower or the Required Lenders shall so request, the Administrative Agent, the Lenders and the Borrower shall negotiate in good faith to amend such ratio or requirement to preserve the original intent thereof in light of such change in GAAP (subject to the approval of the Required Lenders); provided that, until so amended, (i) such ratio or requirement shall continue to be computed in accordance with GAAP prior to such change therein and (ii) the Borrower shall provide to the Administrative Agent and the Lenders financial statements and other documents required under this Agreement or as requested hereunder setting forth a reconciliation between calculations of such ratio or requirement made before and after giving effect to such change in GAAP.

(f) Consolidation of Variable Interest Entities. All references herein to consolidated financial statements of the Consolidated Group or to the determination of any amount for the Consolidated Group on a consolidated basis or any similar reference shall, in each case, be deemed to include each variable interest entity that the Parent Entity is required to consolidate pursuant to FASB ASC 810 as if such variable interest entity were a Subsidiary as defined herein.

1.04 Rounding

Any financial ratios required to be maintained pursuant to this Agreement shall be calculated by dividing the appropriate component by the other component, carrying the result to one place more than the number of places by which such ratio is expressed herein and rounding the result up or down to the nearest number (with a rounding-up if there is no nearest number).

1.05 Times of Day; Rates

(a) Times of Day. Unless otherwise specified, all references herein to times of day shall be references to Eastern time (daylight or standard, as applicable).

(b) Rates. The Administrative Agent does not warrant, nor accept responsibility, nor shall the Administrative Agent have any liability with respect to, the administration, submission or any other matter related to the rates in the definition of "Eurodollar Base Rate" or with respect to any comparable or successor rate thereto.

ARTICLE II

THE COMMITMENTS AND CREDIT EXTENSIONS

2.01 Commitments.

(a) [Reserved]

(b) Term Loan A-1. Subject to the terms and conditions set forth herein, each Lender severally agrees to make its portion of a term loan (the "Term Loan A-1") to the Borrower in Dollars, on the Closing Date, in an amount equal to such Lender's Term Loan A-1 Commitment; it being understood that the Term Loan A-1 must be drawn in one Borrowing. Amounts borrowed under this Section 2.01(b) and repaid or prepaid may not be reborrowed. The Term Loan A-1 may be composed of Base Rate Loans, Eurodollar Rate Loans or LIBOR Daily Floating Rate Loans, or a combination thereof, as further provided herein.

2.02 Borrowings, Conversions and Continuations of Loans.

(a) Each Borrowing, each conversion of Loans from one Type to the other, and each continuation of Eurodollar Rate Loans shall be made upon the Borrower's irrevocable notice to the Administrative Agent, which may be given by telephone. Each such notice must be received by the Administrative Agent not later than 11:00 a.m. (i) three Business Days prior to the requested date of any Borrowing of, conversion to or continuation of, Eurodollar Rate Loans or of any conversion of Eurodollar Rate Loans to Base Rate Loans, and (ii) on the requested date of any Borrowing of Base Rate Loans or LIBOR Daily Floating Rate Loans. Each telephonic notice by the Borrower pursuant to this Section 2.02(a) must be confirmed promptly by delivery to the Administrative Agent of a written Loan Notice, appropriately completed and signed by a Responsible Officer of the Borrower. Each Borrowing of, conversion to or continuation of Eurodollar Rate Loans shall be in a principal amount of $1,000,000 or a whole multiple of $100,000 in excess thereof. Each Borrowing of, conversion to or continuation of LIBOR Daily Floating Rate Loans shall be in a principal amount of $2,000,000 or a whole multiple of $100,000 in excess thereof. Each Borrowing of or conversion to Base Rate Loans shall be in a principal amount of $1,000,000 or a whole multiple of $500,000 in excess thereof. Each Loan Notice (whether telephonic or written) shall specify (i) whether the Borrower is requesting a Borrowing, a conversion of Loans from one Type to the other, or a continuation of Loans, as the case may be, (ii) whether such Borrowing is a Term Loan A-1 or an Incremental Term Loan, (iii) the requested date of the Borrowing, conversion or continuation, as the case may be (which shall be a Business Day), (iv) the principal amount of Loans to be borrowed, converted or continued, (v) the Type of Loans to be borrowed or to which existing Loans are to be converted, (vi) if applicable, the duration of the Interest Period with respect thereto, and (vii) if requesting a Borrowing, a certification that such Borrowing complies with Section 2.01. If the

Borrower fails to specify a Type of a Loan in a Loan Notice or if the Borrower fails to give a timely notice requesting a conversion or continuation, then the applicable Loans shall be made as, or converted to, Base Rate Loans. Any such automatic conversion to Base Rate Loans shall be effective as of the last day of the Interest Period then in effect with respect to the applicable Eurodollar Rate Loans. If the Borrower requests a Borrowing of, conversion to, or continuation of Eurodollar Rate Loans in any Loan Notice, but fails to specify an Interest Period, it will be deemed to have specified an Interest Period of one month.

(b) Following receipt of a Loan Notice, the Administrative Agent shall promptly notify each Lender of the amount of its Applicable Percentage of the applicable Loans, and if no timely notice of a conversion or continuation is provided by the Borrower, the Administrative Agent shall notify each Lender of the details of any automatic conversion to Base Rate Loans as described in the preceding subsection. In the case of a Borrowing, each Lender shall make the amount of its Loan available to the Administrative Agent in immediately available funds at the Administrative Agent's Office not later than 1:00 p.m. on the Business Day specified in the applicable Loan Notice. Upon satisfaction or waiver of the applicable conditions set forth in Section 5.02 (and, if such Borrowing is the initial Credit Extension, Section 5.01), the Administrative Agent shall make all funds so received available to the Borrower in like funds as received by the Administrative Agent either by (i) crediting the account of the Borrower on the books of KeyBank with the amount of such funds or (ii) wire transfer of such funds, in each case in accordance with instructions provided to (and acceptable to) the Administrative Agent by the Borrower.

(c) Except as otherwise provided herein, a Eurodollar Rate Loan may be continued or converted only on the last day of the Interest Period for such Eurodollar Rate Loan. During the existence of a Default, no Loans may be requested as, converted to or continued as Eurodollar Rate Loans without the consent of the Required Lenders, and the Required Lenders may demand that any or all of the then outstanding Eurodollar Rate Loans be converted immediately to Base Rate Loans.

(d) The Administrative Agent shall promptly notify the Borrower and the Lenders of the interest rate applicable to any Interest Period for Eurodollar Rate Loans upon determination of such interest rate. At any time that Base Rate Loans are outstanding, the Administrative Agent shall notify the Borrower and the Lenders of any change in KeyBank's prime rate used in determining the Base Rate promptly following the public announcement of such change. At any time that LIBOR Daily Floating Rate Loans are outstanding, the Administrative Agent shall notify the Borrower and the Lenders of any change in such rate promptly following any change in such published rate.

(e) After giving effect to all Borrowings, all conversions of Term Loans A-1 from one Type to the other, and all continuations of Term Loans A-1 as the same Type, there shall not be more than three (3) Interest Periods in effect with respect to all Term Loans A-1.

2.03 [Reserved]

2.04 [Reserved]

2.05 Voluntary Prepayments.

(a) The Borrower may, upon notice from the Borrower to the Administrative Agent, at any time or from time to time voluntarily prepay any Term Loan in whole or in part without premium or penalty (other than as set forth in clause (b) below); provided that (A) such notice must be received by the Administrative Agent not later than 11:00 a.m. (1) three Business Days

prior to any date of prepayment of Eurodollar Rate Loans and (2) on the date of prepayment of Base Rate Loans and LIBOR Daily Floating Rate Loans; (B) any such prepayment of Eurodollar Rate Loans shall be in a principal amount of $1,000,000 or a whole multiple of $1,000,000 in excess thereof (or, if less, the entire principal amount thereof then outstanding); (C) any such prepayment of LIBOR Daily Floating Rate Loans shall be in a principal amount of $500,000 or a whole multiple of $100,000 in excess thereof (or, if less, the entire principal amount thereof then outstanding); and (D) any prepayment of Base Rate Loans shall be in a principal amount of $500,000 or a whole multiple of $100,000 in excess thereof (or, if less, the entire principal amount thereof then outstanding). Each such notice shall specify the date and amount of such prepayment, the tranche of Terms Loans to be prepaid and the Type(s) of Term Loans to be prepaid. The Administrative Agent will promptly notify each applicable Lender of its receipt of each such notice, and of the amount of such Lender's Applicable Percentage of such prepayment. If such notice is given by the Borrower, the Borrower shall make such prepayment and the payment amount specified in such notice shall be due and payable on the date specified therein. Any prepayment of a Eurodollar Rate Loan shall be accompanied by all accrued interest on the amount prepaid, together with any additional amounts required pursuant to Section 3.05. Subject to Section 2.15, each such prepayment shall be applied to the applicable Term Loans of the Lenders in accordance with their respective Applicable Percentages.

(b) If all or any portion of Term Loan A-1 is voluntarily prepaid prior to the first anniversary of the Closing Date, then the Borrower shall pay to the Lenders, for their respective ratable accounts, on the date on which such prepayment is paid a prepayment premium equal to two percent (2%) of the amount of such principal payment. If all or any portion of Term Loan A-1 is voluntarily prepaid on any date from the first anniversary of the Closing Date to the date prior to the second anniversary of the Closing Date, then the Borrower shall pay to the Lenders, for their respective ratable accounts, on the date on which such prepayment is paid a prepayment premium equal to one percent (1%) of the amount of such principal payment. The Borrower may voluntarily prepay all or any portion of Term Loan A-1 without premium on or after the second anniversary of the Closing Date in accordance with clause (b) above.

2.06 [Reserved]

2.07 Repayment of Loans.

The Borrower shall repay to the Lenders (a) on the Term Loan A-1 Maturity Date the aggregate principal amount of Term Loan A-1 outstanding on such date and (b) with respect to any Incremental Term Loan, on the applicable maturity date thereof as set forth in the applicable Incremental Term Loan Agreement, together, in each case, with all accrued and unpaid interest with respect thereto.

2.08 Interest.

(a) Subject to the provisions of subsection (b) below, (i) each Eurodollar Rate Loan shall bear interest on the outstanding principal amount thereof for each Interest Period at a rate per annum equal to the sum of the Eurodollar Rate for such Interest Period plus the Applicable Rate, (ii) each LIBOR Daily Floating Rate Loan shall bear interest on the outstanding principal amount thereof from the applicable borrowing date at a rate per annum equal to the LIBOR Daily Floating Rate plus the Applicable Rate and (iii) each Base Rate Loan shall bear interest on the outstanding principal amount thereof from the applicable borrowing date at a rate per annum equal to the Base Rate plus the Applicable Rate.

(b) (i) If any amount of principal of any Loan is not paid when due (without regard to any applicable grace periods), whether at stated maturity, by acceleration or otherwise or if any Event of Default has occurred under Section 9.01(f), all outstanding Obligations hereunder shall thereafter bear interest at a fluctuating interest rate per annum at all times equal to the Default Rate to the fullest extent permitted by applicable Laws.

(ii) If any amount (other than principal of any Loan) is not paid when due (after giving effect to any applicable grace periods), whether at stated maturity, by acceleration or otherwise, then upon the request of the Required Lenders, such amount shall thereafter bear interest at a fluctuating interest rate per annum at all times equal to the Default Rate to the fullest extent permitted by applicable Laws.

(iii) Upon the request of the Required Lenders, while any Event of Default exists, the Borrower shall pay interest on the principal amount of all outstanding Obligations hereunder at a fluctuating interest rate per annum at all times equal to the Default Rate to the fullest extent permitted by applicable Laws.

(iv) Accrued and unpaid interest on past due amounts (including interest on past due interest) shall be due and payable upon demand.

(c) Interest on each Loan shall be due and payable in arrears on each Interest Payment Date applicable thereto and at such other times as may be specified herein. Interest hereunder shall be due and payable in accordance with the terms hereof before and after judgment, and before and after the commencement of any proceeding under any Debtor Relief Law.

2.09 Fees.

(a) The Borrower shall pay to the Arrangers and the Administrative Agent such fees set forth in the Fee Letters and as shall have been separately agreed upon in writing in the amounts and at the times so specified. Such fees shall be fully earned when paid and shall not be refundable for any reason whatsoever.

(b) The Borrower shall pay to the Lenders such fees as shall have been separately agreed upon in writing in the amounts and at the times so specified. Such fees shall be fully earned when paid and shall not be refundable for any reason whatsoever.

2.10 Computation of Interest and Fees; Retroactive Adjustments of Applicable Rate.

(a) All computations of interest for Base Rate Loans (including Base Rate Loans determined by reference to the Eurodollar Rate) shall be made on the basis of a year of 365 or 366 days, as the case may be, and actual days elapsed. All other computations of fees and interest shall be made on the basis of a 360-day year and actual days elapsed (which results in more fees or interest, as applicable, being paid than if computed on the basis of a 365-day year). Interest shall accrue on each Loan for the day on which the Loan is made, and shall not accrue on a Loan, or any portion thereof, for the day on which the Loan or such portion is paid, provided that any Loan that is repaid on the same day on which it is made shall, subject to Section 2.12(a), bear interest for one day. Each determination by the Administrative Agent of an interest rate or fee hereunder shall be conclusive and binding for all purposes, absent manifest error.

(b) If, as a result of any restatement of or other adjustment to the financial statements of the Consolidated Group or for any other reason, the Borrower or the Lenders determine that (i) the Leverage Ratio as calculated by the Borrower as of any applicable date was inaccurate and (ii) a proper calculation of the Leverage Ratio would have resulted in higher pricing for such period, the Borrower shall immediately and retroactively be obligated to pay to the Administrative Agent for the account of the applicable Lenders promptly on demand by the Administrative Agent (or, after the occurrence of an actual or deemed entry of an order for relief with respect to the Borrower under the Bankruptcy Code of the United States, automatically and without further action by the Administrative Agent or any Lender), 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. This paragraph shall not limit the rights of the Administrative Agent or any Lender, as the case may be, under Section 2.08(b) or under Article IX. The Borrower's obligations under this paragraph shall survive the termination of the Commitments of all of the Lenders and the repayment of all other Obligations hereunder.

2.11 Evidence of Debt.

The Credit Extensions made by each Lender shall be evidenced by one or more accounts or records maintained by such Lender and by the Administrative Agent in the ordinary course of business. The accounts or records maintained by the Administrative Agent and each Lender shall be conclusive absent manifest error of the amount of the Credit Extensions made by the Lenders to the Borrower and the interest and payments thereon. Any failure to so record or any error in doing so shall not, however, limit or otherwise affect the obligation of the Borrower hereunder to pay any amount owing with respect to the Obligations. In the event of any conflict between the accounts and records maintained by any Lender and the accounts and records of the Administrative Agent in respect of such matters, the accounts and records of the Administrative Agent shall control in the absence of manifest error. Upon the request of any Lender made through the Administrative Agent, the Borrower shall execute and deliver to such Lender (through the Administrative Agent) a promissory note, which shall evidence such Lender's Loans in addition to such accounts or records. Each such promissory note shall, in the case of Term Loan A-1, be in the form of Exhibit C (a "Term Loan A-1 Note"). Each Lender may attach schedules to its Note and endorse thereon the date, Type (if applicable), amount and maturity of its Loans and payments with respect thereto.

2.12 Payments Generally; Administrative Agent's Clawback.

(a) General. All payments to be made by the Borrower shall be made free and clear of and without condition or deduction for any counterclaim, defense, recoupment or setoff. Except as otherwise expressly provided herein, all payments by the Borrower hereunder shall be made to the Administrative Agent, for the account of the respective Lenders to which such payment is owed, at the Administrative Agent's Office in Dollars and in immediately available funds not later than 2:00 p.m. on the date specified herein. The Administrative Agent will promptly distribute to each Lender its Applicable Percentage (or other applicable share as provided herein) of such payment in like funds as received by wire transfer to such Lender's Lending Office. All payments received by the Administrative Agent after 2:00 p.m. shall be deemed received on the next succeeding Business Day and any applicable interest or fee shall continue to accrue. Subject to the definition of "Interest Period", if any payment to be made by the Borrower shall come due on a day other than a Business Day, payment shall be made on the next following Business Day, and such extension of time shall be reflected in computing interest or fees, as the case may be.

(b) (i) Funding by Lenders; Presumption by Administrative Agent. Unless the Administrative Agent shall have received notice from a Lender prior to the proposed date of any Borrowing of Eurodollar Rate Loans (or, in the case of any Borrowing of Base Rate Loans or LIBOR Daily Floating Rate Loans, prior to 12:00 noon on the date of such Borrowing) that such Lender will not make available to the Administrative Agent such Lender's share of such Borrowing, the Administrative Agent may assume that such Lender has made such share available on such date in accordance with Section 2.02 (or, in the case of any Borrowing of Base Rate Loans or LIBOR Daily Floating Rate Loans, that such Lender has made such share available in accordance with and at the time required by Section 2.02) and may, in reliance upon such assumption, make available to the Borrower a corresponding amount. In such event, if a Lender has not in fact made its share of the applicable Borrowing available to the Administrative Agent, then the applicable Lender and the Borrower 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 Borrower to but excluding the date of payment to the Administrative Agent, at (A) in the case of a payment to be made by such Lender, the greater of the Federal Funds Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation and (B) in the case of a payment to be made by the Borrower, the interest rate applicable to Base Rate Loans. If the Borrower and such Lender shall pay such interest to the Administrative Agent for the same or an overlapping period, the Administrative Agent shall promptly remit to the Borrower the amount of such interest paid by the Borrower for such period. If such Lender pays its share of the applicable Borrowing to the Administrative Agent, then the amount so paid shall constitute such Lender's Loan included in such Borrowing. Any payment by the Borrower shall be without prejudice to any claim the Borrower may have against a Lender that shall have failed to make such payment to the Administrative Agent.

(ii) Payments by Borrower; Presumptions by Administrative Agent. Unless the Administrative Agent shall have received notice from the Borrower prior to the date on which any payment is due to the Administrative Agent for the account of the Lenders hereunder that the Borrower will not make such payment, the Administrative Agent may assume that the Borrower has made such payment on such date in accordance herewith and may, in reliance upon such assumption, distribute to the Lenders the amount due. In such event, if the Borrower has not in fact made such payment, then each of the Lenders severally agrees to repay to the Administrative Agent forthwith on demand the amount so distributed to such Lender, 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 and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation.

A notice of the Administrative Agent to any Lender or the Borrower with respect to any amount owing under subsection (b) shall be conclusive, absent manifest error.

(c) Failure to Satisfy Conditions Precedent. If any Lender makes available to the Administrative Agent funds for any Loan to be made by such Lender as provided in the foregoing provisions of this Article II, and such funds are not made available to the Borrower by the Administrative Agent because the conditions to the applicable Credit Extension set forth in Article V are not satisfied or waived in accordance with the terms hereof, the Administrative Agent shall return such funds (in like funds as received from such Lender) to such Lender, without interest.

(d) Obligations of Lenders Several. The obligations of the Lenders hereunder to make Loans and to make payments pursuant to Section 11.04(c) are several and not joint. The failure of any Lender to make any Loan or to make any payment under Section 11.04(c) on any date required hereunder shall not relieve any other Lender of its corresponding obligation to do so on such date, and no Lender shall be responsible for the failure of any other Lender to so make its Loan or to make its payment under Section 11.04(c).

(e) Funding Source. Nothing herein shall be deemed to obligate any Lender to obtain the funds for any Loan in any particular place or manner or to constitute a representation by any Lender that it has obtained or will obtain the funds for any Loan in any particular place or manner.

2.13 Sharing of Payments by Lenders.

If any Lender shall, by exercising any right of setoff or counterclaim or otherwise, obtain payment in respect of any principal of or interest on any of the Loans made by it, resulting in such Lender's receiving payment of a proportion of the aggregate amount of such Loans or participations and accrued interest thereon greater than its pro rata share thereof as provided herein, then the Lender receiving such greater proportion shall (a) notify the Administrative Agent of such fact, and (b) purchase (for cash at face value) participations in the Loans 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 (x) any payment made by or on behalf of the Borrower pursuant to and in accordance with the express terms of this Agreement (including the application of funds arising from the existence of a Defaulting Lender), or (y) any payment obtained by a Lender as consideration for the assignment of or sale of a participation in any of its Loans to any assignee or participant, other than an assignment to the Borrower or any Subsidiary 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.

2.14 [Reserved]

2.15 Defaulting Lenders.

(a) Adjustments. Notwithstanding anything to the contrary contained in this Agreement, if any Lender becomes a Defaulting Lender, then, until such time as that Lender is no longer a Defaulting Lender, to the extent permitted by applicable Law:

(i) Waivers and Amendment. 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" and Section 11.01.

(ii) Defaulting Lender Waterfall. Any payment of principal, interest, fees or other amount received by the Administrative Agent for the account of such Defaulting Lender (whether voluntary or mandatory, at maturity, pursuant to Article IX or otherwise) or received by the Administrative Agent from a Defaulting Lender pursuant to Section 11.08, shall be applied at such time or times as may be determined by the Administrative Agent as follows: first, to the payment of any amounts owing by such Defaulting Lender to the Administrative Agent hereunder; second, as the Borrower 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; third, to the payment of any amounts owing to the Lenders as a result of any judgment of a court of competent jurisdiction obtained by any Lender against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement; fourth, so long as no Default or Event of Default exists, to the payment of any amounts owing to the Borrower as a result of any judgment of a court of competent jurisdiction obtained by the Borrower against that Defaulting Lender as a result of that Defaulting Lender's breach of its obligations under this Agreement; and fifth, 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 in respect of which such Defaulting Lender has not fully funded its appropriate share, and (y) such Loans were made at a time when the conditions set forth in Section 5.02 were satisfied or waived, such payment shall be applied solely to pay the Loans of all Non-Defaulting Lenders on a pro rata basis prior to being applied to the payment of any Loans of such Defaulting Lender until such time as all Loans are held by the Lenders pro rata in accordance with the Commitments hereunder without giving effect to Section 2.15(a)(iv). Any payments, prepayments or other amounts paid or payable to a Defaulting Lender that are applied (or held) to pay amounts owed by a Defaulting Lender pursuant to this Section 2.15(a)(ii) shall be deemed paid to and redirected by such Defaulting Lender, and each Lender irrevocably consents hereto.

(b) Defaulting Lender Cure. If the Borrower and the Administrative Agent 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 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 the Loans to be held on a pro rata basis by the Lenders in accordance with their Applicable Percentages, 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 Borrower while that Lender was a Defaulting Lender; provided, further, that, except to the extent otherwise expressly agreed by the affected parties, no change hereunder from Defaulting Lender to Lender will constitute a waiver or release of any claim of any party hereunder arising from that Lender having been a Defaulting Lender.

2.16 Increase in Commitments.

(a) Request for Increase. Provided there exists no Default, upon notice to the Administrative Agent (which shall promptly notify the Lenders), the Borrower may from time to

time, request (x) an increase in Term Loan A-1 or (y) a new term loan (an "Incremental Term Loan"); provided that (i) any such request shall be in a minimum amount of $25,000,000, (ii) the aggregate amount of all such requested increases and Incremental Term Loans may not exceed $125,000,000 and (iii) the sum of the principal amount of all outstanding Term Loans may not exceed $300,000,000 at any one time. At the time of sending such notice, the Borrower (in consultation with the Administrative Agent) shall specify the time period within which each Lender is requested to respond (which shall in no event be less than ten (10) Business Days from the date of delivery of such notice to the Lenders).

(b) Lender Elections to Increase. Each Lender shall notify the Administrative Agent within the time period specified by the Borrower pursuant to Section 2.16(a) whether or not it agrees to increase Term Loan A-1 or agrees to participate in an Incremental Term Loan and, if so, whether by an amount equal to, greater than, or less than its Applicable Percentage of such requested increase. Any Lender not responding within such time period shall be deemed to have declined to increase its Term Loan A-1 or participate in an Incremental Term Loan.

(c) Notification by Administrative Agent; Additional Lenders. The Administrative Agent shall notify the Borrower and each Lender of the Lenders' responses to each request made hereunder. To achieve the full amount of a requested increase, and subject to the approval of the Administrative Agent, the Borrower may also invite additional Eligible Assignees to become Lenders pursuant to a joinder agreement ("New Lenders") in form and substance reasonably satisfactory to the Administrative Agent.

(d) Effective Date and Allocations. If the Term Loan A-1 is increased or an Incremental Term Loan is added in accordance with this Section, the Administrative Agent and the Borrower shall determine the effective date (the "Increase Effective Date") and the final allocation of such increase or Incremental Term Loan. The Administrative Agent shall promptly notify the Borrower and the Lenders and the New Lenders, if any, of the final allocation of such increase or Incremental Term Loan and the Increase Effective Date.

(e) Conditions to Effectiveness of Increase. As a condition precedent to such increase, the Borrower shall deliver to the Administrative Agent (i) a certificate of each Loan Party dated as of the Increase Effective Date (in sufficient copies for each Lender) signed by a Responsible Officer of such Loan Party (A) certifying and attaching the resolutions adopted by such Loan Party approving or consenting to such increase, and (B) in the case of the Borrower, certifying that, before and after giving effect to such increase, (1) the representations and warranties contained in Article VI and the other Loan Documents are true and correct in all material respects (unless already qualified by materiality or Material Adverse Effect, in which case they shall be true and correct in all respects), on and as of the Increase Effective Date, except to the extent that such representations refer to an earlier date, in which case they are true and correct in all material respects as of such earlier date, and except that for purposes of this Section, the representations and warranties contained in subsections (a) and (b) of Section 6.05 shall be deemed to refer to the most recent statements furnished pursuant to clauses (a) and (b), respectively, of Section 7.01, and (2) both before and after giving effect to the increase, no Default exists and (ii) if such increase is in the form of an Incremental Term Loan, an agreement, in form and substance reasonably satisfactory to the Administrative Agent, duly executed by each applicable Lender and New Lender, the Borrower and the Administrative Agent (each such agreement, an "Incremental Term Loan Agreement") setting forth the Applicable Rate and the maturity date for such Incremental Term Loan. The Borrower shall deliver or cause to be delivered any other customary documents (including, without limitation, customary legal opinions)

as reasonably requested by the Administrative Agent in connection with any such increase in the Term Loan A-1 or the making of an Incremental Term Loan.

(f) Conflicting Provisions. This Section shall supersede any provisions in Section 2.13 or 11.01 to the contrary.

ARTICLE III

TAXES, YIELD PROTECTION AND ILLEGALITY

3.01 Taxes.

(a) Payments Free of Taxes; Obligation to Withhold; Payments on Account of Taxes.

(i) Any and all payments by or on account of any obligation of any Loan Party under any Loan Document shall be made without deduction or withholding for any Taxes, except as required by applicable Laws. If any applicable Laws (as determined in the good faith discretion of the Administrative Agent or a Loan Party, as applicable) require the deduction or withholding of any Tax from any such payment by the Administrative Agent or a Loan Party, then the Administrative Agent or such Loan Party shall be entitled to make such deduction or withholding, upon the basis of the information and documentation to be delivered pursuant to subsection (e) below.

(ii) If any Loan Party or the Administrative Agent shall be required by the Internal Revenue Code to withhold or deduct any Taxes, including both United States Federal backup withholding and withholding taxes, from any payment, then (A) the Administrative Agent shall withhold or make such deductions as are determined by the Administrative Agent to be required based upon the information and documentation it has received pursuant to subsection (e) below, (B) the Administrative Agent shall timely pay the full amount withheld or deducted to the relevant Governmental Authority in accordance with the Internal Revenue Code, and (C) to the extent that the withholding or deduction is made on account of Indemnified Taxes, the sum payable by the applicable Loan Party shall be increased as necessary so that after any required withholding or the making of all required deductions (including deductions applicable to additional sums payable under this Section 3.01) the applicable Recipient receives an amount equal to the sum it would have received had no such withholding or deduction been made.

(iii) If any Loan Party or the Administrative Agent shall be required by any applicable Laws other than the Internal Revenue Code to withhold or deduct any Taxes from any payment, then (A) such Loan Party or the Administrative Agent, as required by such Laws, shall withhold or make such deductions as are determined by it to be required based upon the information and documentation it has received pursuant to subsection (e) below, (B) such Loan Party or the Administrative Agent, to the extent required by such Laws, shall timely pay the full amount withheld or deducted to the relevant Governmental Authority in accordance with such Laws, and (C) to the extent that the withholding or deduction is made on account of Indemnified Taxes, the sum payable by the applicable Loan Party shall be increased as necessary so that after any required withholding or the making of all required deductions (including deductions applicable to additional sums payable under this Section 3.01) the applicable Recipient receives an

amount equal to the sum it would have received had no such withholding or deduction been made.

(b) Payment of Other Taxes by the Loan Parties. Without limiting the provisions of subsection (a) above, the Loan Parties shall timely pay to the relevant Governmental Authority in accordance with applicable law, or at the option of the Administrative Agent timely reimburse it for the payment of, any Other Taxes.

(c) Tax Indemnifications.

(i) Each of the Loan Parties shall, and does hereby, jointly and severally indemnify each Recipient, and shall make payment in respect thereof within 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 3.01) 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 Borrower by a Lender (with a copy to the Administrative Agent), or by the Administrative Agent on its own behalf or on behalf of a Lender, shall be conclusive absent manifest error.

(ii) Each Lender shall, and does hereby, severally indemnify, and shall make payment in respect thereof within 10 days after demand therefor, (x) the Administrative Agent against any Indemnified Taxes attributable to such Lender (but only to the extent that any Loan Party has not already indemnified the Administrative Agent for such Indemnified Taxes and without limiting the obligation of the Loan Parties to do so), (y) the Administrative Agent against any Taxes attributable to such Lender's failure to comply with the provisions of Section 11.06(d) relating to the maintenance of a Participant Register and (z) the Administrative Agent against any Excluded Taxes attributable to such Lender, in each case, that are payable or paid by the Administrative Agent in connection with any Loan Document, and any reasonable expenses arising therefrom or with respect thereto, whether or not such Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to any Lender by the Administrative Agent shall be conclusive absent manifest error. Each Lender hereby authorizes the Administrative Agent to set off and apply any and all amounts at any time owing to such Lender under this Agreement or any other Loan Document against any amount due to the Administrative Agent under this clause (ii).

(d) Evidence of Payments. Upon request by any Loan Party or the Administrative Agent, as the case may be, after any payment of Taxes by any Loan Party or by the Administrative Agent to a Governmental Authority as provided in this Section 3.01, each Loan Party shall deliver to the Administrative Agent or the Administrative Agent shall deliver to the Borrower, as the case may be, the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment, a copy of any return required by Laws to report such payment or other evidence of such payment reasonably satisfactory to the Borrower or the Administrative Agent, as the case may be.

(e) Status of Lenders; Tax Documentation.

(i) Any Lender that is entitled to an exemption from or reduction of withholding Tax with respect to payments made under any Loan Document shall deliver to the Borrower and the Administrative Agent, at the time or times reasonably requested by the Borrower or the Administrative Agent, such properly completed and executed documentation reasonably requested by the Borrower 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 Borrower or the Administrative Agent, shall deliver such other documentation prescribed by applicable Law or reasonably requested by the Borrower or the Administrative Agent as will enable the Borrower 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 in Section 3.01(e)(ii)(A), (ii)(B) and (ii)(D) below) shall not be required if in the Lender's reasonable judgment such completion, execution or submission would subject such Lender to any material unreimbursed cost or expense or would materially prejudice the legal or commercial position of such Lender.

(ii) Without limiting the generality of the foregoing, in the event that the Borrower is a U.S. Person,

(A) any Lender that is a U.S. Person shall deliver to the Borrower and the Administrative Agent on or prior to the date on which such Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower or the Administrative Agent), executed copies of Internal Revenue Service Form W-9 certifying that such Lender is exempt from U.S. federal backup withholding Tax;

(B) any Foreign Lender (or any successor Administrative Agent that is not a U.S. Person) shall, to the extent it is legally entitled to do so, deliver to the Borrower and the Administrative Agent (in such number of copies as shall be requested by the recipient) on or prior to the date on which such Foreign Lender becomes a Lender under this Agreement or on which such successor Administrative Agent becomes the Administrative Agent under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower or the Administrative Agent), whichever of the following is applicable:

(I) in the case of a Foreign Lender claiming the benefits of an income tax treaty to which the United States is a party (x) with respect to payments of interest under any Loan Document, executed copies of Internal Revenue Service Form W-8BEN or W-8BEN-E, as applicable, establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the "interest" article of such tax treaty and (y) with respect to any other applicable payments under any Loan Document, Internal Revenue Service 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;

(II) executed copies of Internal Revenue Service Form W-8ECI,

(III) in the case of a Foreign Lender claiming the benefits of the exemption for portfolio interest under Section 881(c) of the Internal Revenue Code, (x) a certificate substantially in the form of Exhibit F-1 to the effect that such Foreign Lender is not a "bank" within the meaning of Section 881(c)(3)(A) of the Internal Revenue Code, a "10 percent shareholder" of the Borrower within the meaning of Section 881(c)(3)(B) of the Internal Revenue Code, or a "controlled foreign corporation" described in Section 881(c)(3)(C) of the Internal Revenue Code (a "U.S. Tax Compliance Certificate") and (y) executed copies of Internal Revenue Service Form W-8BEN or W-8BEN-E, as applicable; or

(IV) to the extent a Foreign Lender is not the beneficial owner, executed copies of Internal Revenue Service Form W-8IMY, accompanied by Internal Revenue Service Form W-8ECI, Internal Revenue Service Form W-8BEN or W-8BEN-E, as applicable, a U.S. Tax Compliance Certificate substantially in the form of Exhibit F-2 or Exhibit F-3, Internal Revenue Service 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 F-4 on behalf of each such direct and indirect partner;

(C) any Foreign Lender shall, to the extent it is legally entitled to do so, deliver to the Borrower and the Administrative Agent (in such number of copies as shall be requested by the recipient) on or prior to the date on which such Foreign Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower 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 Borrower or the Administrative Agent to determine the withholding or deduction required to be made; and

(D) if a payment made to a Lender under any Loan Document would be subject to U.S. federal withholding Tax imposed by FATCA if such Lender were to fail to comply with the applicable reporting requirements of FATCA (including those contained in Section 1471(b) or 1472(b) of the Internal Revenue Code, as applicable), such Lender shall deliver to the Borrower and the Administrative Agent at the time or times prescribed by Law and at such time or times reasonably requested by the Borrower or the Administrative Agent such documentation prescribed by applicable Law (including as prescribed by Section 1471(b)(3)(C)(i) of the Internal Revenue Code) and such additional documentation reasonably requested by the Borrower or the Administrative Agent as may be necessary for the Borrower and the Administrative Agent to comply with their obligations under FATCA and to

determine that such Lender has complied with such Lender's obligations under FATCA or to determine the amount to deduct and withhold from such payment. Solely for purposes of this clause (D), "FATCA" shall include any amendments made to FATCA after the date of this Agreement.

(iii) Each Lender agrees that if any form or certification it previously delivered pursuant to this Section 3.01 expires or becomes obsolete or inaccurate in any respect, it shall update such form or certification or promptly notify the Borrower and the Administrative Agent in writing of its legal inability to do so.

(f) Treatment of Certain Refunds. Unless required by applicable Laws, at no time shall the Administrative Agent have any obligation to file for or otherwise pursue on behalf of a Lender, or have any obligation to pay to any Lender, any refund of Taxes withheld or deducted from funds paid for the account of such Lender, as the case may be. If any Recipient determines, in its sole discretion exercised in good faith, that it has received a refund of any Taxes as to which it has been indemnified by any Loan Party or with respect to which any Loan Party has paid additional amounts pursuant to this Section 3.01, it shall pay to the Loan Party an amount equal to such refund (but only to the extent of indemnity payments made, or additional amounts paid, by a Loan Party under this Section 3.01 with respect to the Taxes giving rise to such refund), net of all out-of-pocket expenses (including Taxes) incurred by such Recipient, and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund), provided that the Loan Party, upon the request of the Recipient, agrees to repay the amount paid over to the Loan Party (plus any penalties, interest or other charges imposed by the relevant Governmental Authority) to the Recipient in the event the Recipient is required to repay such refund to such Governmental Authority. Notwithstanding anything to the contrary in this subsection, in no event will the applicable Recipient be required to pay any amount to the Loan Party pursuant to this subsection the payment of which would place the Recipient in a less favorable net after-Tax position than such Recipient would have been in if the Tax subject to indemnification and giving rise to such refund had not been deducted, withheld or otherwise imposed and the indemnification payments or additional amounts with respect to such Tax had never been paid. This subsection shall not be construed to require any Recipient to make available its Tax returns (or any other information relating to its Taxes that it deems confidential) to any Loan Party or any other Person.

(g) Survival. Each party's obligations under this Section 3.01 shall survive the resignation or replacement of 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 other Obligations.

3.02 Illegality.

If any Lender determines that any Law has made it unlawful, or that any Governmental Authority has asserted that it is unlawful, for any Lender or its Lending Office to make, maintain or fund Loans whose interest is determined by reference to the Eurodollar Rate or the LIBOR Daily Floating Rate, or to determine or charge interest rates based upon the Eurodollar Rate or LIBOR Daily Floating Rate, or any Governmental Authority has imposed material restrictions on the authority of such Lender to purchase or sell, or to take deposits of, Dollars in the London interbank market, then, on notice thereof by such Lender to the Borrower through the Administrative Agent, (i) any obligation of such Lender to make or continue Eurodollar Rate Loans or LIBOR Daily Floating Rate Loans or to convert Base Rate Loans to Eurodollar Rate Loans or LIBOR Daily Floating Rate Loans shall be suspended and (ii) if such notice asserts the

illegality of such Lender making or maintaining Base Rate Loans the interest rate on which is determined by reference to the Eurodollar Rate component of the Base Rate, the interest rate on which Base Rate Loans of such Lender shall, if necessary to avoid such illegality, be determined by the Administrative Agent without reference to the Eurodollar Rate component of the Base Rate, in each case until such Lender notifies the Administrative Agent and the Borrower that the circumstances giving rise to such determination no longer exist. Upon receipt of such notice, (x) the Borrower shall, upon demand from such Lender (with a copy to the Administrative Agent), prepay or, if applicable, convert all Eurodollar Rate Loans and LIBOR Daily Floating Rate Loans of such Lender to Base Rate Loans (the interest rate on which Base Rate Loans of such Lender shall, if necessary to avoid such illegality, be determined by the Administrative Agent without reference to the Eurodollar Rate component of the Base Rate), either, in the case of LIBOR Daily Floating Rate Loans, immediately, or, in the case of Eurodollar Rate Loans, on the last day of the Interest Period therefor, if such Lender may lawfully continue to maintain such Eurodollar Rate Loans to such day, or immediately, if such Lender may not lawfully continue to maintain such Eurodollar Rate Loans, and (y) if such notice asserts the illegality of such Lender determining or charging interest rates based upon the Eurodollar Rate or the LIBOR Daily Floating Rate for any period, the Administrative Agent shall during the period of such suspension compute the Base Rate applicable to such Lender without reference to the Eurodollar Rate component thereof until the Administrative Agent is advised in writing by such Lender that it is no longer illegal for such Lender to determine or charge interest rates based upon the Eurodollar Rate. Upon any such prepayment or conversion, the Borrower shall also pay accrued interest on the amount so prepaid or converted.

3.03 Inability to Determine Rates.

If in connection with any request for a Eurodollar Rate Loan or a conversion to or continuation thereof or otherwise, (a) the Administrative Agent determines that (i) Dollar deposits are not being offered to banks in the London interbank eurodollar market for such currency for the applicable amount and Interest Period of such Eurodollar Rate Loan or (ii) adequate and reasonable means do not exist for determining (x) the LIBOR Daily Floating Rate or (y) the Eurodollar Base Rate for any requested Interest Period with respect to a proposed Eurodollar Rate Loan or in connection with an existing or proposed Base Rate Loan (in each case with respect to this clause (a), "Impacted Loans"), or (b) the Administrative Agent or the Required Lenders determine that for any reason the Eurodollar Base Rate for any requested Interest Period with respect to a proposed Eurodollar Rate Loan does not adequately and fairly reflect the cost to the Lenders of funding such Loan, the Administrative Agent will promptly notify the Borrower and all Lenders. Thereafter, (i) the obligation of the Lenders to make or maintain Eurodollar Rate Loans with an Interest Period having the duration of such Interest Period shall be suspended, and (ii) in the event of a determination described in the preceding sentence with respect to the LIBOR Daily Floating Rate or the Eurodollar Rate component of the Base Rate, the utilization of the LIBOR Daily Floating Rate or the Eurodollar Rate component in determining the Base Rate shall be suspended, in each case until the Administrative Agent (upon the instruction of the Required Lenders) revokes such notice. Upon receipt of such notice, the Borrower may revoke any pending request for a Borrowing, conversion or continuation of Eurodollar Rate Loans (to the extent of the affected Eurodollar Rate Loans or Interest Periods) or, failing that, will be deemed to have converted such request into a request for a Borrowing of Base Rate Loans in the amount specified therein.

Notwithstanding the foregoing, if the Administrative Agent has made the determination described in clause (a) of this Section 3.03, the Administrative Agent, in consultation with the Borrower and the affected Lenders, may establish an alternative interest rate for the applicable Impacted Loans, in which case, such alternative interest rate shall apply with respect to such Impacted Loans until (1) the Administrative Agent revokes the notice delivered with respect to the applicable Impacted Loans under the first sentence of this Section 3.03, (2) the Administrative Agent notifies the Borrower that such alternative interest rate does not

adequately and fairly reflect the cost to such Lenders of funding the applicable Impacted Loans, or (3) any Lender determines that any Law has made it unlawful, or that any Governmental Authority has asserted that it is unlawful, for such Lender or its applicable Lending Office to make, maintain or fund Loans whose interest is determined by reference to such alternative interest rate or to determine or charge interest rates based upon such rate or any Governmental Authority has imposed material restrictions on the ability of such Lender to do any of the foregoing and, in each case, such Lender provides the Administrative Agent and the Borrower written notice thereof.

3.04 Increased Costs.

(a) Increased Costs Generally. If any Change in Law shall:

i. impose, modify or deem applicable any reserve, special deposit, compulsory loan, insurance charge or similar requirement against assets of, deposits with or for the account of, or credit extended or participated in by, any Lender (except any reserve requirement reflected in the Eurodollar Rate);

ii. subject any Recipient to any Taxes (other than (A) Indemnified Taxes, (B) Taxes described in clauses (b) through (d) of the definition of Excluded Taxes, (C) Connection Income Taxes and (D) Taxes imposed as a penalty for a Lender's failure to comply with non-U.S. legislation implementing FATCA) on its loans, loan principal, letters of credit, commitments, or other obligations, or its deposits, reserves, other liabilities or capital attributable thereto; or

iii. impose on any Lender or the London interbank market any other condition, cost or expense affecting this Agreement or Eurodollar Rate Loans made by such Lender;

and the result of any of the foregoing shall be to increase the cost to such Lender of making, converting to, continuing or maintaining any Loan the interest on which is determined by reference to the Eurodollar Rate (or of maintaining its obligation to make any such Loan), or to reduce the amount of any sum received or receivable by such Lender hereunder (whether of principal, interest or any other amount) then, upon request of such Lender, the Borrower will pay to such Lender such additional amount or amounts as will compensate such Lender for such additional costs incurred or reduction suffered.

(b) Capital Requirements. If any Lender determines that any Change in Law affecting such Lender or any Lending Office of such Lender or such Lender's holding company, if any, regarding capital or liquidity ratios or requirements has or would have the effect of reducing the rate of return on such Lender's capital or on the capital of such Lender's holding company, if any, as a consequence of this Agreement, the Commitments of such Lender or the Loans made by such Lender to a level below that which such Lender or such Lender's holding company could have achieved but for such Change in Law (taking into consideration such Lender's policies and the policies of such Lender's holding company with respect to capital adequacy), then from time to time the Borrower will pay to such Lender such additional amount or amounts as will compensate such Lender or such Lender's holding company for any such reduction suffered.

(c) Certificates for Reimbursement. A certificate of a Lender setting forth the amount or amounts necessary to compensate such Lender or its holding company, as the case may be, as specified in subsection (a) or (b) of this Section and delivered to the Borrower shall be

conclusive absent manifest error. The Borrower shall pay such Lender the amount shown as due on any such certificate within 10 days after receipt thereof.

(d) Delay in Requests. Failure or delay on the part of any Lender to demand compensation pursuant to the foregoing provisions of this Section shall not constitute a waiver of such Lender's right to demand such compensation, provided that the Borrower shall not be required to compensate a Lender pursuant to the foregoing provisions of this Section for any increased costs incurred or reductions suffered more than nine months prior to the date that such Lender, as the case may be, notifies the Borrower of the Change in Law giving rise to such increased costs or reductions and of such Lender's intention to claim compensation therefor (except that, if the Change in Law giving rise to such increased costs or reductions is retroactive, then the nine-month period referred to above shall be extended to include the period of retroactive effect thereof).

3.05 Compensation for Losses.

Upon demand of any Lender (with a copy to the Administrative Agent) from time to time, the Borrower shall promptly compensate such Lender for and hold such Lender harmless from any loss, cost or expense incurred by it as a result of:

(g) any continuation, conversion, payment or prepayment of any Loan other than a Base Rate Loan or a LIBOR Daily Floating Rate Loan on a day other than the last day of the Interest Period for such Loan (whether voluntary, mandatory, automatic, by reason of acceleration, or otherwise);

(h) any failure by the Borrower (for a reason other than the failure of such Lender to make a Loan) to prepay, borrow, continue or convert any Loan other than a Base Rate Loan or a LIBOR Daily Floating Rate Loan on the date or in the amount notified by the Borrower; or

(i) any assignment of a Eurodollar Rate Loan on a day other than the last day of the Interest Period therefor as a result of a request by the Borrower pursuant to Section 11.13;

including any loss of anticipated profits and any loss or expense arising from the liquidation or reemployment of funds obtained by it to maintain such Loan or from fees payable to terminate the deposits from which such funds were obtained. The Borrower shall also pay any customary administrative fees charged by such Lender in connection with the foregoing.

For purposes of calculating amounts payable by the Borrower to the Lenders under this Section 3.05, each Lender shall be deemed to have funded each Eurodollar Rate Loan made by it at the Eurodollar Base Rate used in determining the Eurodollar Rate for such Loan by a matching deposit or other borrowing in the London interbank eurodollar market for a comparable amount and for a comparable period, whether or not such Eurodollar Rate Loan was in fact so funded.

3.06 Mitigation Obligations; Replacement of Lenders.

(a) Designation of a Different Lending Office. If any Lender requests compensation under Section 3.04, or requires the Borrower to pay any Indemnified Taxes or additional amounts to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 3.01, or if any Lender gives a notice pursuant to Section 3.02, then at the request of the Borrower such Lender shall, as applicable, use reasonable efforts to designate a different Lending Office for funding or booking its Loans hereunder or to assign its rights and obligations hereunder to

another of its offices, branches or affiliates, if, in the judgment of such Lender, such designation or assignment (i) would eliminate or reduce amounts payable pursuant to Section 3.01 or 3.04, as the case may be, in the future, or eliminate the need for the notice pursuant to Section 3.02, as applicable, and (ii) in each case, would not subject such Lender to any unreimbursed cost or expense and would not otherwise be disadvantageous to such Lender. The Borrower hereby agrees to pay all reasonable costs and expenses incurred by any Lender in connection with any such designation or assignment.

(b) Replacement of Lenders. If any Lender requests compensation under Section 3.04, or if the Borrower is required to pay any Indemnified Taxes or additional amounts to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 3.01 and, in each case, such Lender has declined or is unable to designate a different lending office in accordance with Section 3.06(a), the Borrower may replace such Lender in accordance with Section 11.13.

3.07 Survival.

All of the Borrower's obligations under this Article III shall survive termination of any outstanding Commitments, repayment of all other Obligations hereunder and resignation of the Administrative Agent.

ARTICLE IV

GUARANTY

4.01 The Guaranty.

Each of the Guarantors hereby jointly and severally guarantees to each Lender, each Affiliate of a Lender party to a Swap Contract or Treasury Management Agreement with a Loan Party, and the Administrative Agent as hereinafter provided, as primary obligor and not as surety, the prompt payment of all Obligations in full when due (whether at stated maturity, as a mandatory prepayment, by acceleration or otherwise) strictly in accordance with the terms thereof. The Guarantors hereby further agree that if any of the Obligations are not paid in full when due (whether at stated maturity, as a mandatory prepayment, by acceleration or otherwise), the Guarantors will, jointly and severally, promptly pay the same, without any demand or notice whatsoever, and that in the case of any extension of time of payment or renewal of any of the Obligations, the same will be promptly paid in full when due (whether at extended maturity, as a mandatory prepayment, by acceleration or otherwise) in accordance with the terms of such extension or renewal.

Notwithstanding any provision to the contrary contained herein or in any other of the Loan Documents, Swap Contracts with a Lender or Affiliate of a Lender or Treasury Management Agreements with a Lender or Affiliate of a Lender, (i) the obligations of each Guarantor under this Agreement and the other Loan Documents shall be limited to an aggregate amount equal to the largest amount that would not render such obligations subject to avoidance under the Debtor Relief Laws or any comparable provisions of any applicable state law and (ii) the Obligation of a Guarantor that are guaranteed under this Guaranty shall exclude any Excluded Swap Obligations with respect to such Guarantor.

4.02 Obligations Unconditional.

The obligations of the Guarantors under Section 4.01 are joint and several, absolute and unconditional, irrespective of the value, genuineness, validity, regularity or enforceability of any of the

Loan Documents, Swap Contracts with a Lender or Affiliate of a Lender or Treasury Management Agreements with a Lender or Affiliate of a Lender, or any other agreement or instrument referred to therein, or any substitution, release, impairment or exchange of any other guarantee of or security for any of the Obligations, and, to the fullest extent permitted by applicable law, irrespective of any law or regulation or other circumstance whatsoever which might otherwise constitute a legal or equitable discharge or defense of a surety or guarantor, it being the intent of this Section 4.02 that the obligations of the Guarantors hereunder shall be absolute and unconditional under any and all circumstances. Each Guarantor agrees that such Guarantor shall have no right of subrogation, indemnity, reimbursement or contribution against the Borrower or any other Guarantor for amounts paid under this Article IV until such time as the Obligations have been paid in full and the Commitments have expired or terminated. Without limiting the generality of the foregoing, it is agreed that, to the fullest extent permitted by law, the occurrence of any one or more of the following shall not alter or impair the liability of any Guarantor hereunder, which shall remain absolute and unconditional as described above:

(j) at any time or from time to time, without notice to any Guarantor, the time for any performance of or compliance with any of the Obligations shall be extended, or such performance or compliance shall be waived;

(k) any of the acts mentioned in any of the provisions of any of the Loan Documents, any Swap Contracts with a Lender or Affiliate of a Lender or Treasury Management Agreements with a Lender or Affiliate of a Lender, or any other agreement or instrument referred to in the Loan Documents, such Swap Contracts with a Lender or Affiliate of a Lender or Treasury Management Agreements with a Lender or Affiliate of a Lender shall be done or omitted;

(l) the maturity of any of the Obligations shall be accelerated, or any of the Obligations shall be modified, supplemented or amended in any respect, or any right under any of the Loan Documents, any Swap Contracts with a Lender or Affiliate of a Lender or Treasury Management Agreements with a Lender or Affiliate of a Lender, or any other agreement or instrument referred to in the Loan Documents, such Swap Contracts with a Lender or Affiliate of a Lender or Treasury Management Agreements with a Lender or Affiliate of a Lender, shall be waived or any other guarantee of any of the Obligations shall be released, impaired or exchanged in whole or in part or otherwise dealt with; or

(m) any of the Obligations shall be determined to be void or voidable (including, without limitation, for the benefit of any creditor of any Guarantor) or shall be subordinated to the claims of any Person (including, without limitation, any creditor of any Guarantor).

With respect to its obligations hereunder, each Guarantor hereby expressly waives diligence, presentment, demand of payment, protest and all notices whatsoever, and any requirement that the Administrative Agent or any Lender exhaust any right, power or remedy or proceed against any Person under any of the Loan Documents, any Swap Contracts with a Lender or Affiliate of a Lender or Treasury Management Agreements with a Lender or Affiliate of a Lender, or any other agreement or instrument referred to in the Loan Documents, such Swap Contracts with a Lender or Affiliate of a Lender or Treasury Management Agreements with a Lender or Affiliate of a Lender, or against any other Person under any other guarantee of, or security for, any of the Obligations.

4.03 Reinstatement.

The obligations of the Guarantors under this Article IV shall be automatically reinstated if and to the extent that for any reason any payment by or on behalf of any Person in respect of the Obligations is

rescinded or must be otherwise restored by any holder of any of the Obligations, whether as a result of any proceedings in bankruptcy or reorganization or otherwise, and each Guarantor agrees that it will indemnify the Administrative Agent and each Lender on demand for all reasonable costs and expenses (including, without limitation, the fees, charges and disbursements of counsel) incurred by the Administrative Agent or such Lender in connection with such rescission or restoration, including any such costs and expenses incurred in defending against any claim alleging that such payment constituted a preference, fraudulent transfer or similar payment under any bankruptcy, insolvency or similar law.

4.04 Certain Additional Waivers.

Each Guarantor agrees that such Guarantor shall have no right of recourse to security for the Obligations, except through the exercise of rights of subrogation pursuant to Section 4.02 and through the exercise of rights of contribution pursuant to Section 4.06.

4.05 Remedies.

The Guarantors agree that, to the fullest extent permitted by law, as between the Guarantors, on the one hand, and the Administrative Agent and the Lenders, on the other hand, the Obligations may be declared to be forthwith due and payable as provided in Section 9.02 (and shall be deemed to have become automatically due and payable in the circumstances provided in said Section 9.02) for purposes of Section 4.01 notwithstanding any stay, injunction or other prohibition preventing such declaration (or preventing the Obligations from becoming automatically due and payable) as against any other Person and that, in the event of such declaration (or the Obligations being deemed to have become automatically due and payable), the Obligations (whether or not due and payable by any other Person) shall forthwith become due and payable by the Guarantors for purposes of Section 4.01.

4.06 Rights of Contribution.

The Guarantors agree among themselves that, in connection with payments made hereunder, each Guarantor shall have contribution rights against the other Guarantors as permitted under applicable law. Such contribution rights shall be subordinate and subject in right of payment to the obligations of such Guarantors under the Loan Documents and no Guarantor shall exercise such rights of contribution until all Obligations have been paid in full and the Commitments have terminated.

4.07 Guarantee of Payment; Continuing Guarantee.

The guarantee in this Article IV is a guaranty of payment and not of collection, is a continuing guarantee, and shall apply to all Obligations whenever arising.

4.08 Keepwell.

Each Loan Party that is a Qualified ECP Guarantor at the time the Guaranty in this Article IV by any Loan Party that is not then an "eligible contract participant" under the Commodity Exchange Act (a "Specified Loan Party") or the grant of a security interest under the Loan Documents by any such Specified Loan Party, in either case, becomes effective with respect to any Swap Obligation, hereby jointly and severally, absolutely, unconditionally and irrevocably undertakes to provide such funds or other support to each Specified Loan Party with respect to such Swap Obligation as may be needed by such Specified Loan Party from time to time to honor all of its obligations under the Loan Documents in respect of such Swap Obligation (but, in each case, only up to the maximum amount of such liability that can be hereby incurred without rendering such Qualified ECP Guarantor's obligations and undertakings under this Article IV voidable under

applicable Debtor Relief Laws, and not for any greater amount). The obligations and undertakings of each applicable Loan Party under this Section shall remain in full force and effect until such time as the Obligations (other than contingent indemnification obligations that survive the termination of this Agreement) have been paid in full and the Commitments have expired or terminated. Each Loan Party intends this Section to constitute, and this Section shall be deemed to constitute, a guarantee of the obligations of, and a "keepwell, support, or other agreement" for the benefit of, each Specified Loan Party for all purposes of the Commodity Exchange Act.

ARTICLE V

CONDITIONS PRECEDENT TO CREDIT EXTENTIONS

5.01 Conditions of Initial Credit Extension.

This Agreement shall become effective upon and the obligation of each Lender to make its initial Credit Extension hereunder is subject to satisfaction of the following conditions precedent, unless otherwise waived by the Administrative Agent and the Lenders:

(a) Loan Documents. Receipt by the Administrative Agent of executed counterparts of this Agreement and the other Loan Documents, each properly executed by a Responsible Officer of the signing Loan Party and, in the case of this Agreement, by each Lender.

(b) Opinions of Counsel. Receipt by the Administrative Agent of customary opinions of legal counsel to the Loan Parties, addressed to the Administrative Agent and each Lender, dated as of the Closing Date, and in form and substance reasonably satisfactory to the Administrative Agent.

(c) Financial Statements. Receipt by the Administrative Agent of:

(i) the Audited Financial Statements; and

(ii) Interim Financial Statements.

(d) No Closing Date Material Adverse Effect. Since June 30, 2017, no event or circumstance, either individually or in the aggregate, has occurred that has had or could reasonably be expected to have a Closing Date Material Adverse Effect.

(e) Litigation. There shall not exist any action, suit, investigation or proceeding pending in any court or before an arbitrator or Governmental Authority that could reasonably be expected to have a Closing Date Material Adverse Effect.

(f) Organization Documents, Resolutions, Etc. Receipt by the Administrative Agent of the following, each of which shall be originals or facsimiles (followed promptly by originals), in form and substance reasonably satisfactory to the Administrative Agent:

(i) copies of the Organization Documents of each Loan Party certified to be true and complete as of a recent date by the appropriate Governmental Authority of the state or other jurisdiction of its incorporation or organization, where applicable, and certified by a secretary or assistant secretary of such Loan Party to be true and correct as of the Closing Date;

(ii) such certificates of resolutions or other action, incumbency certificates and/or other certificates of Responsible Officers of each Loan Party as the Administrative

Agent may require evidencing the identity, authority and capacity of each Responsible Officer thereof authorized to act as a Responsible Officer in connection with this Agreement and the other Loan Documents to which such Loan Party is a party; and

(iii) such documents and certifications as the Administrative Agent may require to evidence that each Loan Party is duly organized or formed, and is validly existing, in good standing and qualified to engage in business in its state of organization or formation.

(g) Closing Certificate. Receipt by the Administrative Agent of a certificate signed by a Responsible Officer of the Borrower certifying that the conditions specified in Sections 5.01(d) and (e) and 5.02(a) and (b) have been satisfied.

(h) Compliance Certificate. Receipt by the Administrative Agent of a duly completed Compliance Certificate, as of the last day of the fiscal quarter of the Consolidated Group ended on June 30, 2017, giving pro forma effect to this Agreement and all Credit Extensions and repayments of Indebtedness on the Closing Date, signed by a Responsible Officer of the Parent Entity.

(i) Fees. Receipt by the Administrative Agent, the Arrangers and the Lenders of any fees required to be paid on or before the Closing Date.

(j) Know Your Customer Requirements. Receipt by the Administrative Agent of, at least five (5) Business Days prior to the Closing Date, all documentation and other information required by bank regulatory authorities under applicable "know your customer" and anti-money laundering rules and regulations, including, without limitation, the USA Patriot Act, as well as a complete and accurate list of each Loan Party, together with (i) each such Person's jurisdiction of organization and (ii) each such Person's U.S. taxpayer identification number.

(k) Attorney Costs. Unless waived by the Administrative Agent, the Borrower shall have paid all reasonable and documented fees, charges and disbursements of counsel to the Administrative Agent to the extent invoiced prior to or on the Closing Date, plus such additional amounts of such fees, charges and disbursements as shall constitute its reasonable estimate of such fees, charges and disbursements incurred or to be incurred by it through the closing proceedings (provided that such estimate shall not thereafter preclude a final settling of accounts between the Borrower and the Administrative Agent).

Without limiting the generality of the provisions of the last paragraph of Section 10.03, for purposes of determining compliance with the conditions specified in this Section 5.01, each Lender that has signed this Agreement shall be deemed to have consented to, approved or accepted or to be satisfied with, each document or other matter required thereunder to be consented to or approved by or acceptable or satisfactory to a Lender unless the Administrative Agent shall have received notice from such Lender prior to the proposed Closing Date specifying its objection thereto.

5.02 Conditions to all Credit Extensions.

The obligation of each Lender to honor any Request for Credit Extension is subject to the following conditions precedent:

(a) The representations and warranties of the Borrower and each other Loan Party contained in Article VI or any other Loan Document, or which are contained in any document

furnished at any time under or in connection herewith or therewith, shall be true and correct in all material respects (unless already qualified by materiality or Material Adverse Effect, in which case they shall be true and correct in all respects) on and as of the date of such Credit Extension, except to the extent that such representations and warranties specifically refer to an earlier date, in which case they shall be true and correct in all material respects (unless already qualified by materiality or Material Adverse Effect, in which case they shall be true and correct in all respects) as of such earlier date, and except that for purposes of this Section 5.02, the representations and warranties contained in subsections (a) and (b) of Section 6.05 shall be deemed to refer to the most recent statements furnished pursuant to clauses (a) and (b), respectively, of Section 7.01.

(b) No Default shall exist, or would result from such proposed Credit Extension or from the application of the proceeds thereof.

(c) The Administrative Agent shall have received a Request for Credit Extension in accordance with the requirements hereof.

Each Request for Credit Extension submitted by the Borrower shall be deemed to be a representation and warranty that the conditions specified in Sections 5.02(a) and (b) have been satisfied on and as of the date of the applicable Credit Extension.

ARTICLE VI

REPRESENTATIONS AND WARRANTIES

The Loan Parties represent and warrant to the Administrative Agent and the Lenders that:

6.01 Existence, Qualification and Power.

(a) Each Loan Party (i) is duly organized or formed, validly existing and in good standing under the Laws of the jurisdiction of its incorporation or organization and (ii) has all requisite power and authority and all requisite governmental licenses, authorizations, consents and approvals to execute, deliver and perform its obligations under the Loan Documents to which it is a party.

(b) Each Loan Party (i) has all requisite power and authority and all requisite governmental licenses, authorizations, consents and approvals to own or lease its assets and carry on its business and (ii) is in good standing under the Laws of each jurisdiction where the conduct of its business requires such qualification or license, except to the extent that failure to do so could not reasonably be expected to have a Material Adverse Effect.

6.02 Authorization; No Contravention.

The execution, delivery and performance by each Loan Party of each Loan Document to which such Person is party have been duly authorized by all necessary corporate or other organizational action, and do not (a) contravene the terms of any of such Person's Organization Documents; (b) conflict with or result in any breach or contravention of, or the creation of any Lien (other than a Lien permitted under Section 8.01) or require any payment to be made under any order, injunction, writ or decree of any Governmental Authority or any arbitral award to which such Person or its property is subject; or (c) violate any Law (including, without limitation, Regulation U or Regulation X issued by the FRB); except in each case referred to in clause (b) or (c), to the extent that failure to do so could not reasonably be expected to have a Material Adverse Effect.

6.03 Governmental Authorization; Other Consents.

No material approval, consent, exemption, authorization, or other action by, or notice to, or filing with, any Governmental Authority or any other Person is necessary or required in connection with the execution, delivery or performance by, or enforcement against, any Loan Party of this Agreement or any other Loan Document.

6.04 Binding Effect.

Each Loan Document constitutes a legal, valid and binding obligation of each Loan Party that is party thereto, enforceable against each such Loan Party in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency or similar laws affecting the enforcement of creditor's rights generally.

6.05 Financial Statements; No Material Adverse Effect.

(a) The Audited Financial Statements (i) were prepared in accordance with GAAP in effect on the preparation date thereof, except as otherwise expressly noted therein; (ii) fairly present the financial condition of the Consolidated Group as of the date thereof and their results of operations for the period covered thereby in accordance with GAAP except as otherwise expressly noted therein; and (iii) show all material indebtedness and other liabilities, direct or contingent, of the Consolidated Group as of the date thereof, including liabilities for taxes, commitments and Indebtedness, in each case to the extent required under GAAP.

(b) The Interim Financial Statements (i) were prepared in accordance with GAAP, except as otherwise expressly noted therein; (ii) fairly present the financial condition of the Consolidated Group as of the date thereof and their results of operations for the period covered thereby, subject, in the case of clauses (i) and (ii), to normal year-end audit adjustments; and (iii) show all material indebtedness and other liabilities, direct or contingent, of the Consolidated Group as of the date thereof, including liabilities for taxes, material commitments and Indebtedness.

(c) The financial statements delivered pursuant to Section 7.01(a) and (b) have been prepared in accordance with GAAP (except as may otherwise be permitted under Section 7.01(a) and (b)) and present fairly (on the basis disclosed in the footnotes to such financial statements) the consolidated financial condition, results of operations and cash flows of the Consolidated Group as of the dates thereof and for the periods covered thereby.

(d) Since June 30, 2017, there has been no event or circumstance, either individually or in the aggregate, that has had or could reasonably be expected to have a Material Adverse Effect.

6.06 Litigation.

There are no actions, suits, proceedings, claims or disputes pending or, to the knowledge of the Loan Parties after due and diligent investigation, threatened or contemplated, at law, in equity, in arbitration or before any Governmental Authority, by or against any Loan Party or any of its Subsidiaries which if determined adversely, could reasonably be expected to have a Material Adverse Effect.

6.07 [Reserved].

6.08 Ownership of Property; Liens.

Each Loan Party has good record and marketable title to, or valid leasehold interests in, all real property necessary or used in the ordinary conduct of its business, except for such defects in title as could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect. As of the Closing Date and the date of each update of Schedule 6.08 pursuant to Section 7.02, set forth on Schedule 6.08 is a list of all real property owned by the Consolidated Group with a notation as to which such real properties are Unencumbered Properties.

6.09 Environmental Compliance.

There are no violations of Environmental Laws and there are no outstanding claims with respect to Environmental Liabilities that, in either case, could reasonably be expected to have a Material Adverse Effect.

6.10 Insurance.

The properties of the Loan Parties are insured with financially sound and reputable insurance companies (which may include a captive insurance company that is an Affiliate of the Parent Entity), in such amounts, with such deductibles and covering such risks as are customarily carried by companies engaged in similar businesses and owning similar properties in localities where the applicable Loan Party operates.

6.11 Taxes.

The Loan Parties have filed all federal, state and other material tax returns and reports required to be filed, and have paid all federal, state and other material taxes, assessments, fees and other governmental charges levied or imposed upon them or their properties, income or assets otherwise due and payable, except those which are being contested in good faith by appropriate proceedings diligently conducted and for which adequate reserves have been provided in accordance with GAAP. There is no proposed tax assessment against any Loan Party or any Subsidiary that would, if made, have a Material Adverse Effect. Neither any Loan Party nor any Subsidiary thereof is party to any tax sharing agreement. For the avoidance of doubt, agreements pursuant to which a Loan Party or any Subsidiary thereof agrees to make payments to one or more of its partners or members, or their Related Parties (a "Protected Party"), on account of any such Protected Party's Taxes arising from the Loan Party's or such Subsidiary's (i) sale of property, (ii) failure to allocate debt to such Protected Party, or (iii) failure to allow such Protected Party to guarantee the debt of a Loan Party or any Subsidiary thereof, or any similar agreements, shall not be considered a tax sharing agreement.

6.12 ERISA Compliance.

(a) Each Plan is in compliance in all material respects with the applicable provisions of ERISA, the Internal Revenue Code and other federal or state laws. Each Pension Plan that is intended to be a qualified plan under Section 401(a) of the Internal Revenue Code has received a favorable determination letter from the Internal Revenue Service to the effect that the form of such Plan is qualified under Section 401(a) of the Internal Revenue Code and the trust related thereto has been determined by the Internal Revenue Service to be exempt from federal income tax under Section 501(a) of the Internal Revenue Code or an application for such a letter is currently being processed by the Internal Revenue Service. To the best knowledge of the Loan Parties, nothing has occurred that would prevent, or cause the loss of, such tax-qualified status.

(b) There are no pending or, to the best knowledge of the Loan Parties, threatened claims, actions or lawsuits, or action by any Governmental Authority, with respect to any Plan that could reasonably be expected to have a Material Adverse Effect. There has been no prohibited transaction or violation of the fiduciary responsibility rules with respect to any Plan that has resulted or could reasonably be expected to result in a Material Adverse Effect.

(c) (i) No ERISA Event has occurred and neither a Loan Party nor any ERISA Affiliate is aware of any fact, event or circumstance that could reasonably be expected to constitute or result in an ERISA Event with respect to any Pension Plan; (ii) each Loan Party and each ERISA Affiliate has met all applicable requirements under the Pension Funding Rules in respect of each Pension Plan, and no waiver of the minimum funding standards under the Pension Funding Rules has been applied for or obtained; (iii) neither a Loan Party nor any ERISA Affiliate has incurred any liability to the PBGC other than for the payment of premiums, and there are no premium payments which have become due that are unpaid; (iv) neither a Loan Party nor any ERISA Affiliate has engaged in a transaction that could be subject to Section 4069 or Section 4212(c) of ERISA; and (v) no Pension Plan has been terminated by the plan administrator thereof nor by the PBGC, and no event or circumstance has occurred or exists that could reasonably be expected to cause the PBGC to institute proceedings under Title IV of ERISA to terminate any Pension Plan.

(d) Each Loan Party is not and will not be (i) an employee benefit plan subject to Title I of ERISA; (ii) a plan or account subject to Section 4975 of the Code; (iii) an entity deemed to hold "plan assets" of any such plans or accounts for purposes of ERISA or the Code; or (iv) a "governmental plan" within the meaning of ERISA

6.13 [Reserved].

6.14 Margin Regulations; Investment Company Act.

(a) The Borrower is not engaged and will not engage, principally or as one of its important activities, in the business of purchasing or carrying margin stock (within the meaning of Regulation U issued by the FRB), or extending credit for the purpose of purchasing or carrying margin stock. Following the application of the proceeds of each Borrowing, not more than 25% of the value of the assets (either of the Borrower only or of the Consolidated Group on a consolidated basis) subject to the provisions of Section 8.01 or Section 8.05 or subject to any restriction contained in any agreement or instrument between the Borrower and any Lender or any Affiliate of any Lender relating to Indebtedness and within the scope of Section 9.01(e) will be margin stock.

(b) None of any Loan Party, any Person Controlling any Loan Party, or any Subsidiary is or is required to be registered as an "investment company" under the Investment Company Act of 1940.

6.15 Disclosure.

To the Borrower's knowledge, no material written report, financial statement, certificate or other information furnished (other than information of a general economic or industry specific nature concerning any Loan Party) by or on behalf of any Loan Party to the Administrative Agent or any Lender in connection with the transactions contemplated hereby and the negotiation of this Agreement or delivered hereunder or under any other Loan Document (in each case, as modified or supplemented by other information so furnished) contains any untrue statement of a material fact or omits to state any

material fact necessary to make the statements therein not misleading, in each case, in the light of the circumstances under which they were made; provided that, with respect to projected financial information, the Loan Parties represent only that such information was prepared in good faith based upon assumptions believed to be reasonable at the time (it being understood and agreed that financial projections are not a guarantee of financial performance and actual results may differ from such projections and such differences may be material).

6.16 Compliance with Laws.

Each Loan Party and each Subsidiary is in compliance with the requirements of all Laws, including without limitation, the Patriot Act, and all orders, writs, injunctions and decrees applicable to it or to its properties, except in such instances in which the failure to comply therewith, individually or in the aggregate, could not reasonably be expected to have a Material Adverse Effect.

6.17 Intellectual Property; Licenses, Etc.

Except as could not reasonably be expected to have a Material Adverse Effect: (a) each Loan Party owns, or possesses the legal right to use, all of the trademarks, service marks, trade names, copyrights, patents, patent rights, franchises, licenses and other intellectual property rights (collectively, "IP Rights") that are reasonably necessary for the operation of their respective businesses, (b) no claim has been asserted and is pending by any Person challenging or questioning the use of any IP Rights or the validity or effectiveness of any IP Rights, nor does any Loan Party know of any such claim, and (c) to the knowledge of the Loan Parties, the use of any IP Rights by any Loan Party or the granting of a right or a license in respect of any IP Rights from any Loan Party does not infringe on the rights of any Person.

6.18 Solvency.

The Loan Parties are Solvent on a consolidated basis.

6.19 OFAC.

Neither a Loan Party, nor any of its Subsidiaries, nor, to the knowledge of a Loan Party, any director, officer, employee, agent, affiliate or representative thereof, is an individual or entity that is, or is owned or controlled by any individual or entity that is (i) currently the subject or target of any Sanctions, (ii) included on OFAC's List of Specially Designated Nationals, HMT's Consolidated List of Financial Sanctions Targets and the Investment Ban List, or any similar list enforced by any other relevant sanctions authority or (iii) located, organized or resident in a Designated Jurisdiction.

6.20 REIT Status.

(a) The Parent Entity is qualified as a REIT.

(b) The Parent Entity is in compliance in all material respects with all provisions of the Internal Revenue Code applicable to the qualification of the Parent Entity as a REIT.

6.21 Anti-Money Laundering Laws.

None of the Loan Parties (a) is under investigation by any Governmental Authority for, or has been charged with, or convicted of, money laundering, drug trafficking, terrorist-related activities or other money laundering predicate crimes under any applicable Law (collectively, "Anti-Money Laundering Laws"), (b) has been assessed civil penalties under any Anti-Money Laundering Laws or (c) has had any

of its funds seized or forfeited in an action under any Anti-Money Laundering Laws. Each Loan Party has taken reasonable measures appropriate to the circumstances (in any event as required by applicable Law), to ensure that such Loan Party and its Subsidiaries each is and will continue to be in compliance with all applicable current and future Anti-Money Laundering Laws.

6.22 Anti-Corruption Laws.

The Parent Entity and its Subsidiaries have conducted their businesses in compliance with the United States Foreign Corrupt Practices Act of 1977, the UK Bribery Act 2010, and other similar anti-corruption legislation in other jurisdictions and have instituted and maintained policies and procedures designed to promote and achieve compliance with such laws.

6.23 EEA Financial Institution.

No Loan Party is an EEA Financial Institution.

ARTICLE VII

AFFIRMATIVE COVENANTS

So long as any Lender shall have any Commitment hereunder, any Loan or other Obligation hereunder shall remain unpaid or unsatisfied, the Loan Parties shall and, where applicable, shall cause each Subsidiary to:

7.01 Financial Statements.

Deliver to the Administrative Agent and each Lender, in form and detail reasonably satisfactory to the Administrative Agent:

(a) upon the earlier of the date that is one hundred twenty (120) days after the end of each fiscal year of the Consolidated Group and the date such information is filed with the SEC, a consolidated balance sheet of the Consolidated Group as at the end of such fiscal year, and the related consolidated statements of income or operations, changes in shareholders' equity and cash flows for such fiscal year, setting forth in each case in comparative form the figures for the previous fiscal year, all in reasonable detail and prepared in accordance with GAAP, audited and accompanied by a report and opinion of an independent certified public accountant of nationally recognized standing acceptable to the Administrative Agent, which report and opinion shall be prepared in accordance with generally accepted auditing standards and shall not be subject to (i) any "going concern" or like qualification or exception or (ii) any qualification or exception as to the scope of such audit; and

(b) (x) with respect to the fiscal quarters ending March 31, June 30 and September 30, not later than sixty (60) days after the end of each such fiscal quarter of the Consolidated Group and (y) with respect to each fiscal quarter ending December 31, not later than ninety (90) days after the end of each such fiscal quarter of the Consolidated Group, in each case, a consolidated balance sheet of the Consolidated Group as at the end of such fiscal quarter, and the related consolidated statements of income or operations, changes in shareholders' equity and cash flows for such fiscal quarter and for the portion of the Consolidated Group's fiscal year then ended, setting forth in each case in comparative form the figures for the corresponding fiscal quarter of the previous fiscal year and the corresponding portion of the previous fiscal year, all in reasonable detail and certified by a

Responsible Officer of the Parent Entity as fairly presenting the financial condition, results of operations, shareholders' equity and cash flows of the Consolidated Group in accordance with GAAP, subject only to normal year-end audit adjustments and the absence of footnotes.

7.02 Certificates; Other Information.

Deliver to the Administrative Agent and each Lender, in form and detail reasonably satisfactory to the Administrative Agent and the Required Lenders:

(a) concurrently with the delivery of the financial statements referred to in Section 7.01(b), (i) a duly completed Compliance Certificate signed a Responsible Officer of the Parent Entity and (ii) an updated Schedule 6.08, if applicable.

(b) concurrently with the delivery of the financial statements referred to in Section 7.01(a), a certificate of its independent certified public accountants certifying such financial statements.

(c) within 30 days after the end of each fiscal year, beginning with the fiscal year ending December 31, 2017, an annual business plan and budget of the Consolidated Group containing, among other things, pro forma financial statements for each quarter of the next fiscal year.

(d) promptly, and in any event within ten Business Days after receipt thereof by any Loan Party or any Subsidiary thereof, copies of each notice or other correspondence received from the SEC (or comparable agency in any applicable non-U.S. jurisdiction) concerning any material investigation or possible material investigation or other inquiry by such agency regarding financial or other operational results of any Loan Party or any Subsidiary thereof.

(e) promptly, such additional information regarding the business, financial or corporate affairs of any Loan Party or any Subsidiary, or compliance with the terms of the Loan Documents, as the Administrative Agent or any Lender may from time to time reasonably request (subject to legal privilege requirements in the ordinary course and customary written confidentiality obligations as long as such legal privilege requirements or confidentiality obligations were not invoked or incurred in contemplation of this Agreement or with a view to avoid providing information to the Administrative Agent or the Lenders).

Documents required to be delivered pursuant to Section 7.01(a) or (b) or Section 7.02 (to the extent any such documents are included in materials otherwise filed with the SEC) may be delivered electronically and if so delivered, shall be deemed to have been delivered on the date (i) on which the Parent Entity or the Borrower posts such documents, or provides a link thereto on its website on the Internet at the website address listed on Schedule 11.02; or (ii) on which such documents are posted on the Parent Entity's or the Borrower's behalf on an Internet or intranet website, if any, to which each Lender and the Administrative Agent have access (whether a commercial, third-party website or whether sponsored by the Administrative Agent);

The Loan Parties hereby acknowledge that (a) the Administrative Agent and/or KeyBanc may, but shall not be obligated to, make available to the Lenders materials and/or information provided by or on behalf of the Borrower or its Affiliates hereunder (collectively, the "Borrower Materials") by posting the Borrower Materials on Debt Domain, IntraLinks, Syndtrak or another similar electronic system (the "Platform") and (b) certain of the Lenders (each, a "Public Lender") may have personnel who do not wish to receive material non-public information with respect to the Borrower or its Affiliates, or the respective

securities of any of the foregoing, and who may be engaged in investment and other market-related activities with respect to such Person's securities. The Loan Parties hereby agree that (w) all Borrower Materials that are to be made available to Public Lenders shall be clearly and conspicuously marked "PUBLIC" which, at a minimum, shall mean that the word "PUBLIC" shall appear prominently on the first page thereof; (x) by marking Borrower Materials "PUBLIC," the Loan Parties shall be deemed to have authorized the Administrative Agent, KeyBanc and the Lenders to treat such Borrower Materials as not containing any material non-public information with respect to the Borrower, its Affiliates or its securities for purposes of United States federal and state securities laws (provided, however, that to the extent such Borrower Materials constitute Information, they shall be treated as set forth in Section 11.07); (y) all Borrower Materials marked "PUBLIC" are permitted to be made available through a portion of the Platform designated as "Public Side Information;" and (z) the Administrative Agent and KeyBanc shall be entitled to treat any Borrower Materials that are not marked "PUBLIC" as being suitable only for posting on a portion of the Platform that is not designated as "Public Side Information."

7.03 Notices.

Promptly (and in any event, within two Business Days after a Responsible Officer obtains knowledge of the same) notify the Administrative Agent of:

(a) the occurrence of any Default.

(b) any matter that has resulted or could reasonably be expected to result in a Material Adverse Effect.

(c) the occurrence of any ERISA Event.

(d) any material change in accounting policies or financial reporting practices by a Loan Party or any Subsidiary, including any determination referred to in Section 2.10(b).

(e) If the Parent Entity has obtained an Investment Grade Rating, any change in such Debt Rating.

Each notice pursuant to this Section 7.03(a) through (d) shall be accompanied by a statement of a Responsible Officer of the Borrower setting forth details of the occurrence referred to therein and stating what action the applicable Loan Party has taken and proposes to take with respect thereto. Each notice pursuant to Section 7.03(a) shall describe with particularity any and all provisions of this Agreement and any other Loan Document that have been breached. The Administrative Agent agrees to notify the Lenders of any notice delivered to the Administrative Agent by the Borrower pursuant to this Section 7.03.

7.04 Payment of Obligations.

Pay and discharge, as the same shall become due and payable (a) all tax liabilities, assessments and governmental charges or levies upon it or its properties or assets, unless the same are being contested in good faith by appropriate proceedings diligently conducted and adequate reserves in accordance with GAAP are being maintained by the Loan Party or such Subsidiary and (b) all lawful claims which, if unpaid, would by law become a Lien upon its property (other than Liens permitted under Section 8.01).

7.05 Preservation of Existence, Etc. and REIT Status.

(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 except in a transaction permitted by Section 8.04 or 8.05.

(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 the failure to do so could not reasonably be expected to have a Material Adverse Effect.

(c) Preserve or renew all of its registered patents, copyrights, trademarks, trade names and service marks, the non-preservation or non-renewal of which could reasonably be expected to have a Material Adverse Effect.

(d) Maintain or cause to be maintained (as applicable) the Parent Entity's status as a REIT in compliance with all applicable provisions under the Internal Revenue Code relating to such status.

7.06 Maintenance of Properties.

Do all things reasonably required to maintain, preserve and protect all of its properties and equipment necessary in the operation of its business in good working order and condition, ordinary wear and tear excepted and make all necessary repairs thereto and renewals and replacements thereof, except where the failure to do so could not reasonably be expected to have a Material Adverse Effect.

7.07 Maintenance of Insurance.

Maintain with financially sound and reputable insurance companies not Affiliates of a Loan Party, insurance with respect to its properties and business against loss or damage of the kinds customarily insured against by Persons engaged in the same or similar business, of such types and in such amounts as are customarily carried under similar circumstances by such other Persons; provided, that notwithstanding the above, the Loan Parties may comply with this Section 7.07 by maintaining any such insurance with a captive insurance company that is an Affiliate of the Parent Entity.

7.08 Compliance with Laws.

Comply with the requirements of all Laws, including without limitation the Patriot Act, OFAC, Anti-Money Laundering Laws and all orders, writs, injunctions and decrees applicable to it or to its business or property, except in such instances in which (a) such requirement of Law or order, writ, injunction or decree is being contested in good faith by appropriate proceedings diligently conducted or (b) the failure to comply therewith could not reasonably be expected to have a Material Adverse Effect.

7.09 Books and Records.

Maintain proper books of record and account, (a) in which full, true and correct entries in all material respects shall be made of all financial transactions and matters involving the assets and business of the Consolidated Group to the extent required and in conformity with GAAP and (b) in material conformity with all material requirements of any Governmental Authority having regulatory jurisdiction over the Consolidated Group.

7.10 Inspection Rights.

Permit representatives of the Administrative Agent and each Lender to visit and inspect any of its properties, to examine its corporate, financial and operating records, and make copies thereof or abstracts therefrom (subject to legal privilege requirements in the ordinary course and customary written confidentiality obligations as long as such legal privilege requirements or confidentiality obligations were not incurred in contemplation of this Agreement or with a view to avoid providing information to the Administrative Agent or the Lenders) and to discuss its affairs, finances and accounts with its directors, officers, and independent public accountants (provided that the Borrower shall have the opportunity to participate in any discussions with its independent public accountants), at the expense of the Borrower (subject to the limitations below) and at such reasonable times during normal business hours and as often as may be reasonably requested, upon reasonable advance notice to the Borrower; provided, however, that (a) absent the existence of an Event of Default only one such visit a year shall be at the Borrower's expense and (b) when an Event of Default exists, the Administrative Agent or any Lender (or any of their respective representatives or independent contractors) may do any of the foregoing at the expense of the Borrower at any time during normal business hours and without advance notice.

7.11 Use of Proceeds.

Use the proceeds of the Credit Extensions (a) to finance working capital, capital expenditures, acquisitions, redevelopment, joint ventures, note purchases, Mezzanine Debt Investments and construction and (b) for other general corporate purposes; provided that in no event shall the proceeds of the Credit Extensions be used in contravention of any Law or of any Loan Document,.

7.12 ERISA Compliance.

Do, and cause each of its ERISA Affiliates to do, each of the following: (a) maintain each Plan in compliance in all material respects with the applicable provisions of ERISA, the Internal Revenue Code and other federal or state law; (b) cause each Plan that is qualified under Section 401(a) of the Internal Revenue Code to maintain such qualification; and (c) make all required contributions to any Pension Plan.

7.13 Addition of Subsidiary Guarantors.

If any Subsidiary guaranties any borrowed money Indebtedness owed by the Borrower, the Parent Entity or any other Loan Party, the Borrower shall (a) cause such Subsidiary to become a Subsidiary Guarantor by executing and delivering to the Administrative Agent a Joinder Agreement in the form of Exhibit D or such other document as the Administrative Agent shall deem appropriate for such purpose, (b) deliver to the Administrative Agent documents of the types referred to in Sections 5.01 (b), (f) and (j) for such Person, in each case in form and substance similar to those delivered on the Closing Date and (c) provide a certificate that the representations in Section 6.01 through 6.04 inclusive are true and correct in all material respects (unless already qualified by materiality or Material Adverse Effect, in which case they shall be true and correct in all respects) as of the date of such certificate, 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 (unless already qualified by materiality or Material Adverse Effect, in which case they shall be true and correct in all respects) as of such earlier date, with respect to the new Subsidiary Guarantor.

ARTICLE VIII

NEGATIVE COVENANTS

So long as any Lender shall have any Commitment hereunder, any Loan or other Obligation hereunder shall remain unpaid or unsatisfied, no Loan Party shall, nor shall it permit any Subsidiary to, directly or indirectly:

8.01 Liens.

Create, incur, assume or suffer to exist any Lien upon any of its property, assets or revenues, whether now owned or hereafter acquired, other than the following:

(a) Permitted Liens; and

(b) other Liens as long as (i) such Liens do not encumber Unencumbered Properties or the Equity Interests of the Borrower or any Subsidiary Guarantor, (ii) such Liens do not encumber assets owned by the Parent Entity or the Borrower, and (iii) the incurrence of such Lien will not cause, on a pro forma basis, a Default under the Loan Documents, including the financial covenants in Section 8.11.

8.02 [Reserved].

8.03 Indebtedness.

Create, incur, assume or suffer to exist any Indebtedness, except:

(a) Indebtedness under (i) the Loan Documents, (ii) the Existing Credit Agreement, (iii) Indebtedness incurred under that certain Credit Agreement, dated as of September 16, 2016, (as amended, modified, or restated from time to time) among the Borrower, the Parent Entity, any other guarantors party thereto, the lenders party thereto and PNC Bank, National Association, as administrative agent (the "PNC Agreement") and (iv) Indebtedness incurred under that certain Credit Agreement, dated as of the Closing Date, (as amended, modified, or restated from time to time) among the Borrower, the Parent Entity, any other guarantors party thereto, the lenders party thereto and Wells Fargo Bank, National Association, as administrative agent (the "Wells Agreement");

(b) intercompany Indebtedness among members of the Consolidated Group;

(c) obligations (contingent or otherwise) of a Loan Party or any Subsidiary existing or arising under any Swap Contract; provided that (i) such obligations are (or were) entered into by such Person in the ordinary course of business for the purpose of directly mitigating risks associated with liabilities, commitments, investments, assets, or property held or reasonably anticipated by such Person, or changes in the value of securities issued by such Person, and not for purposes of speculation or taking a "market view;" and (ii) such Swap Contract does not contain any provision exonerating the non-defaulting party from its obligation to make payments on outstanding transactions to the defaulting party;

(d) other Indebtedness as long as the incurrence of such Indebtedness will not cause, on a pro forma basis, a Default under the Loan Documents, including the financial covenants in Section 8.11; and

(e) Guaranties of the foregoing; provided that, a Subsidiary cannot guaranty borrowed money Indebtedness owed by the Parent Entity, the Borrower or any other Loan Party

unless such Subsidiary is, or simultaneously becomes, a Subsidiary Guarantor as set forth in Section 7.13.

8.04 Fundamental Changes.

Merge, dissolve, liquidate, consolidate with or into another Person, or Dispose of (whether in one transaction or in a series of transactions) all or substantially all of its assets (whether now owned or hereafter acquired) to or in favor of any Person; provided that, notwithstanding the foregoing provisions of this Section 8.04 (a) the Parent Entity may merge or consolidate with any of its Subsidiaries (other than the Borrower); provided that the Parent Entity shall be the continuing or surviving Person, (b) the Borrower may merge or consolidate with any of its Subsidiaries; provided that the Borrower shall be the continuing or surviving corporation, (c) any Loan Party (other than the Parent Entity or the Borrower) may merge or consolidate with any other Loan Party, (d) any non-Loan Party may merge with a Loan Party as long as the Loan Party is the continuing or surviving Person, (e) any non-Loan Party may be merged or consolidated with or into any other non-Loan Party and (f) the Permitted Reorganization and the transactions contemplated thereby may occur.

8.05 Dispositions.

Make any Disposition unless such Disposition would not, on a pro forma basis after giving effect to such Disposition, cause a Default under the Loan Documents.

8.06 Restricted Payments.

(a) Permit the Dividend Payout Ratio, as of the last day of any fiscal quarter, to exceed the FFO Percentage.

(b) Subject to the paragraph below, permit the Parent Entity, at any time an Event of Default exists, to make or declare any dividends or similar distributions without the written consent of the Administrative Agent and Required Lenders.

Notwithstanding anything in this Section 8.06 to the contrary, (i) the Parent Entity shall be permitted at all times to distribute the minimum amount of dividends necessary for the Parent Entity to maintain its status as a REIT for U.S. federal and state income tax purposes, (ii) provided there is no continuing Event of Default under Sections 9.01(a) or (f), the Parent Entity shall be permitted at all times to pay dividends necessary for it to avoid the payment of federal or state income or excise taxes, (iii) the Borrower and its Subsidiaries may declare and make distributions on their Equity Interests in accordance with their respective Organization Documents in an amount sufficient to enable the Parent Entity to pay dividends pursuant to clauses (i) and (ii) above and (iv) the Borrower and its Subsidiaries shall be permitted to make any dividends or similar distributions that are required to be made to in order to give effect to the Permitted Reorganization.

8.07 Change in Nature of Business.

Engage in any material line of business substantially different from those lines of business conducted by the Consolidated Group on the Closing Date or any business substantially related or incidental thereto.

8.08 Transactions with Affiliates.

Enter into any transaction of any kind with any Affiliate of the Consolidated Group, whether or not in the ordinary course of business, other than (a) on fair and reasonable terms substantially as favorable to such member of the Consolidated Group as would be obtainable by such member of the Consolidated Group at the time in a comparable arm's length transaction with a Person other than an Affiliate, (b) transactions permitted under Section 8.04, (c) dividends or distributions permitted under Section 8.06, (d) transactions with a captive insurance company that is an Affiliate of the Parent Entity, (e) transactions entered into to acquire the additional Equity Interests, if any, in PECO-ARC Institutional Joint Venture I, L.P. or (f) in connection with the Permitted Reorganization.

8.09 Burdensome Agreements.

Enter into, or permit to exist, any Contractual Obligation that (a) prohibits the ability of any such Person to (i) make Restricted Payments to any Loan Party, (ii) pay any Indebtedness or other obligations owed to any Loan Party or (iii) with respect to a Loan Party, pledge its property pursuant to and to the extent required under the Loan Documents or any renewals, refinancings, exchanges, refundings or extension thereof except for (1) this Agreement and the other Loan Documents, (2) any document or instrument governing Secured Indebtedness incurred in compliance with Section 8.01; provided that any such restriction contained therein relates only to the asset or assets secured in connection therewith, (3) any Lien permitted under Section 8.01 or any document or instrument governing any Lien permitted under Section 8.01; provided that any such restriction contained therein relates only to the asset or assets subject to such Lien permitted under Section 8.01, or (4) customary restrictions and conditions contained in any agreement relating to the sale of any property permitted under Section 8.05 pending the consummation of such sale or (b) with respect to a Loan Party, requires the grant of any security for any obligation if such property is given as security for the Obligations.

8.10 Use of Proceeds.

Use the proceeds of any Credit Extension, whether directly or indirectly, and whether immediately, incidentally or ultimately, to purchase or carry margin stock (within the meaning of Regulation U of the FRB) or to extend credit to others for the purpose of purchasing or carrying margin stock or to refund indebtedness originally incurred for such purpose.

8.11 Financial Covenants.

(a) Leverage Ratio. Permit the Leverage Ratio, as of the last day of any fiscal quarter of the Consolidated Group, to be greater than sixty percent (60%), or, for a period of four consecutive fiscal quarters following a Material Acquisition, sixty-five percent (65%).

(b) Secured Leverage Ratio. Permit the Secured Leverage Ratio, as of the last day of any fiscal quarter of the Consolidated Group, to be greater than forty percent (40%), or, for a period of four consecutive fiscal quarters following a Material Acquisition, forty-five percent (45%).

(c) Fixed Charge Coverage Ratio. Permit the Fixed Charge Coverage Ratio, as of the last day of any fiscal quarter of the Consolidated Group, to be less than 1.50 to 1.00, or, for a period of four consecutive fiscal quarters following a Material Acquisition, 1.40 to 1.00.

(d) Minimum Tangible Net Worth. Permit Tangible Net Worth, as of the last day of any fiscal quarter of the Consolidated Group, to be less than the sum of (i) seventy-five percent (75%) of Tangible Net Worth as of the quarter ending December 31, 2017 plus (ii) an amount equal to seventy percent (70%) of the aggregate increases in Shareholders' Equity of the

Consolidated Group occurring subsequent to the quarter ending December 31, 2017 by reason of the issuance and sale of Equity Interests of the Consolidated Group (other than any Dividend Reinvestment Proceeds), including upon any conversion of debt securities of the Parent Entity or the Borrower into such Equity Interests, minus (iii) the aggregate amount of payments made with respect to any redemption, retirement, surrender, defeasance, repurchase, purchase or other similar transaction or acquisition for value, direct or indirect, on account of any Equity Interests of the Parent Entity subsequent to the quarter ending December 31, 2017 and on or prior to the last day of the fiscal quarter of the Consolidated Group immediately following the date the Parent Entity obtained an Investment Grade Rating (the sum of (i) plus (ii) minus (iii), "Minimum Tangible Net Worth"); provided that following the date that the Parent Entity obtains an Investment Grade Rating, the requirement pursuant to this Section 8.11(d) shall be a fixed number based on the Minimum Tangible Net Worth required as of the last day of the fiscal quarter of the Consolidated Group immediately following the date the Parent Entity obtained an Investment Grade Rating minus the aggregate amount of payments made with respect to any redemption, retirement, surrender, defeasance, repurchase, purchase or other similar transaction or acquisition for value, direct or indirect, on account of any Equity Interests of the Parent Entity after the last day of the fiscal quarter of the Consolidated Group immediately following the date the Parent Entity obtained the Investment Grade Rating.

(e) Maximum Unsecured Indebtedness to Unencumbered Asset Value Ratio. Permit, as of the last day of any fiscal quarter of the Consolidated Group, the ratio of (i) Unsecured Indebtedness as of such date to (ii) Unencumbered Asset Value as of the four fiscal quarter period ending on such date to be greater than sixty percent (60%) or, for a period of four consecutive fiscal quarters following a Material Acquisition, sixty-five percent (65%).

(f) Unencumbered NOI to Interest Expense on Unsecured Indebtedness Ratio. Permit, as of the last day of any fiscal quarter of the Consolidated Group, the ratio of (i) Unencumbered NOI for the most recent four fiscal quarter period to (ii) Interest Expense incurred with respect to Unsecured Indebtedness for the most recent four fiscal quarter period to be less than 1.75 to 1.00 or, for a period of four consecutive fiscal quarters following a Material Acquisition, 1.70 to 1.00.

8.12 Organization Documents; Fiscal Year; Legal Name, State of Formation and Form of Entity.

(a) With respect to any Loan Party, (i) change its name, state of formation or form of organization without providing the Administrative Agent at least ten (10) Business Days prior written notice or (ii) amend, modify or change its Organization Documents in a manner adverse to the Lenders.

(b) Change its fiscal year.

8.13 Sanctions.

Directly or indirectly, knowingly use the proceeds or any Loan, or lend, contribute or otherwise make available such proceeds to any Subsidiary, joint venture partner or other individual or entity, to fund any activities or business with any individual or entity, or in any Designated Jurisdiction that, at the time of such funding, is the subject of any Sanctions, or in any other manner that will result in a breach by any individual or entity (including any individual or entity participating in the transaction, whether as Lender, Lead Arranger, Administrative Agent or otherwise) of Sanctions.

8.14 Anti-Corruption Laws.

Directly or indirectly, use the proceeds of any Credit Extension for any purpose which would breach the United States Foreign Corrupt Practices Act of 1977, the UK Bribery Act 2010 or other similar anti-corruption legislation in other jurisdictions.

ARTICLE IX

EVENTS OF DEFAULT AND REMEDIES

9.01 Events of Default.

Any of the following shall constitute an Event of Default:

(a) Non-Payment. The Borrower or any other Loan Party fails to pay (i) when and as required to be paid herein, any amount of principal of any Loan or (ii) within five Business Days after the same becomes due, any interest on any Loan or any fee due hereunder, or (iii) within five Business Days after the same becomes due, any other amount payable hereunder or under any other Loan Document; or

(b) Specific Covenants. Any Loan Party fails to perform or observe any term, covenant or agreement contained in any of Section 7.01, 7.02, 7.03, 7.05, 7.10, 7.11 or 7.13 or Article VIII or

(c) Other Defaults. Any Loan Party fails to perform or observe any other covenant or agreement (not specified in subsection (a) or (b) above) contained in any Loan Document on its part to be performed or observed and such failure continues for thirty days; or

(d) Representations and Warranties. Any representation or warranty made or deemed made by or on behalf of the Borrower or any other Loan Party herein, in any other Loan Document, or in any document delivered in connection herewith or therewith shall be incorrect or misleading in any material respect (unless already qualified by materiality or Material Adverse Effect, in which case an Event of Default shall exist if such representation, warranty or statement of fact shall be incorrect or misleading in any respect) when made or deemed made; or

(e) Cross-Default. (i) Any Loan Party or any Subsidiary (A) fails to make any payment when due (whether by scheduled maturity, required prepayment, acceleration, demand, or otherwise) in respect of any Indebtedness that is Recourse Debt or any Guarantee of any such Recourse Debt (in either case, other than the Obligations and Indebtedness under Swap Contracts) having an aggregate outstanding 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 Fifty Million Dollars ($50,000,000) and such failure is not waived and continues beyond any cure period as may be specifically noted therein, or (B) fails to observe or perform any other material agreement or condition relating to any such Recourse Debt or Guarantee or contained in any instrument or agreement evidencing, securing or relating thereto, or any other event occurs, in each case that is not waived, continues beyond any cure period and results in such Recourse Debt or Guarantee becoming or being declared immediately due and payable; (ii) Any Loan Party or any Subsidiary (A) fails to make any payment when due (whether by scheduled maturity, required prepayment, acceleration, demand, or otherwise) in respect of any Indebtedness that is Non-Recourse

Debt or any Guarantee of any such Non-Recourse Debt having an aggregate outstanding 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 One Hundred Twenty-Five Million Dollars ($125,000,000) and such failure is not waived and continues beyond any cure period as may be specifically noted therein; provided, that the failure to pay any such Non-Recourse Debt when due shall not constitute an Event of Default (and such Non-Recourse Debt shall be excluded from the applicable aggregate limit referred to above) so long as the only default by the Loan Party or Subsidiary is the failure to pay such Non-Recourse Debt when due on its scheduled maturity date and the Loan Party or Subsidiary is actively pursuing the extension or refinancing of such Non-Recourse Debt and the holder of such Non-Recourse Debt has not initiated a foreclosure of its Lien or proceedings to have a receiver appointed for the collateral securing such Non-Recourse Debt, except that (x) the deferral under this clause (ii)(A) shall not extend for more than ninety (90) days after the maturity date of such Non-Recourse Debt, subject to extension of such deferral period for an additional thirty (30) days if prior to the expiration of such initial 90 day period the Borrower has provided to the Administrative Agent reasonably satisfactory evidence that the Loan Party or Subsidiary is continuing to actively pursue such extension or refinancing, or (B) fails to observe or perform any other material agreement or condition relating to any such Non-Recourse Debt or Guarantee or contained in any instrument or agreement evidencing, securing or relating thereto, or any other event occurs, in each case that is not waived, continues beyond any cure period and results in such Non-Recourse Debt or Guarantee becoming or being declared immediately due and payable; (iii) there occurs under any Swap Contract an Early Termination Date (as defined in such Swap Contract) resulting from (A) any Event of Default (as defined in such Swap Contract) as to which any Loan Party is the Defaulting Party (as defined in such Swap Contract) that is not waived and continues beyond any cure period provided therein or (B) any Termination Event (as defined in such Swap Contract) under such Swap Contract as to which any Loan Party is an Affected Party (as defined therein) and, in either event, the Swap Termination Value owed by any Loan Party as a result thereof is greater than the Threshold Amount; or (iv) there exists (A) an Event of Default (as defined under the Existing Credit Agreement) under the Existing Credit Agreement that is not waived and continues beyond any cure period provided therein and results in such debt under the Existing Credit Agreement becoming or being declared immediately due and payable (B) an Event of Default (as defined under the PNC Agreement) under the PNC Agreement that is not waived and continues beyond any cure period provided therein and results in such debt under the PNC Agreement becoming or being declared immediately due and payable or (C) an Event of Default (as defined under the Wells Agreement) under the Wells Agreement that is not waived and continues beyond any cure period provided therein and results in such debt under the Wells Agreement becoming or being declared immediately due and payable; or

(f) Insolvency Proceedings, Etc. Any Loan Party institutes or consents to the institution of any proceeding under any Debtor Relief Law, or makes an assignment for the benefit of creditors; or applies for or consents to the appointment of any receiver, trustee, custodian, conservator, liquidator, rehabilitator or similar officer for it or for all or any material part of its property; or any receiver, trustee, custodian, conservator, liquidator, rehabilitator or similar officer is appointed without the application or consent of such Person and the appointment continues undischarged or unstayed for sixty calendar days; or any proceeding under any Debtor Relief Law relating to any such Person or to all or any material part of its property is instituted without the consent of such Person and continues undismissed or unstayed for sixty calendar days, or an order for relief is entered in any such proceeding; or

(g) Inability to Pay Debts; Attachment. (i) Any Loan Party becomes unable or admits in writing its inability or fails generally to pay its debts as they become due, or (ii) any writ or warrant of attachment or execution or similar process is issued or levied against all or any material part of
the property of any such Person and is not released, vacated or fully bonded within thirty days after its issue or levy; or

(h) Judgments. There is entered against any Loan Party one or more final judgments or orders for the payment of money in an aggregate amount exceeding the Threshold Amount (to the extent not covered by independent third-party insurance as to which the insurer does not dispute coverage) which remains unpaid for sixty days and (i) enforcement proceedings are commenced by any creditor upon such judgment or order, or (ii) such judgment or order has not been stayed on appeal or otherwise appropriately contested in good faith; or

(i) ERISA. (i) An ERISA Event occurs with respect to a Pension Plan or Multiemployer Plan which has resulted or could reasonably be expected to result in liability of any Loan Party 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 (ii) the Borrower or any ERISA Affiliate fails to pay when due, after the expiration of any applicable grace period, any installment payment with respect to its withdrawal liability under Section 4201 of ERISA under a Multiemployer Plan in an aggregate amount in excess of the Threshold Amount; or

(j) Invalidity of Loan Documents. Any Loan Document, at any time after its execution and delivery and for any reason other than as expressly permitted hereunder or thereunder or satisfaction in full of all the Obligations, ceases to be in full force and effect; or any Loan Party or any other Person contests in any manner the validity or enforceability of any Loan Document; or any Loan Party denies that it has any or further liability or obligation under any Loan Document, or purports to revoke, terminate or rescind any Loan Document; or

(k) Change of Control. There occurs any Change of Control.

9.02 Remedies Upon Event of Default.

If any Event of Default occurs and is continuing, the Administrative Agent shall, at the request of, or may, with the consent of, the Required Lenders, take any or all of the following actions:

(a) declare any commitment of each Lender to make Loans to be terminated, whereupon such commitments and obligation shall be terminated;

(b) declare the unpaid principal amount of all outstanding Loans, all interest accrued and unpaid thereon, and all other amounts owing or payable hereunder or under any other Loan Document to be immediately due and payable, without presentment, demand, protest or other notice of any kind, all of which are hereby expressly waived by the Borrower; and

(c) exercise on behalf of itself and the Lenders all rights and remedies available to it and the Lenders under the Loan Documents;

provided, however, that upon the occurrence of an actual or deemed entry of an order for relief with respect to any Loan Party under the Bankruptcy Code of the United States, the obligation of each Lender to make Loans shall automatically terminate, the unpaid principal amount of all outstanding Loans and all interest and other amounts as aforesaid shall automatically become due and payable without further act of the Administrative Agent or any Lender.

9.03 Application of Funds.

After the exercise of remedies provided for in Section 9.02 (or after the Loans have automatically become immediately due and payable as set forth in the proviso to Section 9.02), any amounts received on account of the Obligations shall be applied by the Administrative Agent in the following order:

First, to payment of that portion of the Obligations constituting fees, indemnities, expenses and other amounts (including fees, charges and disbursements of counsel to the Administrative Agent and amounts payable under Article III) payable to the Administrative Agent in its capacity as such;

Second, to payment of that portion of the Obligations constituting fees, indemnities and other amounts (other than principal, interest) payable to the Lenders (including fees, charges and disbursements of counsel to the respective Lenders) arising under the Loan Documents and amounts payable under Article III, ratably among them in proportion to the respective amounts described in this clause Second payable to them;

Third, to payment of that portion of the Obligations constituting accrued and unpaid interest on the Loans, ratably among the Lenders in proportion to the respective amounts described in this clause Third held by them;

Fourth, to payment of that portion of the Obligations constituting (i) accrued and unpaid principal of the Loans and (ii) breakage, termination or other payments due under any Swap Contract between and Loan Party and any Lender or Affiliate of a Lender, ratably among the Lenders, the applicable Affiliates (with respect to clause (ii)) in proportion to the respective amounts described in this clause Fourth held by them; and

Last, the balance, if any, after all of the Obligations have been indefeasibly paid in full, to the Borrower or as otherwise required by Law.

Excluded Swap Obligations with respect to any Loan Party shall not be paid with amounts received from such Loan Party or such Loan Party's assets, but appropriate adjustments shall be made with respect to payments from other Loan Parties to preserve the allocation to Obligations otherwise set forth above in this Section.

ARTICLE X

ADMINISTRATIVE AGENT

10.01 Appointment and Authority.

Each of the Lenders hereby irrevocably appoints KeyBank to act on its behalf as the Administrative Agent hereunder and under the other Loan Documents and authorizes the Administrative Agent to take such actions on its behalf and to exercise such powers as are delegated to the Administrative Agent by the terms hereof or thereof, together with such actions and powers as are incidental thereto. The provisions of this Article are solely for the benefit of the Administrative Agent, the Lenders, and neither the Borrower nor any other Loan Party shall have 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 Loan Documents (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 Law. 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.

10.02 Rights as a Lender.

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, include 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.

10.03 Exculpatory Provisions.

The Administrative Agent shall not have any duties or obligations except those expressly set forth herein and in the other Loan 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 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 Loan 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 Loan Documents), provided that the Administrative Agent shall not be required to take any action that, in its reasonable opinion, may expose the Administrative Agent to liability or that is contrary to any Loan 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 affect 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 Loan Documents, have any duty to disclose, and shall not be liable for such failure to disclose, any information relating to any Loan Party or any of its Affiliates that is communicated to or obtained by the Person serving as the Administrative Agent or any of its Affiliates in any capacity.

The Administrative Agent shall not be liable for any action taken or not taken by it (i) 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 11.01 and 9.02) or (ii) in the absence of its own bad faith, gross negligence or willful misconduct as determined by a court of competent jurisdiction by final and non-appealable judgment. The Administrative Agent shall be deemed not to have knowledge of any Default unless and until notice describing such Default is given in writing to the Administrative Agent by the Borrower or a Lender.

The Administrative Agent shall not be responsible for or have any duty to ascertain or inquire into (i) any statement, warranty or representation made in or in connection with this Agreement or any other Loan Document, (ii) the contents of any certificate, report or other document delivered hereunder or thereunder

or in connection herewith or therewith, (iii) the performance or observance of any of the covenants, agreements or other terms or conditions set forth herein or therein or the occurrence of any Default, (iv) the validity, enforceability, effectiveness or genuineness of this Agreement, any other Loan Document or any other agreement, instrument or document or (v) the satisfaction of any condition set forth in Article V or elsewhere herein, other than to confirm receipt of items expressly required to be delivered to the Administrative Agent.

10.04 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 that by its terms must be fulfilled to the satisfaction of a Lender, the Administrative Agent may presume that such condition is satisfactory to such Lender unless the Administrative Agent shall have received notice to the contrary from such Lender prior to the making of such Loan. The Administrative Agent may consult with legal counsel (who may be counsel for the Loan Parties), 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.

10.05 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 Loan 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.

10.06 Resignation of Administrative Agent.

(a) The Administrative Agent may at any time give notice of its resignation to the Lenders and the Borrower. Upon receipt of any such notice of resignation, the Required Lenders shall have the right, in consultation with the Borrower, 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 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, appoint a successor Administrative Agent meeting the qualifications set forth above. Whether or not a successor has been appointed, such resignation shall become effective in accordance with such notice on the Resignation Effective Date.

(b) If the Person serving as Administrative Agent is a Defaulting Lender pursuant to clause (d) of the definition thereof, the Required Lenders may, to the extent permitted by applicable Law by notice in writing to the Borrower and such Person remove such Person as the Administrative Agent and, in consultation with the Borrower, appoint a successor. If no such successor shall have

been so appointed by the Required Lenders and shall have accepted such appointment within thirty (30) days (or such earlier day as shall be agreed by the Required Lenders) (the "Removal Effective Date"), then such removal shall nonetheless become effective in accordance with such notice on the Removal Effective Date.

(c) With effect from the Resignation Effective Date or the Removal Effective Date (as applicable) (1) the retiring or removed Administrative Agent shall be discharged from its duties and obligations hereunder and under the other Loan Documents (except that in the case of any collateral security held by the Administrative Agent on behalf of the Lenders under any of the Loan Documents, the retiring or removed Administrative Agent shall continue to hold such collateral security until such time as a successor Administrative Agent is appointed) and (2) except for any indemnity payments or other amounts then owed to the retiring or removed 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 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 or removed Administrative Agent (other than as provided in Section 3.01(g) and other than any rights to indemnity payments or other amounts owed to the retiring or removed Administrative Agent as of the Resignation Effective Date or the Removal Effective Date, as applicable), and the retiring or removed Administrative Agent shall be discharged from all of its duties and obligations hereunder or under the other Loan Documents (if not already discharged therefrom as provided above in this Section). The fees payable by the Borrower to a successor Administrative Agent shall be the same as those payable to its predecessor unless otherwise agreed between the Borrower and such successor. After the retiring or removed Administrative Agent's resignation or removal hereunder and under the other Loan Documents, the provisions of this Article and Section 11.04 shall continue in effect for the benefit of such retiring or removed 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.

10.07 Non-Reliance on Administrative Agent and Other Lenders.

Each Lender 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 also 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 Loan Document or any related agreement or any document furnished hereunder or thereunder.

10.08 No Other Duties; Etc.

Anything herein to the contrary notwithstanding, none of the bookrunners, arrangers, syndication agents, documentation agents or co-agents shall have any powers, duties or responsibilities under this Agreement or any of the other Loan Documents, except in its capacity, as applicable, as the Administrative Agent or a Lender.

10.09 Administrative Agent May File Proofs of Claim.

In case of the pendency of any receivership, insolvency, liquidation, bankruptcy, reorganization, arrangement, adjustment, composition or other judicial proceeding relative to any Loan Party, the Administrative Agent (irrespective of whether the principal of any Loan 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 and all other Obligations (other than obligations under Swap Contracts or Treasury Management Agreements to which the Administrative Agent is not a party) that are owing and unpaid and to file such other documents as may be necessary or advisable in order to have the claims of the Lenders and the Administrative Agent (including any claim for the reasonable compensation, expenses, disbursements and advances of the Lenders and the Administrative Agent and their respective agents and counsel and all other amounts due the Lenders and the Administrative Agent under Sections 2.09 and 11.04) allowed in such judicial proceeding; and

(b) to collect and receive any monies or other property payable or deliverable on any such claims and to distribute the same;

and any custodian, receiver, assignee, trustee, liquidator, sequestrator or other similar official in any such judicial proceeding is hereby authorized by each Lender to make such payments to the Administrative Agent and, in the event that the Administrative Agent shall consent to the making of such payments directly to the Lenders, to pay to the Administrative Agent any amount due for the reasonable compensation, expenses, disbursements and advances of the Administrative Agent and its agents and counsel, and any other amounts due the Administrative Agent under Sections 2.09 and 11.04.

Nothing contained herein shall be deemed to authorize the Administrative Agent to authorize or consent to or accept or adopt on behalf of any Lender any plan of reorganization, arrangement, adjustment or composition affecting the Obligations or the rights of any Lender or to authorize the Administrative Agent to vote in respect of the claim of any Lender in any such proceeding.

10.10 Guaranty Matters.

Each Lender irrevocably authorizes the Administrative Agent, at its option and in its discretion to release any Subsidiary Guarantor from its obligations under the Guaranty if such Person ceases to be required to be a Subsidiary Guarantor under Section 7.13. Upon request by the Administrative Agent at any time, the Required Lenders will confirm in writing the Administrative Agent's authority to release any Subsidiary Guarantor from its obligations under the Guaranty, pursuant to this Section 10.10.

10.11 Treasury Management Agreements and Swap Contracts.

No Lender or Affiliate of a Lender that obtains the benefit of Section 9.03 or the Guaranty by virtue of the provisions hereof shall have any right to notice of any action or to consent to, direct or object to any action hereunder or under any other Loan Document (or to notice of or to consent to any amendment, waiver or modification of the provisions hereof or of the Guaranty) other than in its capacity as a Lender and, in such case, only to the extent expressly provided in the Loan Documents. Notwithstanding any other provision of this Article X to the contrary, the Administrative Agent shall not be required to verify the payment of, or that other satisfactory arrangements have been made with respect to, Obligations arising under Treasury Management Agreements and Swap Contracts except to the extent expressly provided herein and unless the

Administrative Agent has received written notice of such Obligations, together with such supporting documentation as the Administrative Agent may request, from the applicable Lender or Affiliate of a Lender, as the case may be. The Administrative Agent shall not be required to verify the payment of, or that other satisfactory arrangements have been made with respect to, Obligations arising under Treasury Management Agreements and Swap Contracts.

ARTICLE XI

MISCELLANEOUS

11.01 Amendments, Etc.

No amendment or waiver of any provision of this Agreement or any other Loan Document, and no consent to any departure by the Borrower or any other Loan Party therefrom, shall be effective unless in writing signed by the Required Lenders and the Borrower or the applicable Loan Party, as the case may be, and acknowledged by the Administrative Agent, and each such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given; provided, further, that

(a) no such amendment, waiver or consent shall:

(i) extend or increase the Commitment of a Lender (or reinstate any Commitment terminated pursuant to Section 9.02) without the written consent of such Lender whose Commitment is being extended or increased (it being understood and agreed that a waiver of any condition precedent set forth in Section 5.02 or of any Default or a mandatory reduction in Commitments is not considered an extension or increase in Commitments of any Lender);

(ii) postpone any date fixed by this Agreement or any other Loan Document for any payment or mandatory prepayment of principal, interest, fees or other amounts due to the Lenders (or any of them) or any scheduled or mandatory reduction of the Commitments hereunder or under any other Loan Document without the written consent of each Lender entitled to receive such payment or whose Commitments are to be reduced;

(iii) reduce the principal of, or the rate of interest specified herein on, any Loan, or (subject to clause (i) of the final paragraph of this Section 11.01) any fees or other amounts payable hereunder or under any other Loan Document without the written consent of each Lender entitled to receive such payment of principal, interest, fees or other amounts; provided, however, that only the consent of the Required Lenders shall be necessary to amend the definition of "Default Rate" or to waive any obligation of the Borrower to pay interest at the Default Rate;

(iv) change Section 2.13 or Section 9.03 in a manner that would alter the pro rata sharing of payments required thereby without the written consent of each Lender directly affected thereby;

(v) change any provision of this Section 11.01(a) or the definition of "Required Lenders" without the written consent of each Lender directly affected thereby; or

(vi) release the Borrower or the Parent Entity without the written consent of each Lender.

(b) unless also signed by the Administrative Agent, no amendment, waiver or consent shall affect the rights or duties of the Administrative Agent under this Agreement or any other Loan Document.

Notwithstanding anything to the contrary herein:

(i) the Fee Letters may be amended, or rights or privileges thereunder waived, in a writing executed only by the parties thereto.

(ii) no Defaulting Lender shall have any right to approve or disapprove any amendment, waiver or consent hereunder (and any amendment, waiver or consent which by its terms requires the consent of all Lenders or each affected Lender may be effected with the consent of the applicable Lenders other than Defaulting Lenders), except that (x) the Commitment of any Defaulting Lender may not be increased or extended without the consent of such 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 disproportionately adversely relative to other affected Lenders shall require the consent of such Defaulting Lender.

(iii) each Lender is entitled to vote as such Lender sees fit on any bankruptcy reorganization plan that affects the Loans, and each Lender acknowledges that the provisions of Section 1126(c) of the Bankruptcy Code of the United States supersede the unanimous consent provisions set forth herein.

(iv) the Required Lenders shall determine whether or not to allow a Loan Party to use cash collateral in the context of a bankruptcy or insolvency proceeding and such determination shall be binding on all of the Lenders.

(v) amendments and waivers that affect solely the Lenders under Term Loan A-1 or any Incremental Term Loan (including waiver or modification of (x) conditions to extensions of credit under the relevant Term Loan and (y) the availability and conditions to funding of any Incremental Term Loan) and do not otherwise contradict the rights of Lenders under clause (a) of this Section 11.01: (1) shall only require the consent of those Lenders holding a majority of the outstanding Commitments and Loans with respect to Term Loan A-1 or Incremental Term Loan, as applicable and (2) any fees paid with respect to such amendment or waiver need only be offered pro rata to those Lenders whose consent is required.

(vi) any amendment entered into in order to effectuate an increase in Term Loan A-1 or to provide an Incremental Term Loan, in each case in accordance with Section 2.16, shall only require the consent of the Lenders providing such increase or Incremental Term Loan as long as the purpose of such amendment is solely to incorporate the appropriate provisions for such increase or Incremental Term Loan.

(vii) the Borrower may, by written notice to the Administrative Agent from time to time (and with the consent of the Administrative Agent, not to be unreasonably withheld), make one or more offers (each, a "Loan Modification Offer") to all the Lenders under a Term Loan to make one or more amendments or modifications to allow the maturity of such Loans of the accepting Lenders to be extended (and in connection therewith increase the Applicable Rate and/or fees payable with respect to such Loans of the accepting Lenders)

("Extension Amendments") pursuant to procedures reasonably specified by the Administrative Agent and reasonably acceptable to the Borrower. Such notice shall set forth (x) the terms and conditions of the requested Extension Amendment and (y) the date on which such Extension Amendment is requested to become effective. Extension Amendments shall become effective only with respect to the Loans of the Lenders that accept in writing the applicable Loan Modification Offer (such Lenders, the "Accepting Lenders") and, in the case of any Accepting Lender, only with respect to such Lender's Loans as to which such Lender's acceptance has been made. The Borrower, each other Loan Party and each Accepting Lender shall execute and deliver to the Administrative Agent such documentation (the "Loan Amendment") as the Administrative Agent shall reasonably specify to evidence the acceptance of the Extension Amendments and the terms and conditions thereof, and the Loan Parties shall also deliver such corporate resolutions, opinions and other documents as reasonably requested by the Administrative Agent. The Administrative Agent shall promptly notify each Lender as to the effectiveness of each Loan Amendment. Each of the parties hereto hereby agrees that upon the effectiveness of any Loan Amendment, this Agreement shall be deemed amended to the extent (but only to the extent) necessary to reflect the existence and terms of the Extension Amendment evidenced thereby and only with respect to the Loans of the Accepting Lenders as to which such Lenders' acceptance has been made and shall not contradict the rights of the Lenders under clause (a) of this Section 11.01 with respect to the Loans of non-Accepting Lenders.

11.02 Notices and Other Communications; Facsimile Copies.

(a) Notices Generally. Except in the case of notices and other communications expressly permitted to be given by telephone (and except as provided in subsection (b) below), all notices and other communications provided for herein shall be in writing and shall be delivered by hand or overnight courier service, mailed by certified or registered mail or sent by facsimile as follows, and all notices and other communications expressly permitted hereunder to be given by telephone shall be made to the applicable telephone number, as follows:

(i) if to the Borrower or any other Loan Party or the Administrative Agent, to the address, facsimile number, e-mail address or telephone number specified for such Person on Schedule 11.02; and

(ii) if to any other Lender, to the address, facsimile number, e-mail address or telephone number specified in its Administrative Questionnaire (including, as appropriate, notices delivered solely to the Person designated by a Lender on its Administrative Questionnaire then in effect for the delivery of notices that may contain material non-public information relating to the Borrower).

Notices and other communications sent by hand or overnight courier service, or mailed by certified or registered mail, shall be deemed to have been given when received; notices and other communications sent by facsimile or e-mail transmission shall be deemed to have been given when sent (except that, if not given during normal business hours for the recipient, shall be deemed to have been given at the opening of business on the next Business Day for the recipient). Notices and other communications delivered through electronic communications to the extent provided in subsection (b) below, shall be effective as provided in such subsection (b).

(b) Electronic Communications. Notices and other communications to the Lenders hereunder may be delivered or furnished by electronic communication (including e-mail address

and Internet or intranet websites) pursuant to procedures approved by the Administrative Agent, provided that the foregoing shall not apply to notices to any Lender pursuant to Article II if such Lender has notified the Administrative Agent that it is incapable of receiving notices under such Article by electronic communication. The Administrative Agent or the Borrower may each, in its discretion, agree to accept notices and other communications to it hereunder by electronic communications pursuant to procedures approved by it, provided that approval of such procedures may be limited to particular notices or communications.

Unless the Administrative Agent otherwise prescribes, (i) notices and other communications sent to an e-mail address shall be deemed received upon the sender's receipt of an acknowledgement from the intended recipient (such as by the "return receipt requested" function, as available, return e-mail or other written acknowledgement), and (ii) notices or communications posted to an Internet or intranet website shall be deemed received upon the deemed receipt by the intended recipient at its e-mail address as described in the foregoing clause (i) of notification that such notice or communication is available and identifying the website address therefor; provided that, for both clauses (i) and (ii), if such notice, email or other communication is not sent during the normal business hours of the recipient, such notice, email or communication shall be deemed to have been sent at the opening of business on the next Business Day for the recipient.

(c) The Platform. THE PLATFORM IS PROVIDED "AS IS" AND "AS AVAILABLE." THE AGENT PARTIES (AS DEFINED BELOW) DO NOT WARRANT THE ACCURACY OR COMPLETENESS OF THE BORROWER MATERIALS OR THE ADEQUACY OF THE PLATFORM, AND EXPRESSLY DISCLAIM LIABILITY FOR ERRORS IN OR OMISSIONS FROM THE BORROWER MATERIALS. NO WARRANTY OF ANY KIND, EXPRESS, IMPLIED OR STATUTORY, INCLUDING ANY WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT OF THIRD PARTY RIGHTS OR FREEDOM FROM VIRUSES OR OTHER CODE DEFECTS, IS MADE BY ANY AGENT PARTY IN CONNECTION WITH THE BORROWER MATERIALS OR THE PLATFORM. In no event shall the Administrative Agent or any of its Related Parties (collectively, the "Agent Parties") have any liability to the Borrower, any Lender or any other Person for losses, claims, damages, liabilities or expenses of any kind (whether in tort, contract or otherwise) arising out of the Borrower's, any Loan Party's or the Administrative Agent's transmission of Borrower Materials or any other Information through the Internet or any telecommunications, electronic or other information transmission systems.

(d) Change of Address, Etc. Each of the Borrower and the Administrative Agent may change its address, facsimile or telephone number for notices and other communications hereunder by notice to the other parties hereto. Each other Lender may change its address, facsimile or telephone number or e-mail address for notices and other communications hereunder by notice to the Borrower and the Administrative Agent. In addition, each Lender agrees to notify the Administrative Agent from time to time to ensure that the Administrative Agent has on record (i) an effective address, contact name, telephone number, facsimile number and e-mail address to which notices and other communications may be sent and (ii) accurate wire instructions for such Lender. Furthermore, each Public Lender agrees to cause at least one individual at or on behalf of such Public Lender to at all times have selected the "Private Side Information" or similar designation on the content declaration screen of the Platform in order to enable such Public Lender or its delegate, in accordance with such Public Lender's compliance procedures and applicable Law, including United States federal and state securities Laws, to make reference to Borrower Materials that are not made available through the "Public Side Information" portion of the Platform and that may contain material non-public

information with respect to the Borrower or its securities for purposes of United States federal or state securities laws.

(e) Reliance by Administrative Agent and Lenders. The Administrative Agent and the Lenders shall be entitled to rely and act upon any notices (including telephonic or electronic Loan Notices) purportedly given by or on behalf of any Loan Party even if (i) such notices were not made in a manner specified herein, were incomplete or were not preceded or followed by any other form of notice specified herein, or (ii) the terms thereof, as understood by the recipient, varied from any confirmation thereof. The Loan Parties shall indemnify the Administrative Agent, each Lender and the Related Parties of each of them from all losses, costs, expenses and liabilities resulting from the reliance by such Person on each notice purportedly given by or on behalf of a Loan Party. All telephonic notices to and other telephonic communications with the Administrative Agent may be recorded by the Administrative Agent, and each of the parties hereto hereby consents to such recording.

11.03 No Waiver; Cumulative Remedies; Enforcement.

No failure by any Lender or the Administrative Agent to exercise, and no delay by any such Person in exercising, any right, remedy, power or privilege hereunder or under any other Loan Document shall operate as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege. The rights, remedies, powers and privileges herein provided, and provided under each other Loan Document, are cumulative and not exclusive of any rights, remedies, powers and privileges provided by law.

Notwithstanding anything to the contrary contained herein or in any other Loan Document, the authority to enforce rights and remedies hereunder and under the other Loan Documents against the Loan Parties or any of them shall be vested exclusively in, and all actions and proceedings at law in connection with such enforcement shall be instituted and maintained exclusively by, the Administrative Agent in accordance with Section 10.01 for the benefit of all the Lenders; provided, however, that the foregoing shall not prohibit (a) the Administrative Agent from exercising on its own behalf the rights and remedies that inure to its benefit (solely in its capacity as Administrative Agent) hereunder and under the other Loan Documents, (b) any Lender from exercising setoff rights in accordance with Section 11.08 (subject to the terms of Section 2.13), or (c) any Lender from filing proofs of claim or appearing and filing pleadings on its own behalf during the pendency of a proceeding relative to any Loan Party under any Debtor Relief Law; and provided, further, that if at any time there is no Person acting as Administrative Agent hereunder and under the other Loan Documents, then (i) the Required Lenders shall have the rights otherwise ascribed to the Administrative Agent pursuant to Section 10.01 and (ii) in addition to the matters set forth in clauses (b) and (c) of the preceding proviso and subject to Section 2.13, any Lender may, with the consent of the Required Lenders, enforce any rights and remedies available to it and as authorized by the Required Lenders.

11.04 Expenses; Indemnity; and Damage Waiver.

(a) Costs and Expenses. The Loan Parties shall pay (i) all reasonable and documented out-of-pocket expenses incurred by the Administrative Agent and its Affiliates (including the reasonable and documented fees, charges and disbursements of one counsel for the Administrative Agent) in connection with the syndication of the credit facilities provided for herein, the preparation, negotiation, execution, delivery and administration of this Agreement and the other Loan Documents or any amendments, modifications or waivers of the provisions hereof or thereof (whether or not the transactions contemplated hereby or thereby shall be consummated) and (ii) all reasonable and

documented out-of-pocket expenses incurred by the Administrative Agent or any Lender (including the reasonable fees, charges and disbursements of one counsel for the Administrative Agent, any Lender) taken as a whole (unless (x) a conflict exists as determined in the good faith judgment of each affected Lender, in which case(s) the reasonable and documented fees, charges and disbursements of one reasonably necessary additional counsel for each such affected Lender shall be covered, or (y) a special counsel is necessary as determined in the good faith judgment of the Administrative Agent, in which case(s) the reasonable and documented fees, charges and disbursements of one reasonably necessary special counsel for the Administrative Agent shall be covered), in connection with the enforcement or protection of its rights (A) in connection with this Agreement and the other Loan Documents, including its rights under this Section, or (B) in connection with the Loans made hereunder, including all such reasonable and documented out-of-pocket expenses incurred during any workout, restructuring or negotiations in respect of such Loans.

(b) Indemnification by the Loan Parties. The Loan Parties shall indemnify the Administrative Agent (and any sub-agent thereof), each Lender 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 reasonable fees, charges and disbursements of one counsel for all Indemnitees, plus, (x) in the event of a conflict of interest as determined in the good faith judgment of each affected Indemnitee, one additional counsel for all such affected Indemnitees (taken together with all similarly situated Indemnitees) and (y) in the event that a special counsel is necessary as determined in the good faith judgment of the Administrative Agent, one additional counsel for Administrative Agent), incurred by any Indemnitee or asserted against any Indemnitee by any Person (including the Borrower or any other Loan Party) arising out of, in connection with, or as a result of (i) the execution or delivery of this Agreement, any other Loan Document or any agreement or instrument contemplated hereby or thereby, the performance by the parties hereto of their respective obligations hereunder or thereunder or the consummation of the transactions contemplated hereby or thereby, or, in the case of the Administrative Agent (and any sub-agent thereof) and its Related Parties only, the administration of this Agreement and the other Loan Documents, (ii) any Loan or the use or proposed use of the proceeds therefrom, (iii) any actual or alleged presence or release of Hazardous Materials on or from any property owned or operated by a Loan Party or any of its Subsidiaries, or any Environmental Liability related in any way to a Loan Party or any of its Subsidiaries, or (iv) any actual or prospective claim, litigation, investigation or proceeding relating to any of the foregoing, whether based on contract, tort or any other theory, whether brought by a third party or by the Borrower or any other Loan Party, and regardless of whether any Indemnitee is a party thereto, in all cases, whether or not caused by or arising, in whole or in part, out of the comparative, contributory or sole negligence of the Indemnitee; 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 the Borrower or any other Loan Party against an Indemnitee for breach in bad faith of such Indemnitee's obligations hereunder or under any other Loan Document, if the Borrower or such other Loan Party has obtained a final and nonappealable judgment in its favor on such claim as determined by a court of competent jurisdiction. Without limiting the provisions of Section 3.01(c), this Section 11.04(b) shall not apply with respect to Taxes other than any Taxes that represent losses, claims, damages, etc. arising from any non-Tax claim.

(c) Reimbursement by Lenders. To the extent that the Loan Parties for any reason fail to indefeasibly pay any amount required under subsection (a) or (b) of this Section to be paid

by them to the Administrative Agent (or any sub-agent thereof) or any Related Party of any of the foregoing, each Lender severally agrees to pay to the Administrative Agent (or any such sub-agent) 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 sum of the aggregate unpaid principal amount of the Term Loans then outstanding, such payment to be made severally among them based on such Lenders' Applicable Percentages (determined as of the time that the applicable unreimbursed expense or indemnity payment is sought), 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), 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), in connection with such capacity. The obligations of the Lenders under this subsection (c) are subject to the provisions of Section 2.12(d).

(d) Waiver of Consequential Damages, Etc. To the fullest extent permitted by applicable law, no Loan Party shall assert, and each Loan Party hereby waives, and acknowledges that no other Person shall have, 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 Loan Document or any agreement or instrument contemplated hereby, the transactions contemplated hereby or thereby, any Loan or the use of the proceeds thereof. No Indemnitee referred to in subsection (b) above shall be liable for any damages arising from the use by unintended recipients of any information or other materials distributed by it through telecommunications, electronic or other information transmission systems in connection with this Agreement or the other Loan Documents or the transactions contemplated hereby or thereby. No Loan Party shall be liable for any 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 Loan Document or any agreement or instrument contemplated hereby, the transactions contemplated hereby or thereby, any Loan or the use of proceeds thereof.

(e) Payments. All amounts due under this Section shall be payable not later than ten Business Days after demand therefor.

(f) Survival. The agreements in this Section and the indemnity provisions of Section 11.02(e) shall survive the resignation of the Administrative Agent, the replacement of any Lender, the termination of the Commitments and the repayment, satisfaction or discharge of all the other Obligations.

11.05 Payments Set Aside.

To the extent that any payment by or on behalf of any Loan Party is made to the Administrative Agent or any Lender, or the Administrative Agent or any Lender exercises its right of setoff, and such payment or the proceeds of such setoff or any part thereof is subsequently invalidated, declared to be fraudulent or preferential, set aside or required (including pursuant to any settlement entered into by the Administrative Agent or such Lender in its discretion) to be repaid to a trustee, receiver or any other party, in connection with any proceeding under any Debtor Relief Law or otherwise, then (a) to the extent of such recovery, the obligation or part thereof originally intended to be satisfied shall be revived and continued in full force and effect as if such payment had not been made or such setoff had not occurred, and (b) each Lender severally agrees to pay to the Administrative Agent upon demand its applicable share (without duplication) of any amount so recovered from or repaid by the Administrative Agent, plus interest thereon from the date of such demand to the date such payment is made at a rate per annum equal

to the Federal Funds Rate from time to time in effect. The obligations of the Lenders under clause (b) of the preceding sentence shall survive the payment in full of the Obligations and the termination of this Agreement.

11.06 Successors and Assigns.

(a) Successors and Assigns Generally. The provisions of this Agreement and the other Loan Documents shall be binding upon and inure to the benefit of the parties hereto and thereto and their respective successors and assigns permitted hereby, except that the Borrower may not assign or otherwise transfer any of its rights or obligations hereunder or thereunder without the prior written consent of the Administrative Agent and each Lender and no Lender may assign or otherwise transfer any of its rights or obligations hereunder except (i) to an assignee in accordance with the provisions of subsection (b) of this Section, (ii) by way of participation in accordance with the provisions of subsection (d) of this Section or (iii) by way of pledge or assignment of a security interest subject to the restrictions of subsection (e) of this Section (and any other attempted assignment or transfer by any party hereto shall be null and void). Nothing in this Agreement, expressed or implied, shall be construed to confer upon any Person (other than the parties hereto, their respective successors and assigns permitted hereby, Participants to the extent provided in subsection (d) of this Section and, to the extent expressly contemplated hereby, the Related Parties of each of the Administrative Agent and the Lenders) any legal or equitable right, remedy or claim under or by reason of this Agreement.

(b) Assignments by Lenders. Any Lender may at any time assign to one or more assignees all or a portion of its rights and obligations under this Agreement and the other Loan Documents (including all or a portion of its Commitment and the Loans at the time owing to it); provided that any such assignment shall be subject to the following conditions:

(i) Minimum Amounts.

(A) in the case of an assignment of the entire remaining amount of the assigning Lender's Commitment and/or the Loans at the time owing to it or contemporaneous assignments to related Approved Funds that equal at least the amount specified in paragraph (b)(i)(B) of this Section in the aggregate or in the case of an assignment to a Lender, an Affiliate of a Lender or an Approved Fund, no minimum amount need be assigned; and

(B) in any case not described in subsection (b)(i)(A) of this Section, the aggregate amount of the Commitment (which for this purpose includes Loans outstanding thereunder) or, if the Commitment is not then in effect, the principal outstanding balance of the Loans of the assigning Lender subject to each such assignment, determined as of the date the Assignment and Assumption with respect to such assignment is delivered to the Administrative Agent or, if "Trade Date" is specified in the Assignment and Assumption, as of the Trade Date, shall not be less than $5,000,000 unless each of the Administrative Agent and, so long as no Event of Default has occurred and is continuing, the Borrower otherwise consents (each such consent not to be unreasonably withheld or delayed).

(ii) Proportionate Amounts. Each partial assignment shall be made as an assignment of a proportionate part of all the assigning Lender's Loans and Commitments, and rights and obligations with respect thereto assigned.

(iii) Required Consents. No consent shall be required for any assignment except to the extent required by subsection (b)(i)(B) of this Section and, in addition:

(A) the consent of the Borrower (such consent not to be unreasonably withheld or delayed) shall be required unless (1) an Event of Default has occurred and is continuing at the time of such assignment or (2) such assignment is to a Lender, an Affiliate of a Lender or an Approved Fund; and

(B) the consent of the Administrative Agent (such consent not to be unreasonably withheld or delayed) shall be required for assignments to a Person that is not a Lender, an Affiliate of such Lender or an Approved Fund with respect to such Lender.

(iv) Assignment and Assumption. The parties to each assignment shall execute and deliver to the Administrative Agent an Assignment and Assumption, together with a processing and recordation fee in the amount of $3,500; provided, however, that the Administrative Agent may, in its sole discretion, elect to waive such processing and recordation fee in the case of any assignment. The assignee, if it is not a Lender, shall deliver to the Administrative Agent an Administrative Questionnaire.

(v) No Assignment to Certain Persons. No such assignment shall be made (A) to the Borrower or any of the Borrower's Affiliates or Subsidiaries, (B) to any Defaulting Lender or any of its Subsidiaries, or any Person who, upon becoming a Lender hereunder, would constitute any of the foregoing Persons described in this clause (B) or (C) to a natural Person.

(vi) Certain Additional Payments. In connection with any assignment of rights and obligations of any Defaulting Lender hereunder, no such assignment shall be effective unless and until, in addition to the other conditions thereto set forth herein, the parties to the assignment shall make such additional payments to the Administrative Agent in an aggregate amount sufficient, upon distribution thereof as appropriate (which may be outright payment, purchases by the assignee of participations or subparticipations, or other compensating actions, including funding, with the consent of the Borrower and the Administrative Agent, the applicable pro rata share of Loans previously requested but not funded by the Defaulting Lender, to each of which the applicable assignee and assignor hereby irrevocably consent), to (x) pay and satisfy in full all payment liabilities then owed by such Defaulting Lender to the Administrative Agent or any Lender hereunder (and interest accrued thereon) and (y) acquire (and fund as appropriate) its full pro rata share of all Loans in accordance with its Applicable Percentage. Notwithstanding the foregoing, in the event that any assignment of rights and obligations of any Defaulting Lender hereunder shall become effective under applicable Law without compliance with the provisions of this paragraph, then the assignee of such interest shall be deemed to be a Defaulting Lender for all purposes of this Agreement until such compliance occurs.

Subject to acceptance and recording thereof by the Administrative Agent pursuant to subsection (c) of this Section, from and after the effective date specified in each Assignment and Assumption, the assignee thereunder shall be a party to this Agreement and, to the extent of the interest assigned by such Assignment and Assumption, have the rights and obligations of a Lender under this Agreement, and the assigning Lender thereunder shall, to the extent of the

interest assigned by such Assignment and Assumption, be released from its obligations under this Agreement (and, in the case of an Assignment and Assumption covering all of the assigning Lender's rights and obligations under this Agreement, such Lender shall cease to be a party hereto) but shall continue to be entitled to the benefits of Sections 3.01, 3.04, 3.05 and 11.04 with respect to facts and circumstances occurring prior to the effective date of such assignment; provided, that except to the extent otherwise expressly agreed by the affected parties, no assignment by a Defaulting Lender will constitute a waiver or release of any claim of any party hereunder arising from that Lender's having been a Defaulting Lender. Upon request, the Borrower (at its expense) shall execute and deliver a Note to the assignee Lender. Any assignment or transfer by a Lender of rights or obligations under this Agreement that does not comply with this subsection shall be treated for purposes of this Agreement as a sale by such Lender of a participation in such rights and obligations in accordance with subsection (d) of this Section.

(c) Register. The Administrative Agent, acting solely for this purpose as an agent of the Borrower, shall maintain at the Administrative Agent's Office a copy of each Assignment and Assumption delivered to it (or the equivalent thereof in electronic form) and a register for the recordation of the names and addresses of the Lenders, and the Commitments of, and principal amounts (and stated interest) of the Loans owing to, each Lender pursuant to the terms hereof from time to time (the "Register"). The entries in the Register shall be conclusive absent manifest error, and the Borrower, the Administrative Agent and the Lenders shall treat each Person whose name is recorded in the Register pursuant to the terms hereof as a Lender hereunder for all purposes of this Agreement. The Register shall be available for inspection by the Borrower and any Lender, at any reasonable time and from time to time upon reasonable prior notice.

(d) Participations. Any Lender may at any time, without the consent of, or notice to, the Borrower or the Administrative Agent, sell participations to any Person (other than a natural Person, a Defaulting Lender or the Borrower or any of the Borrower's Affiliates or Subsidiaries) (each, a "Participant") in all or a portion of such Lender's rights and/or obligations under this Agreement (including all or a portion of its Commitment and/or the Loans owing to it); provided that (i) such Lender's obligations under this Agreement shall remain unchanged, (ii) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations and (iii) the Borrower, the Administrative Agent, 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 11.04(c) without regard to the existence of any participation.

Any agreement or instrument pursuant to which a Lender sells such a participation shall provide that such Lender shall retain the sole right to enforce this Agreement and to approve any amendment, modification or waiver of any provision of this Agreement; provided that such agreement or instrument may provide that such Lender will not, without the consent of the Participant, agree to any amendment, waiver or other modification described in clauses (i) through (vi) of Section 11.01(a) that affects such Participant. The Borrower agrees that each Participant shall be entitled to the benefits of Sections 3.01, 3.04 and 3.05 to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to subsection (b) of this Section (subject to the requirements and limitations therein, including the requirements under Section 3.01(e) and it being understood that the documentation required under Section 3.01(e) shall be delivered to the Lender who sells the participation); provided that such Participant (A) agrees to be subject to the provisions of Sections 3.06 and 11.13 as if it were an assignee under paragraph (b) of this Section and (B) shall not be entitled to receive any greater payment under

Sections 3.01 or 3.04, with respect to any participation, than the Lender from whom it acquired the applicable participation would have been entitled to receive, except to the extent such entitlement to receive a greater payment results from a Change in Law that occurs after the Participant acquired the applicable participation. Each Lender that sells a participation agrees, at the Borrower's request and expense, to use reasonable efforts to cooperate with the Borrower to effectuate the provisions of Section 3.06 with respect to any Participant. To the extent permitted by law, each Participant also shall be entitled to the benefits of Section 11.08 as though it were a Lender, provided such Participant agrees to be subject to Section 2.13 as though it were a Lender. Each Lender that sells a participation shall, acting solely for this purpose as an agent of the Borrower, maintain a register on which it enters the name and address of each Participant and the principal amounts (and stated interest) of each Participant's interest in the Loans or other obligations under the Loan Documents (the "Participant Register"); provided that no Lender shall have any obligation to disclose all or any portion of the Participant Register (including the identity of any Participant or any information relating to a Participant's interest in any commitments, loans, or its other obligations under any Loan Document) to any Person except to the extent that such disclosure is necessary to establish that such commitment, loan, 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.

(e) Certain Pledges. Any Lender may at any time pledge or assign a security interest in all or any portion of its rights under this Agreement (including under its Note, if any) to secure obligations of such Lender, including any pledge or assignment to secure obligations to a Federal Reserve Bank; provided that no such pledge or assignment shall release such Lender from any of its obligations hereunder or substitute any such pledgee or assignee for such Lender as a party hereto.

11.07 Treatment of Certain Information; Confidentiality.

(a) Treatment of Confidential Information. Each of the Administrative Agent and the Lenders agrees 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 regulations or by any subpoena or similar legal process, (d) to any other party hereto, (e) in connection with the exercise of any remedies hereunder or under any other Loan Document or any action or proceeding relating to this Agreement or any other Loan Document or the enforcement of rights hereunder or thereunder, (f) subject to an agreement containing provisions substantially the same as those of this Section, to (i) any assignee of or Participant in, or any prospective assignee of or Participant in, any of its rights and obligations under this Agreement or (ii) 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 a Loan Party and its obligations, this Agreement or payments hereunder, (g) on a confidential basis to (i) any rating agency in connection with rating the Borrower or its Subsidiaries or the credit facilities provided hereunder or (ii) the CUSIP Service Bureau or any similar agency in connection with the issuance and monitoring of CUSIP numbers or other market identifiers with respect to the credit facilities provided hereunder, (h) with the consent of the Borrower or (i) to the extent such Information (x) becomes publicly available other than as a result of a breach of this Section or (y)

becomes available to the Administrative Agent or any Lender or any of their respective Affiliates on a nonconfidential basis from a source other than the Borrower. For purposes of this Section, "Information" means all information received from a Loan Party or any Subsidiary relating to the Loan Parties or any Subsidiary or any of their respective businesses, other than any such information that is available to the Administrative Agent or any Lender on a nonconfidential basis prior to disclosure by such Loan Party or any Subsidiary, provided that, in the case of information received from a Loan Party or any Subsidiary 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.

(b) Non-Public Information. Each of the Administrative Agent and the Lenders acknowledges that (a) the Information may include material non-public information concerning the Borrower or a Subsidiary, as the case may be, (b) it has developed compliance procedures regarding the use of material non-public information and (c) it will handle such material non-public information in accordance with applicable Law, including United States Federal and state securities Laws.

11.08 Set-off.

If an Event of Default shall have occurred and be continuing, each Lender and each of their respective Affiliates is hereby authorized at any time and from time to time, after obtaining the prior written consent of the Administrative Agent, to the fullest extent permitted by applicable law, to set off and apply any and all deposits (general or special, time or demand, provisional or final, in whatever currency) at any time held and other obligations (in whatever currency) at any time owing by such Lender or any such Affiliate to or for the credit or the account of the Borrower or any other Loan Party against any and all of the obligations of the Borrower or such Loan Party now or hereafter existing under this Agreement or any other Loan Document to such Lender or their respective Affiliates, irrespective of whether or not such Lender or Affiliate shall have made any demand under this Agreement or any other Loan Document and although such obligations of the Borrower or such Loan Party may be contingent or unmatured or are owed to a branch office or Affiliate of such Lender 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, (x) all amounts so set off shall be paid over immediately to the Administrative Agent for further application in accordance with the provisions of Section 2.15 and, pending such payment, shall be segregated by such Defaulting Lender from its other funds and deemed held in trust for the benefit of the Administrative Agent and the Lenders and (y) the Defaulting Lender shall provide promptly to the Administrative Agent a statement describing in reasonable detail the Obligations owing to such Defaulting Lender as to which it exercised such right of setoff. The rights of each Lender and their respective Affiliates under this Section are in addition to other rights and remedies (including other rights of setoff) that such Lender or their respective Affiliates may have. Each Lender agrees to notify the Borrower 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.

11.09 Interest Rate Limitation.

Notwithstanding anything to the contrary contained in any Loan Document, the interest paid or agreed to be paid under the Loan Documents shall not exceed the maximum rate of non-usurious interest permitted by applicable Law (the "Maximum Rate"). If the Administrative Agent or any Lender shall receive interest in an amount that exceeds the Maximum Rate, the excess interest shall be applied to the principal of the Loans or, if it exceeds such unpaid principal, refunded to the Borrower. In determining whether the interest contracted for, charged, or received by the Administrative Agent or a Lender exceeds the Maximum Rate, such Person may, to the extent permitted by applicable Law, (a) characterize any payment that is not principal as an expense, fee, or premium rather than interest, (b) exclude voluntary prepayments and the effects thereof, and (c) amortize, prorate, allocate, and spread in equal or unequal parts the total amount of interest throughout the contemplated term of the Obligations hereunder.

11.10 Counterparts; Integration; Effectiveness.

This Agreement may be executed in counterparts (and by different parties hereto in different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. This Agreement, the other Loan Documents, and any separate letter agreements with respect to fees payable to the Administrative Agent or any Arranger, constitute the entire contract among the parties relating to the subject matter hereof and supersede any and all previous agreements and understandings, oral or written, relating to the subject matter hereof. Except as provided in Section 5.01, this Agreement shall become effective when it shall have been executed by the 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 by facsimile or other electronic imaging means (e.g. "pdf" or "tif") shall be effective as delivery of a manually executed counterpart of this Agreement.

11.11 Survival of Representations and Warranties.

All representations and warranties made hereunder and in any other Loan Document or other document delivered pursuant hereto or thereto or in connection herewith or therewith shall survive the execution and delivery hereof and thereof. Such representations and warranties have been or will be relied upon by the Administrative Agent and each Lender, regardless of any investigation made by the Administrative Agent or any Lender or on their behalf and notwithstanding that the Administrative Agent or any Lender may have had notice or knowledge of any Default at the time of any Credit Extension, and shall continue in full force and effect as long as any Loan or any other Obligation hereunder shall remain unpaid or unsatisfied.

11.12 Severability.

If any provision of this Agreement or the other Loan Documents is held to be illegal, invalid or unenforceable, (a) the legality, validity and enforceability of the remaining provisions of this Agreement and the other Loan Documents shall not be affected or impaired thereby and (b) the parties shall endeavor in good faith negotiations to replace the illegal, invalid or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the illegal, invalid or unenforceable provisions. The invalidity of a provision in a particular jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction. Without limiting the foregoing provisions of this Section 11.12, if and to the extent that the enforceability of any provisions in this Agreement relating to Defaulting Lenders shall be limited by Debtor Relief Laws, as determined in good faith by the Administrative Agent, then such provisions shall be deemed to be in effect only to the extent not so limited.

11.13 Replacement of Lenders.

If the Borrower is entitled to replace a Lender pursuant to the provisions of Section 3.06, or if any Lender is a Defaulting Lender or a Non-Consenting Lender, then the Borrower may, at its 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 11.06), all of its interests, rights (other than its existing rights to payments pursuant to Sections 3.01 and 3.04) and obligations under this Agreement and the related Loan Documents to an Eligible Assignee that shall assume such obligations (which assignee may be another Lender, if a Lender accepts such assignment), provided that:

(a) the Borrower shall have paid to the Administrative Agent the assignment fee (if any) specified in Section 11.06(b);

(b) such Lender shall have received payment of an amount equal to one hundred percent (100%) of the outstanding principal of its Loans, accrued interest thereon, accrued fees and all other amounts payable to it hereunder and under the other Loan Documents (including any amounts under Section 3.05) from the assignee (to the extent of such outstanding principal and accrued interest and fees) or the Borrower (in the case of all other amounts);

(c) in the case of any such assignment resulting from a claim for compensation under Section 3.04 or payments required to be made pursuant to Section 3.01, such assignment will result in a reduction in such compensation or payments thereafter;

(d) such assignment does not conflict with applicable Laws; and

(e) in the case of any such assignment resulting from a Non-Consenting Lender's failure to consent to a proposed change, waiver, discharge or termination with respect to any Loan Document, the applicable replacement bank, financial institution or Fund consents to the proposed change, waiver, discharge or termination; provided that the failure by such Non-Consenting Lender to execute and deliver an Assignment and Assumption shall not impair the validity of the removal of such Non-Consenting Lender and the mandatory assignment of such Non-Consenting Lender's Commitments and outstanding Loans pursuant to this Section 11.13 shall nevertheless be effective without the execution by such Non-Consenting Lender of an Assignment and Assumption.

A Lender shall not be required to make any such assignment or delegation if, prior thereto, as a result of a waiver by such Lender or otherwise, the circumstances entitling the Borrower to require such assignment and delegation cease to apply.

11.14 Governing Law; Jurisdiction; Etc.

(a) GOVERNING LAW. This Agreement and the other Loan Documents shall be governed by, and construed in accordance with, the law of the State of NEW YORK.

(b) SUBMISSION TO JURISDICTION. THE BORROWER AND EACH OTHER 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 FOREGOING IN ANY WAY RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT OR THE TRANSACTIONS RELATING HERETO OR

THERETO, IN ANY OTHER 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 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.

(c) WAIVER OF VENUE. THE BORROWER AND EACH OTHER 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 AGREEMENT OR ANY OTHER LOAN DOCUMENT IN ANY COURT REFERRED TO IN PARAGRAPH (B) OF THIS SECTION. EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, THE DEFENSE OF AN INCONVENIENT FORUM TO THE MAINTENANCE OF SUCH ACTION OR PROCEEDING IN ANY SUCH COURT.

(d) SERVICE OF PROCESS. EACH PARTY HERETO IRREVOCABLY CONSENTS TO SERVICE OF PROCESS IN THE MANNER PROVIDED FOR NOTICES IN SECTION 11.02. NOTHING IN THIS AGREEMENT WILL AFFECT THE RIGHT OF ANY PARTY HERETO TO SERVE PROCESS IN ANY OTHER MANNER PERMITTED BY APPLICABLE LAW.

11.15 Waiver of Right to Trial by Jury.

EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PERSON HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PERSON WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

11.16 Electronic Execution of Assignments and Certain Other Documents.

The words “execute,” “execution,” “signed,” “signature” and words of like import in any Assignment and Assumption or in any amendment or other modification hereof (including waivers and consents) shall be deemed to include electronic signatures, the electronic matching of assignment terms and contract formations on electronic platforms approved by the Administrative Agent, 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.

11.17 USA PATRIOT Act.

Each Lender that is subject to the Act (as hereinafter defined) and the Administrative Agent (for itself and not on behalf of any Lender) hereby notifies the Borrower that pursuant to the requirements of the USA Patriot Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)) (the "Patriot Act"), it is required to obtain, verify and record information that identifies the Borrower, which information includes the name and address of the Borrower and other information that will allow such Lender or the Administrative Agent, as applicable, to identify the Borrower in accordance with the Patriot Act. The Borrower shall, promptly following a request by the Administrative Agent or any Lender, provide all documentation and other information that the Administrative Agent or such Lender requests in order to comply with its ongoing obligations under applicable "know your customer" and anti-money laundering rules and regulations, including the Patriot Act.

11.18 No Advisory or Fiduciary Relationship.

In connection with all aspects of each transaction contemplated hereby (including in connection with any amendment, waiver or other modification hereof or of any other Loan Document), the Borrower acknowledges and agrees, and acknowledges its Affiliates' understanding, that: (a)(i) the arranging and other services regarding this Agreement provided by the Administrative Agent, the Arrangers, and the Lenders are arm's-length commercial transactions between the Borrower and its Affiliates, on the one hand, and the Administrative Agent, the Arrangers and the Lenders on the other hand, (ii) the Borrower has consulted its own legal, accounting, regulatory and tax advisors to the extent it has deemed appropriate, and (iii) the Borrower is capable of evaluating, and understands and accepts, the terms, risks and conditions of the transactions contemplated hereby and by the other Loan Documents; (b)(i) the Administrative Agent, each Arranger and each Lender is and has been acting solely as a principal and, except as expressly agreed in writing by the relevant parties, has not been, is not and will not be acting as an advisor, agent or fiduciary, for the Borrower or any of Affiliates or any other Person and (ii) neither the Administrative Agent nor any Lender or Arranger has any obligation to the Borrower or any of its Affiliates with respect to the transactions contemplated hereby except those obligations expressly set forth herein and in the other Loan Documents; and (c) the Administrative Agent, the Arrangers and the Lenders and their respective Affiliates may be engaged in a broad range of transactions that involve interests that differ from those of the Borrower and its Affiliates, and neither the Administrative Agent nor any Lender or Arranger has any obligation to disclose any of such interests to the Borrower or its Affiliates. To the fullest extent permitted by law, the Borrower hereby waives and releases, any claims that it may have against the Administrative Agent or any Lender or Arranger with respect to any breach or alleged breach of agency or fiduciary duty in connection with any aspect of any transaction contemplated hereby.

11.19 Acknowledgement and Consent to Bail-In of EEA Financial Institutions.

Notwithstanding anything to the contrary in any Loan Document or in any other agreement, arrangement or understanding among any such parties, each party hereto acknowledges that any liability of any Lender that is an EEA Financial Institution arising under any Loan Document, to the extent such liability is unsecured, may be subject to the write-down and conversion powers of an EEA Resolution Authority and agrees and consents to, and acknowledges and agrees to be bound by:

(a) the application of any Write-Down and Conversion Powers by an EEA Resolution Authority to any such liabilities arising hereunder which may be payable to it by any Lender that is an EEA Financial Institution; and

(b) the effects of any Bail-in Action on any such liability, including, if applicable:

(i) a reduction in full or in part or cancellation of any such liability;

(ii) a conversion of all, or a portion of, such liability into shares or other instruments of ownership in such EEA Financial Institution, its parent undertaking, or a bridge institution that may be issued to it or otherwise conferred on it, and that such shares or other instruments of ownership will be accepted by it in lieu of any rights with respect to any such liability under this Agreement or any other Loan Document; or

(c) the variation of the terms of such liability in connection with the exercise of the write-down and conversion powers of any EEA Resolution Authority.

11.20 ERISA Issues.

Each Lender as of the Closing Date represents and warrants as of the Closing Date to the Administrative Agent and the Arrangers and their respective Affiliates, and not, for the avoidance of doubt, for the benefit of the Borrower or any other Loan Party, that such Lender is not and will not be (i) an employee benefit plan subject to Title I of ERISA; (ii) a plan or account subject to Section 4975 of the Code; (iii) an entity deemed to hold "plan assets" of any such plans or accounts for purposes of ERISA or the Code; or (iv) a "governmental plan" within the meaning of ERISA.

[SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the date first above written.

BORROWER: PHILLIPS EDISON GROCERY CENTER OPERATING PARTNERSHIP I, L.P.,
a Delaware limited partnership

By: Phillips Edison Grocery Center OP GP I LLC, a Delaware limited liability company,
its General Partner

By: */s/ John Caulfield*
Name: John Caulfield
Title: Vice President

GUARANTORS: PHILLIPS EDISON GROCERY CENTER REIT I, INC.,
a Maryland corporation

By: */s/ John Caulfield*
Name: John Caulfield
Title: Vice President

ADMINISTRATIVE AGENT:

KEYBANK NATIONAL ASSOCIATION,
as Administrative Agent

By: */s/ Michael P. Szuba*
Name: Michael P. Szuba
Title: Vice President

LENDERS:

KEYBANK NATIONAL ASSOCIATION,
as a Lender

By: */s/ Michael P. Szuba*
Name: Michael P. Szuba
Title: Vice President

PNC BANK, NATIONAL ASSOCIATION,
as a Lender

By: */s/ Brian B. Fagan*
Name: Brian B. Fagan
Title: Senior Vice President

CAPITAL ONE, NATIONAL ASSOCIATION

By: */s/ Barbara Heubner*
Name: Barbara Heubner
Title: Vice President

FIFTH THIRD BANK

By: */s/ Michael P. Perillo*
Name: Michael P. Perillo
Title: Vice President

REGIONS BANK

By: */s/ C. Vincent Hughes, Jr.*
Name: C. Vincent Hughes, Jr.
Title: Vice President

U.S. BANK, NATIONAL ASSOCIATION

By: */s/ Melissa Casto*
Name: Melissa M. Casto
Title: Senior Vice President

BRANCH BANKING AND TRUST COMPANY

By: */s/ Kenneth M. Blackwell*
Name: Kenneth M. Blackwell
Title: Senior Vice President

FIRST MERCHANTS BANK

By: */s/ Authorized Signatory*
Name: Authorized Signatory
Title:

FIRST FINANCIAL BANK

By: */s/ Nick Buten*
Name: Nick Buten
Title:

CREDIT AGREEMENT

Dated as of October 4, 2017

among

PHILLIPS EDISON GROCERY CENTER OPERATING PARTNERSHIP I, L.P.
as the Borrower,

PHILLIPS EDISON GROCERY CENTER REIT I, INC.
as the Parent Entity

WELLS FARGO BANK, NATIONAL ASSOCIATION,
as Administrative Agent,

PNC BANK, NATIONAL ASSOCIATION,
BANK OF AMERICA, N.A.
and
JPMORGAN CHASE BANK, N.A.
as Co-Syndication Agents,

KEYBANK NATIONAL ASSOCIATION,
REGIONS BANK,
U.S. BANK, NATIONAL ASSOCIATION
and
CITIBANK, N.A.,
as Co-Documentation Agents

and

THE OTHER LENDERS PARTY HERETO

WELLS FARGO SECURITIES LLC,
PNC CAPITAL MARKETS LLC,
MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED
and
JPMORGAN CHASE BANK, N.A.
as Joint Lead Arrangers
and

WELLS FARGO SECURITIES, LLC
and
PNC CAPITAL MARKETS LLC,
as Joint Bookrunners

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SCHEDULES

EXHIBITS

CREDIT AGREEMENT

This CREDIT AGREEMENT is entered into as of October 4, 2017 among PHILLIPS EDISON GROCERY CENTER OPERATING PARTNERSHIP I, L.P., a Delaware limited partnership (the "Borrower"), PHILLIPS EDISON GROCERY CENTER REIT I, INC. (or its successors as permitted hereunder), the other Guarantors (defined herein), the Lenders (defined herein) and WELLS FARGO BANK, NATIONAL ASSOCIATION, as Administrative Agent.

The Borrower has requested that the Lenders provide a term loan credit facility in an initial aggregate principal amount of $375,000,000 for the purposes set forth herein, and the Lenders are willing to do so on the terms and conditions set forth herein.

In consideration of the mutual covenants and agreements herein contained, the parties hereto covenant and agree as follows:

ARTICLE I

DEFINITIONS AND ACCOUNTING TERMS

1.01 Defined Terms.

As used in this Agreement, the following terms shall have the meanings set forth below:

"Adjusted EBITDA" means (i) Consolidated EBITDA for the most recently ended period of four fiscal quarters minus (ii) the aggregate Annual Capital Expenditure Adjustment.

"Administrative Agent" means Wells Fargo in its capacity as administrative agent under any of the Loan Documents, or any successor administrative agent.

"Administrative Agent's Office" means the Administrative Agent's address and, as appropriate, account as set forth on Schedule 11.02 or such other address or account as the Administrative Agent may from time to time notify the Borrower and the Lenders.

"Administrative Questionnaire" means an Administrative Questionnaire in a form supplied by the Administrative Agent.

"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.

"Agreement" means this Credit Agreement.

"Annual Capital Expenditure Adjustment" means, for any retail Property, an amount equal to the product of (a) $0.15 multiplied by (b) the aggregate net rentable area (determined on a square feet basis) of all such Properties.

"Anti-Money Laundering Laws" has the meaning set forth in Section 6.21.

"Applicable Percentage" means with respect to any Lender at any time, (a) with respect to such Lender's portion of the outstanding Term Loan A-1, the percentage of the outstanding principal amount of the Term Loan A-1 held by such Lender at such time and (b) with respect to such Lender's portion of the

outstanding amount of any Incremental Term Loan, the percentage of the outstanding principal amount of such Incremental Term Loan held by such Lender at such time. The initial Applicable Percentage of each
Lender in respect of the Term Loan A-1 is set forth opposite the name of such Lender on Schedule 2.01 or in the Assignment and Assumption or other agreement pursuant to which such Lender becomes a party hereto, as applicable.

"Applicable Rate" means:

(a) subject to clause (b) below, the applicable rate per annum set forth in the table below opposite the Leverage Ratio, as determined as of the last day of the immediately preceding fiscal quarter.

Pricing Level	Leverage Ratio	Applicable Rate for Eurodollar Rate Loans/ LIBOR Daily Floating Rate Loans	Applicable Rate for Base Rate Loans
1	≤ 40%	1.25%	0.25%
2	> 40% - ≤ 45%	1.30%	0.30%
3	> 45% - ≤ 50%	1.45%	0.45%
4	> 50% - ≤ 55%	1.60%	0.60%
5	> 55% - ≤ 60%	1.85%	0.85%
6	> 60%	2.05%	1.05%

Any increase or decrease in the Applicable Rate resulting from a change in the Leverage Ratio shall become effective as of the first Business Day immediately following the date a Compliance Certificate is delivered pursuant to Section 7.02(a); provided, however, that if a Compliance Certificate is not delivered when due in accordance with such Section 7.02(a), then, upon the request of the Required Lenders, Pricing Tier 6 shall apply as of the first Business Day after the date on which such Compliance Certificate was required to have been delivered and shall continue to apply until the first Business Day immediately following the date a Compliance Certificate is delivered in accordance with Section 7.02(a), whereupon the Applicable Rate shall be adjusted based upon the calculation of the Leverage Ratio contained in such Compliance Certificate; and provided further, that the Applicable Rate for any Incremental Term Loan shall be set forth in the relevant Incremental Term Loan Agreement. The Applicable Rate in effect from the Closing Date to the first Business Day immediately following the date a Compliance Certificate is delivered pursuant to Section 7.02(a) for the fiscal quarter ending September 30, 2017 shall be determined based on Pricing Level 2. Notwithstanding anything to the contrary contained in this clause (a), the determination of the Applicable Rate under this clause (a) for any period shall be subject to the provisions of Section 2.10(b).

(b) If the Parent Entity obtains an Investment Grade Rating, the Borrower may, upon written notice to the Administrative Agent, make an irrevocable one time written election to exclusively use the below table based on the Debt Rating of the Parent Entity (setting forth the date for such election to be effective), and thereafter the Applicable Rate shall be determined based on the applicable rate per annum set forth in the below table notwithstanding any failure of the Parent Entity to maintain an Investment Grade Rating or any failure of Parent Entity to maintain a Debt Rating.

Pricing Level	Debt Rating of Parent Entity	Applicable Rate for Eurodollar Rate Loans/LIBOR Daily Floating Rate Loans	Applicable Rate for Base Rate Loans
1	≥ A-/ A-/A3	0.90%	N/A
2	BBB+ / BBB+ Baa1	0.95%	N/A
3	BBB / BBB / Baa2	1.10%	0.10%
4	BBB- / BBB- / Baa3	1.35%	0.35%
5	< BBB- / BBB- / Baa3 or unrated	1.75%	0.75%

Each change in the Applicable Rate resulting from a change in the Debt Rating of the Parent Entity shall be effective for the period commencing on the effective date of such change and ending on the date immediately preceding the effective date of the next such change. Notwithstanding the above, after making the one time election described herein, (i) if at any time there are two ratings and there is a split in such Debt Ratings of the Parent Entity, and the Debt Ratings differ by one level, then the Pricing Level for the higher of such Debt Ratings shall apply (with the Debt Rating for Pricing Level 1 being the highest and the Debt Rating for Pricing Level 5 being the lowest); (ii) if there are two ratings and there is a split in Debt Ratings of the Parent Entity of more than one level, then the Pricing Level that is one level lower than the Pricing Level of the higher Debt Rating shall apply; (iii) if the Parent Entity has only one Debt Rating, such Debt Rating shall apply; provided, that, if the only Debt Rating is from Fitch, pricing shall be set at Pricing Level 5; (iv) if there are three ratings, but two ratings are at the same level, then the Pricing Level for those two Debt Ratings shall apply; (v) if there are three ratings and each rating is at a different level, the Pricing Level for the middle Debt Rating shall apply; and (vi) if S&P, Moody's and Fitch discontinue their ratings of the REIT industry generally or the Parent Entity specifically (so long as the reason for such discontinuance is not the Parent Entity's non-payment for the services of S&P, Moody's and Fitch), (A) for the period from such discontinuance until the earlier of (x) ninety days after such discontinuance and (y) the date the Parent Entity receives a rating from another substitute rating agency reasonably acceptable to the Administrative Agent, the Pricing Level in effect immediately prior to such discontinuance shall apply, (B) if no such substitute rating agency reasonably acceptable to the Administrative Agent has been identified and accepted by the Administrative Agent within 90 days of such discontinuance, Pricing Level 5 under this subsection (b) shall apply and (C) if the Parent Entity receives a substitute rating from a rating agency reasonably acceptable to the Administrative Agent, the above pricing grid will be adjusted upon the receipt of such new rating from such new rating agency in a manner that the Pricing Levels based on such new rating most closely correspond to the above ratings levels.

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

"Arranger Fee Letters" means (a) that certain fee letter, dated as of the Closing Date, among the Borrower, PNC Bank, National Association and PNCCM, (b) that certain fee letter, dated as of the Closing Date, among the Borrower, Bank of America, N.A. and Merrill Lynch, Pierce, Fenner & Smith Incorporated and (c) that certain fee letter, dated as of the Closing Date, between the Borrower and JPMorgan Chase Bank, N.A.

"Arrangers" means Wells Fargo Securities, PNCCM, Merrill Lynch, Pierce, Fenner & Smith Incorporated and JPMorgan Chase Bank, N.A.

"Assignment and Assumption" means an assignment and assumption entered into by a Lender and an Eligible Assignee (with the consent of any party whose consent is required by Section 11.06(b)), and accepted by the Administrative Agent, in substantially the form of Exhibit E or any other form (including electronic documentation generated by MarkitClear or other electronic platform) approved by the Administrative Agent.

"Attributable Indebtedness" means, on any date, (a) in respect of any Capitalized Lease Obligations 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 Obligations of any Person, 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 Capitalized Lease Obligations.

"Audited Financial Statements" means the audited consolidated balance sheet of the Consolidated Group for the fiscal year ended December 31, 2016, and the related consolidated statements of income or operations, shareholders' equity and cash flows for such fiscal year of the Consolidated Group, including the notes thereto, audited by independent public accountants of recognized national standing and prepared in conformity with GAAP.

"Availability Period" means the period commencing on the Closing Date to the earliest of (a) the date six (6) months following the Closing Date, (b) the date all of the Delayed Draw Term Loan A-1 Commitments have been drawn, (c) the date of termination of the Delayed Draw Term Loan A-1 Commitments pursuant to Section 2.06 and (d) the date of termination of the commitment of each Lender to make Loans pursuant to Section 9.02.

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

"Bail-In Legislation" means, with respect to any EEA Member Country implementing Article 55 of Directive 2014/59/EU of the European Parliament and of the Council of the European Union, the implementing law for such EEA Member Country from time to time which is described in the EU Bail-In Legislation Schedule.

"Balance Sheet Cash" means all unrestricted cash and Cash Equivalents set forth on the balance sheet of the Consolidated Group, as determined in accordance with GAAP.

"Base Rate" means for any day a fluctuating rate per annum equal to the highest of (a) the Federal Funds Rate plus 0.50%, (b) the rate of interest in effect for such day as publicly announced from time to time by the Administrative Agent as its "prime rate" and (c) the Eurodollar Rate plus 1.00%; provided that if the Base Rate shall be less than zero, such rate shall be deemed to be zero for purposes of this Agreement.

The "prime rate" is a rate set by the Administrative Agent based upon various factors including the Administrative Agent's costs and desired return, general economic conditions and other factors, and is used
as a reference point for pricing some loans, which may be priced at, above, or below such announced rate, and such announced rate is an index or base rate and shall not necessarily be its lowest or best rate charged to its customers or other banks. Any change in the "prime rate" announced by the Administrative Agent shall take effect at the opening of business on the day specified in the public announcement of such change.

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

"Borrower" has the meaning specified in the introductory paragraph hereto.

"Borrower Materials" has the meaning specified in Section 7.02.

"Borrowing" means a Term Borrowing.

"Business Day" means any day other than a Saturday, Sunday or other day on which commercial banks are authorized to close under the Laws of, or are in fact closed in, the state where the Administrative Agent's Office is located and, if such day relates to any Eurodollar Rate Loan, means any such day that is also a London Banking Day.

"Capitalization Rate" means six and three quarters percent (6.75%).

"Capitalized Lease Obligation" means the monetary obligation of a Person under any lease of any property by such Person as lessee which would, in accordance with GAAP, be required to be accounted for as a capital lease on the balance sheet of such Person.

"Cash Equivalents" means, as at any date, (a) securities issued or directly and fully guaranteed or insured by the United States or any agency or instrumentality thereof (provided that the full faith and credit of the United States is pledged in support thereof) having maturities of not more than twelve months from the date of acquisition, (b) Dollar denominated time deposits and certificates of deposit of (i) any Lender, (ii) any domestic commercial bank of recognized standing having capital and surplus in excess of $500,000,000 or (iii) any bank whose short-term commercial paper rating from S&P is at least A-1 or the equivalent thereof or from Moody's is at least P-1 or the equivalent thereof (any such bank being an "Approved Bank"), in each case with maturities of not more than 270 days from the date of acquisition, (c) commercial paper and variable or fixed rate notes issued by any Approved Bank (or by the parent company thereof) or any variable rate notes issued by, or guaranteed by, any domestic corporation rated A-1 (or the equivalent thereof) or better by S&P or P-1 (or the equivalent thereof) or better by Moody's and maturing within six months of the date of acquisition, (d) repurchase agreements entered into by any Person with a bank or trust company (including any of the Lenders) or recognized securities dealer having capital and surplus in excess of $500,000,000 for direct obligations issued by or fully guaranteed by the United States in which such Person shall have a perfected first priority security interest (subject to no other Liens) and having, on the date of purchase thereof, a fair market value of at least 100% of the amount of the repurchase obligations and (e) investments, classified in accordance with GAAP as current assets, in money market investment programs registered under the Investment Company Act of 1940 which are administered by reputable financial institutions having capital of at least $500,000,000 and the portfolios of which are limited to investments of the character described in the foregoing subdivisions (a) through (d).

"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.

"Change of Control" means the occurrence of any of the following events:

(a) any "person" or "group" (as such terms are used in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934, but excluding the Key Principals, their respective immediate family members, Affiliates, or trusts or entities for the benefit of, or directly or indirectly controlled by, the Key Principals or their respective immediate family members and 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), is or 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 (such right, an "option right"), whether such right is exercisable immediately or only after the passage of time), directly or indirectly, of 40% of the Equity Interests of the Parent Entity entitled to vote for members of the board of directors or equivalent governing body of the Parent Entity on a fully diluted basis (and taking into account all such securities that such person or group has the right to acquire pursuant to any option right);

(b) during any period of 12 consecutive months, a majority of the members of the board of directors or other equivalent governing body of the Parent Entity 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 (including, without limitation, each replacement for any such members resulting from (1) the death or incapacity of any such member and/or (2) the resignation or removal of any such member or any such member's refusal to stand or failure to be nominated for re-election to the board or other equivalent governing body);

(c) the Parent Entity (i) ceases to own, directly or indirectly, a majority of the Voting Stock and economic and beneficial interests of the Borrower, or (ii) ceases to be the sole owner of the General Partner; or

(d) the General Partner ceases to be the sole general partner of the Borrower.

"Closing Date" means the date of this Agreement.

"Closing Date Term Loan A-1 Commitment" has the meaning specified in the definition of "Term Loan A-1 Commitment".

"Closing Date Material Adverse Effect" means any event or circumstance, either individually or in the aggregate, that has had or could reasonably be expected to have (A) a material adverse change in, or a

material adverse effect on, the operations, business, assets, properties, liabilities (actual or contingent), or financial condition of the Consolidated Group, taken as a whole, (B) a material adverse effect on the rights and remedies of the Administrative Agent or any Lender under any Loan Document, or of the ability of the Borrower and the Guarantors taken as a whole to perform their obligations under any Loan Document, and
(C) a material adverse effect upon the legality, validity, binding effect or enforceability against the Borrower or a Guarantor of any Loan Document to which it is a party.

"Commitment" means, as to each Lender, the Term Loan A-1 Commitment of such Lender and any commitment of such Lender to make an Incremental Term Loan, as applicable.

"Commodity Exchange Act" means the Commodity Exchange Act (7 U.S.C. § 1 *et seq*.) as amended or otherwise modified, and any successor statute.

"Compliance Certificate" means a certificate substantially in the form of Exhibit B.

"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 EBITDA" means, for the Consolidated Group, without duplication, the sum of (a) Net Income of the Consolidated Group, in each case, excluding (i) any non-recurring, extraordinary and unusual charges, expenses, impairment, gains and losses for such period (including, without limitation, prepayment penalties and costs or fees incurred in connection with any capital markets offering, debt financing, or amendment thereto, redemption or exchange of Indebtedness, tender offer, lease termination, business combination, acquisition, exchange listing or delisting, disposition, recapitalization or similar transaction including, without limitation, pursuant to any Permitted Reorganization (regardless of whether such transaction is completed), (ii) any income or gain and any loss in each case resulting from early extinguishment of Indebtedness, (iii) any net income or gain or any loss resulting from a swap or other derivative contract (including by virtue of a termination thereof), and (iv) non-cash expenses or charges, plus (b) an amount which, in the determination of net income for such period pursuant to clause (a) above, has been deducted for or in connection with (i) Interest Expense, (ii) income taxes, (iii) depreciation and amortization, (iv) adjustments as a result of the straight lining of rents, (v) amortization of above and below market lease adjustments and market debt adjustments, (vi) amortization of tenant allowance, (vii) amortization of deferred financing costs, in each case of (i) through (vii) above, as determined in accordance with GAAP, (viii) the Unused Fee and (ix) any unused fee paid by the Borrower pursuant to the Existing Credit Agreement, plus (c) the Consolidated Group Pro Rata Share of the above attributable to interests in Unconsolidated Affiliates.

"Consolidated Group" means the Loan Parties and their consolidated subsidiaries, as determined in accordance with GAAP.

"Consolidated Group Pro Rata Share" means, with respect to any Unconsolidated Affiliate, the percentage of the total equity ownership interests held by the Consolidated Group, in the aggregate, in such Unconsolidated Affiliate determined by calculating the greater of (a) the percentage of the issued and outstanding stock, partnership interests or membership interests in such Unconsolidated Affiliate held by the Consolidated Group in the aggregate and (b) the percentage of the total book value of such Unconsolidated Affiliate that would be received by the Consolidated Group in the aggregate, upon liquidation of such Unconsolidated Affiliate, after repayment in full of all Indebtedness of such Unconsolidated Affiliate; provided, that to the extent a given calculation includes liabilities, obligations or Indebtedness of any Unconsolidated Affiliate and the Consolidated Group, in the aggregate, is or would be liable for a portion of such liabilities, obligations or Indebtedness in a percentage in excess of that calculated pursuant to clauses

(a) and (b) above, the "Consolidated Group Pro Rata Share" with respect to such liabilities, obligations or Indebtedness shall be equal to the percentage of such liabilities, obligations or Indebtedness for which the Consolidated Group is or would be liable.

"Construction in Progress" means, as of any date, any Property then under development; provided that a Property shall no longer be included in Construction in Progress and shall be deemed to be a stabilized project upon the earlier of (a) the date on which the first rental payment for such Property is received and (b) the last day of the fiscal quarter in which the annualized Net Operating Income attributable to such Property divided by the Capitalization Rate exceeds the undepreciated book value of such Property.

"Contractual Obligation" means, as to any Person, any provision of any security issued by such Person or of any agreement, instrument or other undertaking to which such Person is a party or by which it or any of its property is bound.

"Control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through the ability to exercise voting power, by contract or otherwise. "Controlling" and "Controlled" have meanings correlative thereto. Without limiting the generality of the foregoing, a Person shall be deemed to be Controlled by another Person if such other Person possesses, directly or indirectly, power to vote 5% or more of the securities having ordinary voting power for the election of directors, managing general partners or the equivalent.

"Credit Extension" means a Borrowing.

"Debt Rating" means, as of any date of determination, the rating as determined by S&P, Moody's or Fitch of a Person's non-credit-enhanced, senior unsecured long-term debt. The Debt Rating in effect at any date is the Debt Rating that is in effect at the close of business on such date.

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

"Default" means any event or condition that constitutes an Event of Default or that, with the giving of any notice, the passage of time, or both, would be an Event of Default.

"Default Rate" means an interest rate equal to (i) the Base Rate plus (ii) the Applicable Rate, if any, applicable to Base Rate Loans plus (iii) 2% per annum; provided, however, that with respect to a Eurodollar Rate Loan, the Default Rate shall be an interest rate equal to the interest rate (including any Applicable Rate) otherwise applicable to such Loan plus 2% per annum, in each case to the fullest extent permitted by applicable Laws.

"Defaulting Lender" means, subject to Section 2.15(b), any Lender that (a) has failed to (i) fund all or any portion of its Loans within two (2) Business Days of the date such Loans were required to be funded hereunder unless such Lender notifies the Administrative Agent and the Borrower 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 or any other Lender any other amount required to be paid by it hereunder within two Business Days of the date when due, (b) has notified the Borrower or the Administrative Agent 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 Borrower, to confirm in writing to the Administrative Agent and the Borrower that it will comply with its prospective funding obligations hereunder (provided that such Lender shall cease to be a Defaulting Lender pursuant to this clause (c) upon receipt of such written confirmation by the Administrative Agent and the Borrower), or (d) has, or has a direct or indirect parent company that has, (i) become the subject of a proceeding under any Debtor Relief Law, (ii) had appointed for it a receiver, custodian, conservator, trustee, administrator, assignee for the benefit of creditors or similar Person charged with reorganization or liquidation of its business or assets, including the Federal Deposit Insurance Corporation or any other state or federal regulatory authority acting in such a capacity or (iii) become the subject of a Bail-In Action; provided, that, a Lender shall not be a Defaulting Lender solely by virtue of the ownership or acquisition of any Equity Interests in that Lender or any direct or indirect parent company thereof by a Governmental Authority so long as such ownership interest does not result in or provide such Lender with immunity from the jurisdiction of courts within the United States or from the enforcement of judgments or writs of attachment on its assets or permit such Lender (or such Governmental Authority) to reject, repudiate, disavow or disaffirm any contracts or agreements made with such Lender. Any determination by the Administrative Agent that a Lender is a Defaulting Lender under any one or more of clauses (a) through (d) above, and of the effective date of such status, shall be conclusive and binding absent manifest error, and such Lender shall be deemed to be a Defaulting Lender (subject to Section 2.15(b)) as of the date established therefor by the Administrative Agent in a written notice of such determination, which shall be delivered by the Administrative Agent to the Borrower and each other Lender promptly following such determination.

"Delayed Draw Term Loan A-1 Commitment" has the meaning specified in the definition of "Term Loan A-1 Commitment".

"Designated Jurisdiction" means any country or territory to the extent that such country or territory is the subject of any Sanction.

"Disbursement Instruction Agreement" means an agreement substantially in the form of Exhibit G to be executed and delivered by the Borrower pursuant to Section 2.02(f), as the same may be amended, restated or modified from time to time with the prior written approval of the Administrative Agent.

"Disposition" or "Dispose" means the sale, transfer, license, lease or other disposition (including any Sale and Leaseback Transaction) of any property by any Loan Party or any Subsidiary (including the Equity Interests of any Subsidiary), including any sale, assignment, transfer or other disposal, with or without recourse, of any notes or accounts receivable or any rights and claims associated therewith.

"Dividend Payout Ratio" means, for any four fiscal quarter period, the ratio of (a) an amount equal to (i) one hundred percent (100%) of all dividends or other distributions paid, direct or indirect, on account of any Equity Interests of the Parent Entity (except (x) for dividends or other distributions payable solely in shares of that class of Equity Interest to the holders of that class and (y) in connection with any redemption, retirement, surrender, defeasance, repurchase, purchase or other similar transaction or acquisition for value, direct or indirect, on account of any Equity Interests of the Parent Entity) during such four fiscal quarter period, less (ii) any amount of such dividends or distributions constituting Dividend Reinvestment Proceeds, to (b) Funds From Operations of the Consolidated Group for such four fiscal quarter period.

"Dividend Reinvestment Proceeds" means all dividends or other distributions, direct or indirect, on account of any shares of any Equity Interests of the Parent Entity which any holder(s) of such Equity Interests direct to be used, concurrently with the making of such dividend or distribution, for the purpose of purchasing for the account of such holder(s) additional Equity Interests in the Consolidated Group.

"Dollar" and "$" mean lawful money of the United States.

"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.

"Eligible Assignee" means any Person that meets the requirements to be an assignee under Section 11.06(b)(iii) and (v) (subject to such consents, if any, as may be required under Section 11.06(b)(iii)).

"Environmental Laws" means any and all federal, state, local, foreign and other applicable statutes, laws, regulations, ordinances, rules, judgments, orders, decrees, permits, concessions, grants, franchises, licenses, agreements or governmental restrictions relating to pollution and the protection of the environment or the release of any materials into the environment, including those related to hazardous substances or wastes, air emissions and discharges to waste or public systems.

"Environmental Liability" means any liability (including any liability for damages, costs of environmental remediation, fines, penalties or indemnities), of the Borrower, any other Loan Party or (to the extent any such liability is recourse to a Loan Party) any of their respective Subsidiaries directly or indirectly resulting from or based upon (a) violation of any Environmental Law with respect to any project, (b) the generation, use, handling, transportation, storage, treatment or disposal of any Hazardous Materials on any project, (c) exposure of any project to any Hazardous Materials, (d) the release of any Hazardous Materials originating from any project into the environment or (e) any contract, agreement or other consensual arrangement pursuant to which liability is assumed or imposed with respect to any of the foregoing.

"Equity Interests" means, with respect to any Person, all of the shares of capital stock of (or other ownership or profit interests in) such Person, all of the warrants, options or other rights for the purchase or acquisition from such Person of shares of capital stock of (or other ownership or profit interests in) such Person, all of the securities convertible into or exchangeable for shares of capital stock of (or other ownership or profit interests in) such Person or warrants, rights or options for the purchase or acquisition from such Person of such shares (or such other interests), and all of the other ownership or profit interests in such Person (including partnership, member or trust interests therein), whether voting or nonvoting, and whether or not such shares, warrants, options, rights or other interests are outstanding on any date of determination.

"ERISA" means the Employee Retirement Income Security Act of 1974.

"ERISA Affiliate" means any trade or business (whether or not incorporated) under common control with the Borrower within the meaning of Section 414(b) or (c) of the Internal Revenue Code (and Sections 414(m) and (o) of the Internal Revenue Code for purposes of provisions relating to Section 412 of the Internal Revenue Code).

"ERISA Event" means (a) a Reportable Event with respect to a Pension Plan; (b) the withdrawal of the Borrower or any ERISA Affiliate from a Pension Plan subject to Section 4063 of ERISA during a plan year in which such entity was a "substantial employer" as defined in Section 4001(a)(2) of ERISA or a cessation of operations that is treated as such a withdrawal under Section 4062(e) of ERISA; (c) a complete or partial withdrawal by the Borrower or any ERISA Affiliate from a Multiemployer Plan or notification that a Multiemployer Plan is in reorganization; (d) the filing of a notice of intent to terminate, the treatment of a Pension Plan amendment as a termination under Sections 4041 or 4041A of ERISA; (e) the institution by the PBGC of proceedings to terminate a Pension Plan; (f) any event or condition which constitutes grounds under Section 4042 of ERISA for the termination of, or the appointment of a trustee to administer, any Pension Plan; (g) the determination that any Pension Plan is considered an at-risk plan or a plan in endangered or critical status within the meaning of Sections 430, 431 and 432 of the Internal Revenue Code or Sections 303, 304 and 305 of ERISA; or (h) 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 the Borrower or any ERISA Affiliate.

"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.

"Eurodollar Base Rate" means:

(a) for any Interest Period with respect to a Eurodollar Rate Loan, the rate of interest per annum determined on the basis of the rate for deposits in U.S. Dollars for a period equal to the applicable Interest Period which appears on Reuters Screen LIBOR01 Page (or any applicable successor page) at approximately 11:00 a.m., London time, two Business Days prior to the commencement of such Interest Period, for Dollar deposits (for delivery on the first day of such Interest Period) with a term equivalent to such Interest Period; and

(b) for any interest rate calculation with respect to a Base Rate Loan on any date, the rate of interest per annum determined on the basis of the rate for deposits in U.S. Dollars for an Interest Period of one month which appears on Reuters Screen LIBOR01 Page (or any applicable successor page) at approximately 11:00 a.m., London time, at approximately 11:00 a.m., London time, determined two Business Days prior to such date for Dollar deposits with a term of one month commencing that date;

provided, that, (i) if, for any reason, the rate referred to in the preceding clauses (a) and (b) does not appear on Reuters Screen LIBOR01 Page (or any applicable successor page), then the rate to be used shall be as determined by the Administrative Agent in reasonable prior consultation with the Borrower to be the arithmetic average of the rate per annum at which deposits in U.S. Dollars would be offered by first class banks in the London interbank market to the Administrative Agent at approximately 11:00 a.m. (London time) two (2) Business Days prior to the first day of the applicable Interest Period for a period equal to such Interest Period and (ii) if the Eurodollar Base Rate shall be less than zero, said rate shall be deemed zero for purposes of this Agreement.

"Eurodollar Rate" means

(a) for any Interest Period with respect to any Eurodollar Rate Loan, a rate per annum determined by the Administrative Agent to be equal to the quotient obtained by dividing (i) the Eurodollar Base Rate for such Eurodollar Rate Loan for such Interest Period by (ii) one minus the Eurodollar Reserve Percentage for such Eurodollar Rate Loan for such Interest Period and

(b) for any day with respect to any Base Rate Loan bearing interest at a rate based on the Eurodollar Rate, a rate per annum determined by the Administrative Agent to be equal to the quotient obtained by dividing (i) the Eurodollar Base Rate for such Base Rate Loan for such day by (ii) one minus the Eurodollar Reserve Percentage for such Base Rate Loan for such day.

"Eurodollar Rate Loan" means a Loan that bears interest at a rate based on clause (a) of the definition of "Eurodollar Rate".

"Eurodollar Reserve Percentage" means, for any day, the reserve percentage (expressed as a decimal, carried out to five decimal places) in effect on such day, whether or not applicable to any Lender, under regulations issued from time to time by the FRB for determining the maximum reserve requirement (including any emergency, supplemental or other marginal reserve requirement) with respect to Eurocurrency funding (currently referred to as "Eurocurrency liabilities"). The Eurodollar Rate for each outstanding Eurodollar Rate Loan and for each outstanding Base Rate Loan the interest on which is determined by reference to the Eurodollar Rate, in each case, shall be adjusted automatically as of the effective date of any change in the Eurodollar Reserve Percentage.

"Event of Default" has the meaning specified in Section 9.01.

"Excluded Swap Obligation" means, with respect to any Guarantor, any Swap Obligation if, and to the extent that, all or a portion of the Guaranty of such Guarantor of, or the grant under a Loan Document by such Guarantor of a security interest to secure, such Swap Obligation (or any Guarantee thereof) is or becomes illegal under the Commodity Exchange Act (or the application or official interpretation thereof) by virtue of such Guarantor's failure for any reason to constitute an "eligible contract participant" as defined in the Commodity Exchange Act (determined after giving effect to Section 4.08 hereof and any and all guarantees of such Guarantor's Swap Obligations by other Loan Parties) at the time the Guaranty of such Guarantor, or grant by such Guarantor of a security interest, becomes effective with respect to such Swap Obligation. If a Swap Obligation arises under a Master Agreement governing more than one Swap Contract, such exclusion shall apply only to the portion of such Swap Obligation that is attributable to Swap Contracts for which such Guaranty or security interest becomes illegal.

"Excluded Taxes" means any of the following Taxes imposed on or with respect to any Recipient or required to be withheld or deducted from a payment to a Recipient, (a) Taxes imposed on or measured by net income (however denominated), franchise Taxes, and branch profits Taxes, in each case, (i) imposed as a result of such Recipient being organized under the laws of, or having its principal office or, in the case of any Lender, its Lending Office located in, the jurisdiction imposing such Tax (or any political subdivision thereof) or (ii) that are Other Connection Taxes, (b) in the case of a Lender, 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 Borrower under Section 11.13) or (ii) such Lender changes its Lending Office, except in each case to the extent that pursuant to Section 3.01(a)(ii), (a)(iii) or (c), amounts with respect to such Taxes were payable either to such Lender's assignor immediately before such Lender became a party hereto or to such Lender immediately before it

changed its Lending Office, (c) Taxes attributable to such Recipient's failure to comply with Section 3.01(e) and (d) any U.S. federal withholding Taxes imposed under FATCA.

"Existing Credit Agreement" means that certain Credit Agreement dated as of December 18, 2013 among the Borrower, the Parent Entity, the other guarantors party thereto, the lenders party thereto and Bank of American, N.A. as administrative agent, as such agreement is amended, modified, restated or replaced from time to time.

"Extension Amendments" has the meaning specified in Section 11.01.

"FATCA" means Sections 1471 through 1474 of the Internal Revenue Code, as of the date of this Agreement (or any amended or successor version that is substantively comparable and not materially more onerous to comply with), any current or future regulations or official interpretations thereof and any agreements entered into pursuant to Section 1471(b)(1) of the Code and any intergovernmental agreements entered into pursuant thereto.

"Federal Funds Rate" means, for any day, the rate per annum equal to the weighted average of the rates on overnight federal funds transactions with members of the Federal Reserve System 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, (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 on such day on such transactions as determined by the Administrative Agent and (c) if the Federal Funds Rate shall be less than zero, said rate shall be deemed to be zero for purposes of this Agreement.

"Fee Letters" means the Wells Fargo Fee Letter and the Arranger Fee Letters.

"FFO Percentage" means 95%.

"Fitch" means Fitch Ratings Inc., and any successor thereto.

"Fixed Charge Coverage Ratio" means, for any four fiscal quarter period, the ratio of (a) Adjusted EBITDA for such four fiscal quarter period to (b) Fixed Charges for such four fiscal quarter period.

"Fixed Charges" means, for the Consolidated Group, without duplication, the sum of (a) Interest Expense, plus (b) scheduled principal payments, exclusive of balloon payments, plus (c) dividends and distributions on preferred stock, if any, plus (d) the Consolidated Group Pro Rata Share of the above attributable to interests in Unconsolidated Affiliates, all for the most recently ended period of four fiscal quarters.

"Foreign Lender" means (a) if the Borrower is a U.S. Person, a Lender that is not a U.S. Person, and (b) if the Borrower is not a U.S. Person, a Lender that is resident or organized under the laws of a jurisdiction other than that in which the Borrower is resident for tax purposes. For purposes of this definition, the United States, each State thereof and the District of Columbia shall be deemed to constitute a single jurisdiction.

"FRB" means the Board of Governors of the Federal Reserve System of the United States.

"Fund" means any Person (other than a natural Person) that is (or will be) engaged in making, purchasing, holding or otherwise investing in commercial loans and similar extensions of credit in the ordinary course of its activities.

"Funds from Operations" means, with respect to any Person for any period, an amount equal to (a) the Net Income of such Person for such period, computed in accordance with GAAP, excluding gains and losses from sales of depreciated property other than out lot sales, non-cash impairment charges, gains and losses from extinguishment of debt, amortization of above and below market lease adjustments and market debt adjustments, amortization of tenant allowances, amortization of deferred financing costs, other non-cash charges, and gains or losses to the extent non-cash from Swap Contracts, plus (b) depreciation and amortization and non-cash amortization of transaction expenses arising from the creation of new investment funds, and after adjustments for unconsolidated partnerships and joint ventures; provided, that (x) adjustments for unconsolidated partnerships and joint ventures will be recalculated to reflect funds from operations on the same basis, (y) Funds from Operations shall be reported in accordance with the NAREIT policies unless otherwise agreed to above in this definition and (z) costs and fees incurred by the Consolidated Group in connection with the acquisition or disposition of real property assets and transaction costs incurred by the Consolidated Group in connection with any capital markets offering, debt financing, or amendment thereto, redemption or exchange of indebtedness, tender offer, lease termination, business combination, acquisition, exchange listing or delisting, disposition, recapitalization or similar transaction including, without limitation, pursuant to any Permitted Reorganization (regardless of whether such transaction is completed), in each case, shall be excluded from the calculation of Funds from Operations.

"GAAP" means generally accepted accounting principles in the United States set forth in the opinions and pronouncements of the Accounting Principles Board and the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board, consistently applied and as in effect from time to time.

"General Partner" means Phillips Edison Grocery Center OP GP I LLC, a Delaware limited liability company, or any successor general partner of the Borrower approved by the Administrative Agent in accordance with this Agreement.

"Governmental Authority" means the government of the United States 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).

"Guarantee" means, as to any Person, (a) any obligation, contingent or otherwise, of such Person guaranteeing or having the economic effect of guaranteeing any Indebtedness or other obligation payable or performable by another Person (the "primary obligor") in any manner, whether directly or indirectly, and including any obligation of such Person, direct or indirect, (i) to purchase or pay (or advance or supply funds for the purchase or payment of) such Indebtedness or other obligation, (ii) to purchase or lease property, securities or services for the purpose of assuring the obligee in respect of such Indebtedness or other obligation of the payment or performance of such Indebtedness or other obligation, (iii) to maintain working capital, equity capital or any other financial statement condition or liquidity or level of income or cash flow of the primary obligor so as to enable the primary obligor to pay such Indebtedness or other obligation, or (iv) entered into for the purpose of assuring in any other manner the obligee in respect of such Indebtedness or other obligation of the payment or performance thereof or to protect such obligee against loss in respect thereof (in whole or in part); provided that any customary non-recourse carve-out guarantee shall not be deemed a Guarantee hereunder, except, if and to the extent that the guarantor thereunder has acknowledged

such liability or it has been determined, by a court of competent jurisdiction to be liable for a claim thereunder for which such guarantor is not otherwise indemnified by any third party which has the financial ability to perform with respect to such indemnity and is not disavowing its obligations thereunder or (b) any Lien on any assets of such Person securing any Indebtedness or other obligation of any other Person, whether or not such Indebtedness or other obligation is assumed by such Person (or any right, contingent or otherwise, of any holder of such Indebtedness to obtain any such Lien). The amount of any Guarantee shall be deemed to be an amount equal to the stated or determinable amount of the related primary obligation, or portion thereof, in respect of which such Guarantee is made or, if not stated or determinable, the maximum reasonably anticipated liability in respect thereof as determined by the guaranteeing Person in good faith. The term "Guarantee" as a verb has a corresponding meaning.

"Guarantors" means (a) the Parent Entity, (b) any Subsidiary that is required to be a Guarantor pursuant to Section 7.13, (c) with respect to (i) Obligations under any Swap Contract between any Loan Party and a Lender or Affiliate of a Lender, (ii) Obligations under any Treasury Management Agreement between any Loan Party and a Lender or Affiliate of a Lender and (iii) any Swap Obligation of a Specified Loan Party (determined before giving effect to Sections 4.01 and 4.08) under the Guaranty, the Borrower and (d) the successors and permitted assigns of the foregoing.

"Guaranty" means the Guaranty made by the Guarantors in favor of the Administrative Agent, the Lenders and the other holders of the Obligations pursuant to Article IV.

"Hazardous Materials" means all explosive or radioactive substances or wastes and all hazardous or toxic substances, wastes or other pollutants, 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.

"Impacted Loans" has the meaning specified in Section 3.03.

"Incremental Term Loan" has the meaning specified in Section 2.16(a).

"Incremental Term Loan Agreement" has the meaning specified in Section 2.16(e).

"Indebtedness" means, for the Consolidated Group, without duplication, all of the following, whether or not included as indebtedness or liabilities in accordance with GAAP:

(a) all obligations for borrowed money and all obligations evidenced by bonds, debentures, notes, loan agreements or other similar instruments.

(b) all direct or contingent obligations under letters of credit (including standby and commercial), bankers' acceptances and similar instruments (including bank guaranties, surety bonds, comfort letters, keep-well agreements and capital maintenance agreements) to the extent such instruments or agreements support financial, rather than performance, obligations.

(c) net obligations under any Swap Contract.

(d) all obligations to pay the deferred purchase price of property or services.

(e) Capitalized Lease Obligations and Synthetic Lease Obligations.

(f) all obligations to purchase, redeem, retire, defease or otherwise make any payment in respect of any equity interest, valued, in the case of a redeemable preferred interest, at the greater of its voluntary or involuntary liquidation preference, plus accrued and unpaid dividends.

(g) indebtedness (excluding prepaid interest thereon) secured by a Lien on property (including indebtedness arising under conditional sales or other title retention agreements) whether or not such indebtedness has been assumed by the grantor of the Lien or is limited in recourse.

(h) all Guarantees in respect of any of the foregoing.

For all purposes hereof, Indebtedness shall include the Consolidated Group Pro Rata Share of the foregoing items and components attributable to Indebtedness of Unconsolidated Affiliates. The amount of any net obligation under any Swap Contract on any date shall be deemed to be the Swap Termination Value thereof as of such date. The amount of any Capitalized Lease Obligation or Synthetic Lease Obligation as of any date shall be deemed to be the amount of Attributable Indebtedness in respect thereof as of such date.

"Indemnified Taxes" means (a) Taxes, other than Excluded Taxes, imposed on or with respect to any payment made by or on account of any obligation of any Loan Party under any Loan Document and (b) to the extent not otherwise described in (a), Other Taxes.

"Indemnitees" has the meaning specified in Section 11.04(b).

"Information" has the meaning specified in Section 11.07.

"Interest Expense" means, without duplication, total interest expense of the Consolidated Group determined in accordance with GAAP; provided that (a) amortization of deferred financing costs shall be excluded, to the extent included in accordance with GAAP and (b) for the avoidance of doubt capitalized interest and interest expense attributable to the Consolidated Group Pro Rata Share in Unconsolidated Affiliates shall be included.

"Interest Payment Date" means (a) as to any Eurodollar Rate Loan, the last day of each Interest Period applicable to such Loan and the applicable Maturity Date; provided, however, that if any Interest Period for a Eurodollar Rate Loan exceeds three months, the respective dates that fall every three months after the beginning of such Interest Period shall also be Interest Payment Dates; and (b) as to any Base Rate Loan or LIBOR Daily Floating Rate Loan, the first Business Day of each calendar month and the applicable Maturity Date.

"Interest Period" means as to each Eurodollar Rate Loan, the period commencing on the date such Eurodollar Rate Loan is disbursed or converted to or continued as a Eurodollar Rate Loan and ending on the date one, two, three or six months thereafter (in each case, subject to availability), as selected by the Borrower in its Loan Notice; provided that:

(a) any Interest Period that would otherwise end on a day that is not a Business Day shall be extended to the next succeeding Business Day unless, in the case of a Eurodollar Rate Loan, such Business Day falls in another calendar month, in which case such Interest Period shall end on the next preceding Business Day;

(b) any Interest Period pertaining to a Eurodollar Rate Loan that begins on the last Business Day of a calendar month (or on a day for which there is no numerically corresponding day in the calendar month at the end of such Interest Period) shall end on the last Business Day of the calendar month at the end of such Interest Period; and

(c) no Interest Period with respect to any Loan shall extend beyond the applicable Maturity Date.

"Interim Financial Statements" means the unaudited consolidated financial statements of the Consolidated Group for the fiscal quarter ended June 30, 2017, including balance sheets and statements of income or operations, shareholders' equity and cash flows.

"Internal Revenue Code" means the Internal Revenue Code of 1986, as amended.

"Internal Revenue Service" means the United States Internal Revenue Service.

"Investment Grade Rating" means a senior unsecured debt rating of the Parent Entity of BBB- or better from Standard & Poor's or Fitch or Baa3 or better from Moody's.

"IP Rights" has the meaning specified in Section 6.17.

"Joinder Agreement" means a joinder agreement substantially in the form of Exhibit D executed and delivered by a Subsidiary in accordance with the provisions of Section 7.13.

"Key Agreement" has the meaning set forth in Section 8.03(a).

"Key Principals" means each of Jeffrey S. Edison, Michael C. Phillips and Devin I. Murphy.

"Laws" means, collectively, all international, foreign, federal, state and local statutes, treaties, rules, guidelines, regulations, ordinances, codes and administrative or judicial precedents or authorities, including the interpretation or administration thereof by any Governmental Authority charged with the enforcement, interpretation or administration thereof, and all applicable administrative orders, directed duties, requests, licenses, authorizations and permits of, and agreements with, any Governmental Authority, in each case whether or not having the force of law.

"Lenders" means each of the Persons identified as a "Lender" on the signature pages hereto and their successors and assigns.

"Lending Office" means, as to any Lender, the office or offices of such Lender described as such in such Lender's Administrative Questionnaire, or such other office or offices as a Lender may from time to time notify the Borrower and the Administrative Agent.

"Leverage Ratio" means, with respect to the Consolidated Group as of any date of calculation, (a) Total Indebtedness as of such date minus the amount of Balance Sheet Cash as of such date in excess of $25,000,000 to the extent there is an equivalent amount of Total Indebtedness that matures within twenty-four (24) months from such date of calculation divided by (b) Total Asset Value as of such date minus the amount of Balance Sheet Cash deducted in subsection (a) of this definition.

"LIBOR" has the meaning specified in the definition of "Eurodollar Base Rate".

"LIBOR Daily Floating Rate" means the rate per annum equal to LIBOR as of that day that would be applicable for a Eurodollar Rate Loan having a one-month Interest Period determined at approximately 10:00 a.m. Central time for such day (rather than 11:00 a.m. (London time) two Business Days prior to the first day of such Interest Period as otherwise provided in the definition of "LIBOR"), or if such day is not a Business Day, the immediately preceding Business Day. The LIBOR Daily Floating Rate shall be determined on a daily basis.

"LIBOR Daily Floating Rate Loan" means a Loan that bears interest based on the LIBOR Daily Floating Rate.

"Lien" means any mortgage, deed of trust, pledge, hypothecation, assignment, deposit arrangement, encumbrance, lien (statutory or other), charge, or preference, priority or other security interest or preferential arrangement in the nature of a security interest of any kind or nature whatsoever (including (i) any conditional sale or other title retention agreement, (ii) any easement, right of way or other encumbrance on title to real Property that materially affects the value of such real Property, and (iii) any financing lease having substantially the same economic effect as any of the foregoing).

"Loan" means an extension of credit by a Lender to the Borrower under Article II in the form of a Term Loan A-1 or an Incremental Term Loan, as applicable.

"Loan Amendment" has the meaning specified in Section 11.01.

"Loan Documents" means this Agreement, each Note, each Joinder Agreement, the Fee Letters and any Incremental Term Loan Agreement.

"Loan Modification Offer" has the meaning specified in Section 11.01.

"Loan Notice" means a notice of (a) a Borrowing of Term Loans, (b) a conversion of Term Loans from one Type to the other, or (c) a continuation of Eurodollar Rate Loans, in each case pursuant to Section 2.02(a), which, if in writing, shall be substantially in the form of Exhibit A.

"Loan Party" means the Borrower or any Guarantor and "Loan Parties" means, collectively, the Borrower and the Guarantors.

"London Banking Day" means any day on which dealings in Dollar deposits are conducted by and between banks in the London interbank eurodollar market.

"Major Tenant" means a tenant of a Loan Party under a lease of Property which entitles it to occupy 15,000 square feet or more of the net rentable area of such Property.

"Master Agreement" has the meaning specified in the definition of "Swap Contract".

"Material Acquisition" means a simultaneous acquisition of assets with a purchase price of 5% or more of Total Asset Value.

"Material Adverse Effect" means any event or circumstance, either individually or in the aggregate, that has had or could reasonably be expected to have (a) a material adverse change in, or a material adverse effect on, the business, properties, liabilities or financial condition of the Consolidated Group, taken as a whole, (B) a material adverse effect on the rights and remedies of the Administrative Agent or any Lender under any Loan Document, or of the ability of the Borrower and the Guarantors taken as a whole to perform their obligations under any Loan Document, or (C) a material adverse effect upon the legality, validity,

binding effect or enforceability against the Borrower or a Guarantor of any Loan Document to which it is a party.

"Maturity Date" means (a) the Term Loan A-1 Maturity Date and (b) with respect to an outstanding Incremental Term Loan, the maturity date provided in the applicable Incremental Term Loan Agreement.

"Mezzanine Debt Investments" means any mezzanine or subordinated mortgage loans made (or acquired) by a member of the Consolidated Group to entities that own commercial real estate or to the members, partners or stockholders of such entities, which real estate has a value in excess of the sum of (a) (i) if such mezzanine or subordinated mortgage loans was originated by a third party and acquired by such member of the Consolidated Group, the purchase price of such indebtedness with respect to any such indebtedness or (ii) if such mezzanine or subordinated mortgage loans was originated by such member of the Consolidated Group, the amount of such indebtedness plus (b) any senior indebtedness encumbering such commercial real estate, in each case to the extent such mezzanine or subordinated mortgage loans has been designated by the Borrower as a "Mezzanine Debt Investment" in its most recent compliance certificate; provided, however, that (i) any such indebtedness owed by an Unconsolidated Affiliate shall be reduced by the Consolidated Group Pro Rata Share of such indebtedness, and (ii) any such indebtedness owed by a non-wholly owned member of the Consolidated Group shall be reduced by the Consolidated Group Pro Rata Share of such indebtedness.

"Moody's" means Moody's Investors Service, Inc. and any successor thereto.

"Mortgage Receivables" means any investment securities that represent an interest in, or are secured by, one or more pools of commercial mortgage loans or synthetic mortgages.

"Multiemployer Plan" means any employee benefit plan of the type described in Section 4001(a)(3) of ERISA, to which the Borrower or any ERISA Affiliate makes or is obligated to make contributions, or during the preceding five plan years, has made or been obligated to make contributions.

"Multiple Employer Plan" means a Plan which has two or more contributing sponsors (including the Borrower or any ERISA Affiliate) at least two of whom are not under common control, as such a plan is described in Section 4064 of ERISA.

"Negative Pledge" shall mean with respect to a given asset, any provision of a document, instrument or agreement (other than any Loan Document) which prohibits or purports to prohibit the creation or assumption of any Lien on such asset as security for Indebtedness of the Person owning such asset or any other Person; provided, however, that an agreement that conditions a Person's ability to encumber its assets upon the maintenance of one or more specified ratios that limit such Person's ability to encumber its assets but that do not generally prohibit the encumbrance of its assets, or the encumbrance of specific assets, shall not constitute a Negative Pledge.

"Net Income" means the net income (or loss) of the Consolidated Group for the subject period; provided, however that Net Income shall exclude (a) extraordinary gains and extraordinary losses for such period, (b) the net income of any Subsidiary of the Parent Entity during such period to the extent that the declaration or payment of dividends or similar distributions by such Subsidiary of such income is not permitted by operation of the terms of its Organization Documents or any agreement, instrument or Law applicable to such Subsidiary during such period, except that the Parent Entity's equity in any net loss of any such Subsidiary for such period shall be included in determining Net Income, (c) any income (or loss) from an Unconsolidated Affiliate of the Parent Entity in an amount equal to the aggregate amount of cash actually distributed by such Unconsolidated Affiliate during such period to the Parent Entity or a Subsidiary

thereof as a dividend or other distribution (and in the case of a dividend or other distribution to a Subsidiary of the Parent Entity, such Subsidiary is not precluded from further distributing such amount to the Parent Entity as described in clause (b) of this proviso), and (d) any rental income received from leases to Major Tenants in any bankruptcy proceedings, to the extent the relevant leases have been rejected pursuant to such bankruptcy proceedings during the subject period.

"Net Operating Income" means for any Property, for any period, an amount equal to (a) the aggregate gross revenues from the operations of such Property during such period from tenants paying rent (exclusive of any rental income from any leases to Major Tenants in any bankruptcy proceedings, to the extent the relevant leases have been rejected pursuant to such bankruptcy proceedings during the subject period and exclusive of above and below market lease adjustments and amortization of tenant allowance in accordance with GAAP) minus (b) the sum of all expenses and other charges incurred in connection with the operation of such Property during such period (including accruals for real estate taxes and insurance and Property Management Fees, but excluding debt service charges, income taxes, depreciation, amortization and other non-cash expenses), which expenses and accruals shall be calculated in accordance with GAAP.

"New Lenders" has the meaning set forth in Section 2.16(c).

"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 11.01 and (b) has been approved by the Required Lenders.

"Non-Defaulting Lender" means, at any time, each Lender that is not a Defaulting Lender at such time.

"Non-Recourse Debt" means Indebtedness of any member of the Consolidated Group in which the liability of the applicable obligor is limited to such obligor's interest in specified assets securing such Indebtedness, subject to customary nonrecourse carve-outs, including, without limitation, exclusions for claims that are based on fraud, intentional misrepresentation, misapplication of funds, gross negligence or willful misconduct to the extent no claim of liability has been made pursuant to any such carve-outs.

"Non-Stabilized Property" means, for any Property, (a) a Property designated in writing by the Borrower as a Non-Stabilized Property which has not previously been designated as such and (b) the occupancy rate for such designated Property is below 80% at the time of such designation; provided, that, once designated as a Non-Stabilized Property, such Property shall cease to be a Non-Stabilized Property upon the earlier of (i) Borrower's request or (ii) eight fiscal quarters following the designation of such Property as a Non-Stabilized Property.

"Note" or "Notes" means the Term Notes, individually or collectively, as appropriate.

"OFAC" means the Office of Foreign Assets Control of the United States Department of the Treasury.

"Obligations" means all advances to, and debts, liabilities, obligations, covenants and duties of, any Loan Party arising under any Loan Document or otherwise with respect to any Loan, whether direct or indirect (including those acquired by assumption), absolute or contingent, due or to become due, now existing or hereafter arising and including interest and fees that accrue after the commencement by or against any Loan Party of any proceeding under any Debtor Relief Laws naming such Person as the debtor in such proceeding, regardless of whether such interest and fees are allowed claims in such proceeding. The foregoing shall also include any Swap Contract and any Treasury Management Agreement between any Loan Party

and any Lender or Affiliate of a Lender; provided that the "Obligations" shall exclude any Excluded Swap Obligations.

"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.

"Other Connection Taxes" means, with respect to any Recipient, Taxes imposed as a result of a present or former connection between such Recipient and the jurisdiction imposing such Tax (other than connections arising from such Recipient having executed, delivered, become a party to, performed its obligations under, received payments under, received or perfected a security interest under, engaged in any other transaction pursuant to or enforced any Loan Document, or sold or assigned an interest in any Loan or Loan Document).

"Other Taxes" means all present or future stamp, court or documentary, intangible, recording, filing or similar Taxes that arise from any payment made under, from the execution, delivery, performance, enforcement or registration of, from the receipt or perfection of a security interest under, or otherwise with respect to, any Loan Document, except any such Taxes that are Other Connection Taxes imposed with respect to an assignment (other than an assignment made pursuant to Section 3.06).

"PACE Financings" means (a) any "Property-Assessed Clean Energy" loan or financing or (b) any other indebtedness, without regard to the name given thereto, which is (i) incurred for improvements to a Property for the purpose of increasing energy efficiency, increasing use of renewable energy sources, resource conservation, or a combination of the foregoing, and (ii) repaid through multi-year assessments against such Property.

"Parent Entity" means Phillips Edison Grocery Center REIT I, Inc. or such other entity following any reorganization permitted by Section 8.04.

"Participant" has the meaning specified in Section 11.06(d).

"Participant Register" has the meaning specified in Section 11.06(d).

"Patriot Act" has the meaning set forth in Section 11.17.

"PBGC" means the Pension Benefit Guaranty Corporation or any successor thereto.

"Pension Funding Rules" means the rules of the Code and ERISA regarding minimum required contributions (including any installment payment thereof) to Pension Plans set forth in Section 412, 430, 431, 432 and 436 of the Code and Sections 302, 303, 304 and 305 of ERISA.

"Pension Plan" means any employee pension benefit plan (including a Multiple Employer Plan or a Multiemployer Plan) that is maintained or is contributed to by the Borrower and any ERISA Affiliate and is either covered by Title IV of ERISA or is subject to the minimum funding standards under Section 412 of the Code.

"Permitted Liens" means the following:

(a) Liens pursuant to any Loan Document;

(b) Liens (other than Liens imposed under ERISA) for taxes, assessments or governmental charges or levies not yet delinquent or which are being contested in good faith and by appropriate proceedings diligently conducted, if adequate reserves with respect thereto are maintained on the books of the applicable Person in accordance with GAAP;

(c) statutory Liens of landlords and Liens of carriers, warehousemen, mechanics, materialmen and suppliers and other Liens imposed by law or pursuant to customary reservations or retentions of title arising in the ordinary course of business; provided that such Liens secure only amounts not yet due and payable or, if due and payable, are unfiled and no other action has been taken to enforce the same or are being contested in good faith by appropriate proceedings for which adequate reserves determined in accordance with GAAP have been established;

(d) pledges or deposits in the ordinary course of business in connection with workers' compensation, unemployment insurance and other social security legislation, other than any Lien imposed by ERISA;

(e) deposits to secure the performance of bids, trade contracts and leases (other than Indebtedness), statutory obligations, surety and appeal bonds, performance bonds and other obligations of a like nature incurred in the ordinary course of business;

(f) easements, rights-of-way, restrictions and other similar encumbrances affecting real property which, in the aggregate, are not substantial in amount, and which do not in any case materially detract from the value of the property subject thereto for its current use or materially interfere with the use thereof by the Loan Parties;

(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 9.01(h);

(h) leases or subleases granted to others not interfering in any material respect with the business of any Loan Party or any of its Subsidiaries;

(i) any interest of title of a lessor under, and Liens arising from UCC financing statements relating to, leases permitted by this Agreement;

(j) normal and customary rights of setoff upon deposits of cash in favor of banks or other depository institutions;

(k) Liens of a collection bank arising under Section 4-210 of the Uniform Commercial Code on items in the course of collection;

(l) Liens of sellers of goods to a Loan Party and any of its Subsidiaries 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 securing PACE Financings in an amount not to exceed (a) $1,000,000 in any one year and (b) $2,500,000, in the aggregate, during the term of this Agreement; and

(n) Liens, if any, in favor of Bank of America, N.A., on Cash Collateral (as defined in the Existing Credit Agreement) pursuant to Section 2.14(a) of the Existing Credit Agreement.

"Permitted Reorganization" means any or all of the following: (a) the corporate reorganization of the Consolidated Group and any related mergers with respect thereto (including, without limitation, any merger, purchase, contribution or assumption of assets and/or liabilities or other similar transaction with any Affiliate), (b) the internalization (in whole or in part, whether by merger, purchase, contribution or assumption of assets and/or liabilities or other similar transaction) of the existing external manager of the Parent Entity and the Borrower, (c) the initial public offering of the Parent Entity and/or the listing of the Parent Entity on a recognized US stock exchange, and (d) the issuance of additional Equity Interests of the Borrower and/or the conversion of Equity Interests of the Borrower into Equity Interests of the Parent Entity; provided that after giving effect to any Permitted Reorganization (i) the Parent Entity shall remain a Guarantor, (ii) the Parent Entity shall continue to own, directly or indirectly, a majority of the Voting Stock and economic and beneficial interests of the Borrower, (iii) Phillips Edison Grocery Center Operating Partnership I, L.P., a Delaware limited partnership, shall remain as the Borrower, and (iv) the Borrower shall deliver to the Administrative Agent, (x) a written certificate reasonably satisfactory to the Administrative Agent showing, in reasonable detail, that the Consolidated Group will be in pro forma compliance with the financial covenants in Section 8.11 after giving effect to any Permitted Reorganization and (y) all documentation and other information required by bank regulatory authorities under applicable "know-your-customer" and anti-money laundering rules and regulations, including, without limitation, the Patriot Act.

"Person" means any natural person, corporation, limited liability company, trust, joint venture, association, company, partnership, Governmental Authority or other entity.

"Plan" means any employee benefit plan within the meaning of Section 3(3) of ERISA (including a Pension Plan), maintained for employees of the Borrower or any such Plan to which the Borrower is required to contribute on behalf of any of its employees.

"Platform" has the meaning specified in Section 7.02.

"PNC Agreement" has the meaning set forth in Section 8.03(a).

"PNCCM" means PNC Capital Markets LLC.

"Property" means any real estate asset directly owned by any member of the Consolidated Group, any of its Subsidiaries or any Unconsolidated Affiliate.

"Property Management Fees" means, with respect to each Property for any period, 3% of the aggregate base rent and percentage rent due and payable under leases with tenants at such Property.

"Public Lender" has the meaning specified in Section 7.02.

"Qualified ECP Guarantor" means, at any time, each Loan Party with total assets exceeding $10,000,000 or that qualified at such time as an "eligible contract participant" under the Commodity Exchange Act and can cause another Person to qualify as an "eligible contract participant" at such time under Section 1a(18)(A)(v)(II) of the Commodity Exchange Act.

"Qualified Fees" means, to the extent earned on a current basis (i.e. expected to be paid or settled in 30 days but excluding any payments made with Equity Interests) and are not deferred (except as set forth in (vii) below) by (a) the Borrower, (b) a wholly-owned Subsidiary of the Borrower or (c) a majority owned Subsidiary of the Borrower in which the Borrower, directly or indirectly, has the sole discretion to distribute

any Qualified Fees at such Subsidiary to the Borrower (for clarification purposes, with respect to any non-wholly owned Subsidiary, only the pro rata portion of those fees that can be distributed to the Borrower shall constitute Qualified Fees for the purposes hereunder), all amounts consisting of the following: (i) property management fees, (ii) asset management fees, (iii) leasing commissions, (iv) tenant improvement oversight fees, (v) property acquisition fees, (vi) property financing fees and (vii) deferred asset management fees; provided that if the Qualified Fees attributable to the fees incurred with respect to clauses (v), (vi) and (vii) above accounts for more than 40% of the aggregate Qualified Fees, the amount of such property acquisition fees, property financing fees and deferred asset management fees that exceeds such limit shall be deducted from Qualified Fees. With respect to a transaction that constitutes the acquisition of any Person or any management contracts, for the purpose of calculating Total Asset Value and Unencumbered Asset Value for the quarter during which the acquisition occurs and each of the next three full fiscal quarter periods subsequent to such acquisition, the Qualified Fees with respect to the acquired Person or management contracts, if any, shall be determined as follows: (1) for the quarter in which such acquisition occurs, the Qualified Fees for the last full quarter period prior to such acquisition multiplied by four, (2) for the first full quarter period subsequent to such acquisition, the actual Qualified Fees for such quarter multiplied by four, (3) for the first two full quarter period subsequent to such acquisition, the actual Qualified Fees for such two quarter period multiplied by two and (4) for the first three full quarter period subsequent to such acquisition, the actual Qualified Fees for such three quarter period multiplied by 4/3.

"Recipient" means the Administrative Agent or any Lender.

"Recourse Debt" means any Indebtedness (other than Non-Recourse Debt) of any member of the Consolidated Group for which such Person has personal liability; provided that any customary non-recourse carve-outs with respect to such Indebtedness shall not be deemed Recourse Debt hereunder, except, if and to the extent that the obligor thereunder has acknowledged such liability or it has been determined, by a court of competent jurisdiction to be liable for a claim thereunder for which such obligor is not otherwise indemnified by any third party which has the financial ability to perform with respect to such indemnity and is not disavowing its obligations thereunder.

"Register" has the meaning specified in Section 11.06(c).

"REIT" means a "real estate investment trust" under Sections 856-860 of the Internal Revenue Code.

"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.

"Reportable Event" means any of the events set forth in Section 4043(c) of ERISA, other than events for which the thirty-day notice period has been waived.

"Request for Credit Extension" means with respect to a Borrowing, conversion or continuation of Term Loans, a Loan Notice.

"Required Lenders" means, at any time, Lenders having Total Credit Exposures representing more than 50% of the Total Credit Exposures of all Lenders. The Total Credit Exposure of any Defaulting Lender shall be disregarded in determining Required Lenders at any time.

"Responsible Officer" means the chief executive officer, president (including co-president) vice-president, chief financial officer, treasurer, assistant treasurer or controller of a Loan Party and, solely for purposes of the delivery of certificates pursuant to Sections 5.01 or 7.13, the secretary or any assistant secretary of a Loan Party. Any document delivered hereunder that is signed by a Responsible Officer of a Loan Party shall be conclusively presumed to have been authorized by all necessary corporate, partnership and/or other action on the part of such Loan Party and such Responsible Officer shall be conclusively presumed to have acted on behalf of such Loan Party.

"Restricted Payment" means any dividend or other distribution (whether in cash, securities or other property) with respect to any Equity Interests of any Loan Party or any Subsidiary, or any payment (whether in cash, securities or other property), including any sinking fund or similar deposit, on account of the purchase, redemption, retirement, acquisition, cancellation or termination of any such Equity Interests or on account of any return of capital to the Borrower's stockholders, partners or members (or the equivalent Person thereof), or any setting apart of funds or property for any of the foregoing.

"S&P" means Standard & Poor's Financial Services LLC, a subsidiary of The McGraw-Hill Companies, Inc., and any successor thereto.

"Sale and Leaseback Transaction" means any arrangement pursuant to which any Loan Party, directly or indirectly, becomes liable as lessee, guarantor or other surety with respect to any lease, whether an operating lease or a capital lease, of any Property (a) which such Person has sold or transferred (or is to sell or transfer) to another Person which is not a Loan Party or (b) which such Person intends to use for substantially the same purpose as any other Property which has been sold or transferred (or is to be sold or transferred) by such Person to another Person which is not a Loan Party in connection with such lease.

"Sanctions" means any international economic sanction administered or enforced by the United States government (including, without limitation, OFAC) the United Nations Security Council, the European Union, Her Majesty's Treasury or other relevant sanctions authority.

"SEC" means the Securities and Exchange Commission, or any Governmental Authority succeeding to any of its principal functions.

"Secured Indebtedness" means, for any Person, Indebtedness of such Person that is secured by a Lien; provided that (a) direct Indebtedness (as opposed to a Guarantee) that is secured solely by a Lien on Equity Interests and (b) PACE Financings, in each case, shall not be deemed to be Secured Indebtedness for the purposes of this Agreement.

"Secured Leverage Ratio" means, with respect to the Consolidated Group as of any date of calculation, (a) Total Secured Indebtedness as of such date minus the amount of Balance Sheet Cash as of such date in excess of $25,000,000 to the extent there is an equivalent amount of Total Secured Indebtedness that matures within twenty-four (24) months from the applicable date of calculation divided by (b) Total Asset Value as of such date minus the amount of Balance Sheet Cash deducted in subsection (a) of this definition.

"Shareholders' Equity" means an amount equal to shareholders' equity or net worth of the Consolidated Group, as determined in accordance with GAAP.

"Solvent" or "Solvency" means, with respect to any Person as of a particular date, that on such date (a) such Person is able to pay its debts and other liabilities, contingent obligations and other commitments as they mature in the ordinary course of business, (b) such Person does not intend to, and does not believe

that it will, incur debts or liabilities beyond such Person's ability to pay as such debts and liabilities mature in their ordinary course, (c) such Person is not engaged in a business or a transaction, and is not about to engage in a business or a transaction, for which such Person's property would constitute unreasonably small capital after giving due consideration to the prevailing practice in the industry in which such Person is engaged or is to engage, (d) the fair value of the property of such Person is greater than the total amount of liabilities, including, without limitation, contingent liabilities, of such Person and (e) the present fair salable value of the assets of such Person is not less than the amount that will be required to pay the probable liability of such Person on its debts as they become absolute and matured. In computing the amount of contingent liabilities at any time, it is intended that such liabilities will be computed at the amount which, in light of all the facts and circumstances existing at such time, represents the amount that can reasonably be expected to become an actual or matured liability.

"Specified Loan Party" has the meaning set forth in Section 4.08.

"Subsidiary" of a Person means a corporation, partnership, joint venture, limited liability company or other business entity of which a majority of the shares of Voting Stock is at the time beneficially owned, or the management of which is otherwise controlled, directly, or indirectly through one or more intermediaries, or both, by such Person. Unless otherwise specified, all references herein to a "Subsidiary" or to "Subsidiaries" shall refer to a Subsidiary or Subsidiaries of the Parent Entity.

"Subsidiary Guarantors" means any Subsidiary who becomes a Guarantor hereunder.

"Swap Contract" means (a) any and all rate swap transactions, basis swaps, credit derivative transactions, forward rate transactions, commodity swaps, commodity options, forward commodity contracts, equity or equity index swaps or options, bond or bond price or bond index swaps or options or forward bond or forward bond price or forward bond index transactions, interest rate options, forward foreign exchange transactions, cap transactions, floor transactions, collar transactions, currency swap transactions, cross-currency rate swap transactions, currency options, spot contracts, or any other similar transactions or any combination of any of the foregoing (including any options to enter into any of the foregoing), whether or not any such transaction is governed by or subject to any master agreement, and (b) any and all transactions of any kind, and the related confirmations, which are subject to the terms and conditions of, or governed by, any form of master agreement published by the International Swaps and Derivatives Association, Inc., any International Foreign Exchange Master Agreement, or any other master agreement (any such master agreement, together with any related schedules, a "Master Agreement"), including any such obligations or liabilities under any Master Agreement.

"Swap Obligation" means with respect to any Guarantor any obligation to pay or perform under any agreement, contract or transaction that constitutes a "swap" within the meaning of Section 1a(47) of the Commodity Exchange Act.

"Swap Termination Value" means, after taking into account the effect of any legally enforceable netting agreement relating to any Swap Contract, (a) for any date on or after the date such Swap Contract has been closed out and termination value(s) determined in accordance therewith, such termination value(s), and (b) for any date prior to the date referenced in clause (a), the amount(s) determined as the mark-to-market value(s) for such Swap Contract, as determined based upon one or more mid-market or other readily available quotations provided by any recognized dealer in such Swap Contracts (which may include a Lender or any affiliate of a Lender).

"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).

"Tangible Net Worth" means, for the Consolidated Group as of any date of determination, (a) total equity (including, without limitation, redeemable Equity Interests) determined in accordance with GAAP, minus (b) all intangible assets determined in accordance with GAAP (except for intangible assets related to the value of acquired in-place leases), plus (c) all accumulated depreciation and amortization determined in accordance with GAAP.

"Taxes" means all present or future taxes, levies, imposts, duties, deductions, withholdings (including backup withholding), assessments, fees or other charges imposed by any Governmental Authority, including any interest, additions to tax or penalties applicable thereto.

"Term Borrowing" means a borrowing consisting of simultaneous Term Loans of the same tranche, the same Type and, in the case of Eurodollar Rate Loans, having the same Interest Period made by each of the Lenders pursuant to Section 2.01(b) or Section 2.16.

"Term Loan A-1" has the meaning specified in Section 2.01(b).

"Term Loan A-1 Commitment" means, as to each Lender (a) its obligation to make its portion of $310,000,000 of the Term Loan A-1 to the Borrower on the Closing Date pursuant to Section 2.01(b), in the principal amount set forth opposite such Lender's name on Schedule 2.01 (the "Closing Date Term Loan A-1 Commitment") and (b) its obligation to make its portion of $65,000,000 of the Term Loan A-1 during the Availability Period pursuant to Section 2.01(b), in the principal amount set forth opposite such Lender's name on Schedule 2.01 (the "Delayed Draw Term Loan A-1 Commitment"). The aggregate principal amount of the Term Loan A-1 Commitments of all Lenders as in effect on the Closing Date is $375,000,000.

"Term Loan Commitment" means, as to each Lender, (a) the Term Loan A-1 Commitment and (b) its obligation to make any portion of an Incremental Term Loan pursuant to Section 2.16.

"Term Loan A-1 Maturity Date" means, with respect to Term Loan A-1, April 4, 2022; provided, however, that if such date is not a Business Day, the Term Loan A-1 Maturity Date shall be the immediately preceding Business Day.

"Term Loan A-1 Note" has the meaning specified in Section 2.11(a).

"Term Loans" means Term Loan A-1 or any Incremental Term Loan, as the context may require.

"Term Notes" means the Term Loan A-1 Note and any note in connection with an Incremental Term Loan.

"Threshold Amount" means $20,000,000.

"Total Asset Value" means, at any time for the Consolidated Group, without duplication, the sum of the following: (a) an amount equal to (i) Net Operating Income for the most recently ended four fiscal quarters from all Properties (other than Non-Stabilized Properties) owned by the Consolidated Group for four full fiscal quarters or longer (which amount for each individual Property as well as the aggregate amount for all Properties shall not be less than zero) divided by (ii) the Capitalization Rate, plus (b) the aggregate acquisition cost of all Properties acquired by the Consolidated Group during the then most recently ended four fiscal quarter period, plus (c) the undepreciated book value of Non-Stabilized Properties; provided that,

if the Total Asset Value attributable to Non-Stabilized Properties accounts for more than 15% of Total Asset Value, the amount of undepreciated book value of such Non-Stabilized Properties that exceeds such limit shall be deducted from Total Asset Value, plus (d) the product of (i) Qualified Fees for the most recently ended four fiscal quarter period multiplied by (ii) six (6); provided that if the Total Asset Value attributable to Qualified Fees calculated pursuant to this clause (d) accounts for more than 10% of Total Asset Value, the amount of Qualified Fees calculated pursuant to this clause (d) that exceeds such limit shall be deducted from Total Asset Value, plus (e) cash from like-kind exchanges on deposit with a qualified intermediary ("1031 proceeds"), plus (f) the value of Mezzanine Debt Investments and the value of Mortgage Receivables owned by the Consolidated Group, in each case that are not more than ninety (90) days past due determined in accordance with GAAP and are not with an obligor subject to a bankruptcy or insolvency proceeding; provided that if the Total Asset Value attributable to Mezzanine Debt Investments and Mortgage Receivables accounts for more than 10% of Total Asset Value, the amount of Mezzanine Debt Investments and Mortgage Receivables that exceeds such limit shall be deducted from Total Asset Value, plus (g) the aggregate undepreciated book value of all Unimproved Land and Construction in Progress owned by the Consolidated Group, plus (h) the Consolidated Group Pro Rata Share of the foregoing items and components attributable to interests in Unconsolidated Affiliates, plus (i) Total Cash; provided that, to the extent that Total Asset Value attributable to investments in Mezzanine Debt Investments, Mortgage Receivables, 1031 proceeds, Unimproved Land, Unconsolidated Affiliates, and Construction in Progress accounts for more than 25% of Total Asset Value, in the aggregate, the amount that exceeds such limit shall be deducted from Total Asset Value.

"Total Cash" means all cash and Cash Equivalents of the Consolidated Group, including, cash and Cash Equivalents held as collateral, in escrow in a bank account by a lender, creditor or contract counterparty and from like-kind exchanges (including cash from like-kind exchanges on deposit with a qualified intermediary).

"Total Credit Exposure" means, as to any Lender at any time, the sum of the outstanding unpaid principal amount of Term Loans and any unused Term Loan Commitment of such Lender at such time.

"Total Indebtedness" means (a) all Indebtedness of the Consolidated Group determined on a consolidated basis plus (b) the Consolidated Group Pro Rata Share of Indebtedness attributable to interests in Unconsolidated Affiliates.

"Total Secured Indebtedness" means (a) all Secured Indebtedness of the Consolidated Group determined on a consolidated basis plus (b) the Consolidated Group Pro Rata Share of Secured Indebtedness attributable to interests in Unconsolidated Affiliates.

"Treasury Management Agreement" means any agreement governing the provision of treasury or cash management services, including deposit accounts, overdraft, credit or debit card, funds transfer, automated clearinghouse, zero balance accounts, returned check concentration, controlled disbursement, lockbox, account reconciliation and reporting and trade finance services and other cash management services.

"Type" means, with respect to any Loan, its character as a Base Rate Loan, a Eurodollar Rate Loan or a LIBOR Daily Floating Rate Loan.

"Unconsolidated Affiliates" means an Affiliate of the Parent Entity or any other member of the Consolidated Group whose financial statements are not required to be consolidated with the financial statements of the Parent Entity in accordance with GAAP.

"Undrawn Amount" means the amount of Delayed Draw Term Loan A-1 Commitments outstanding that have not been drawn pursuant to Section 2.01(b).

"Unencumbered Asset Value" means, at any time for the Consolidated Group, without duplication, the sum of the following: (a) an amount equal to (i) Unencumbered NOI from all Unencumbered Properties (other than Non-Stabilized Properties and acquisition properties described in clause (b) below) that have been owned by the Consolidated Group for four full fiscal quarter periods or longer (which amount for each individual Unencumbered Property as well as the aggregate amount for all Unencumbered Properties shall not be less than zero) divided by (ii) the Capitalization Rate, plus (b) the aggregate acquisition cost of all Unencumbered Properties acquired during the then most recently ended four fiscal quarter period, plus (c) the undepreciated book value of Unencumbered Properties that are Non-Stabilized Properties; provided that if the Unencumbered Asset Value attributable to Non-Stabilized Properties accounts for more than 15% of Unencumbered Asset Value, the amount of undepreciated book value of such Non-Stabilized Properties that exceeds such limit shall be deducted from Unencumbered Asset Value, plus (d) cash from like-kind exchanges on deposit with a qualified intermediary ("1031 proceeds"), plus (e) the value of Mezzanine Debt Investments and Mortgage Receivables owned by the Consolidated Group that are not more than ninety (90) days past due determined in accordance with GAAP, in each case that are not subject to a Lien or Negative Pledge; provided that if the Unencumbered Asset Value attributable to Mezzanine Debt Investments and Mortgage Receivables accounts for more than 10% of Unencumbered Asset Value, the amount of Mezzanine Debt Investments and Mortgage Receivables that exceeds such limit shall be deducted from Unencumbered Asset Value, plus (f) the undepreciated book value of all Unimproved Land and Construction in Progress owned by the Consolidated Group to the extent any such assets are not subject to a Lien or Negative Pledge, plus (g) Balance Sheet Cash; provided that, to the extent that Unencumbered Asset Value attributable to investments in Mezzanine Debt Investments, Mortgage Receivables, 1031 proceeds, Unimproved Land, and Construction in Progress account for more than 25% of Unencumbered Asset Value, in the aggregate, the amount that exceeds such limit shall be deducted from Unencumbered Asset Value. For clarification purposes, in determining whether clause (a) or clause (b) above applies, the date a Property will be deemed to have been acquired is the date it was acquired by the Consolidated Group or any prior Affiliate of the Consolidated Group.

"Unencumbered NOI" means (a) for Unencumbered Properties that have been owned for four full fiscal quarters or longer, the Net Operating Income from such Unencumbered Property asset for the four fiscal quarter period minus the Annual Capital Expenditure Adjustment with respect to such Unencumbered Property, (b) for Unencumbered Properties that have been owned for at least one full fiscal quarter but less than four full fiscal quarters, the Net Operating Income from such Unencumbered Property for the most recently ended fiscal quarter, multiplied by four minus the Annual Capital Expenditure Adjustment with respect to such Unencumbered Property, (c) for Unencumbered Properties that have not been owned for at least one full fiscal quarter, but owned for at least one month, the Net Operating Income from such Unencumbered Property for the most recently ended calendar month, multiplied by twelve minus the Annual Capital Expenditure Adjustment with respect to such Unencumbered Property and (d) for Unencumbered Properties that have been owned for less than one month, the average daily Net Operating Income from such Unencumbered Property for the period of ownership of such Unencumbered Property, multiplied by 30, multiplied by 12 minus the Annual Capital Expenditure Adjustment with respect to such Unencumbered Property; provided that (x) the Net Operating Income of a Property that is sold by a member of the Consolidated Group within the most recently ended fiscal quarter will be excluded in calculating Unencumbered NOI, (y) income from Major Tenants in bankruptcy will be excluded from the calculation to the extent the relevant leases have been rejected pursuant to such bankruptcy proceedings and (z) if the Net Operating Income related to ground leases in connection with Unencumbered Properties accounts for

more than 5% of the aggregate Unencumbered NOI, the amount of Net Operating Income that exceeds such limit shall be deducted from the aggregate Unencumbered NOI.

"Unencumbered Properties" means a Property that: (a) is one hundred percent (100%) fee owned by a member of the Consolidated Group or subject to a ground lease approved by the Administrative Agent (such approval not to be unreasonably withheld or delayed); provided, that if such property is subject to a ground lease and the Unencumbered NOI related to such ground lease does not exceed twenty percent (20%) of the aggregate Net Operating Income of such property, such ground lease shall be deemed approved by the Administrative Agent; (b) is located in the United States; (c) is not subject to any Liens other than Permitted Liens or any Negative Pledges and the owner thereof has (i) not granted a Negative Pledge to any other creditor that would affect the Lenders' ability to take a Lien on such property and (ii) not agreed to guarantee or otherwise become liable for any Indebtedness of another party; (d) if such Property is a single tenant Property, it is one hundred percent (100%) occupied, (e) is a shopping center retail property or such other type of property consented to by the Lenders; (f) is not subject to any material environmental, title or structural problems; (g) is not subject to any leases that are in payment or bankruptcy default, after giving effect to any notice or cure periods set forth therein; provided that, in the case of multi-tenant Properties, the qualification in this clause (g) shall be limited to leases of anchor tenants in payment or bankruptcy default; (h) is insured in accordance with the requirements under the Loan Documents and (i) is not owned by a Subsidiary that, if such Subsidiary was subject to Section 9.01(f) or (g), would cause an Event of Default under either such Section.

"Unimproved Land" means Properties which have not been developed for any type of commercial, industrial, residential or other income-generating use and are not, as of such date, under development.

"United States" and "U.S." mean the United States of America.

"Unsecured Indebtedness" means all Indebtedness which is not secured by a Lien; provided that (a) direct Indebtedness (as opposed to a Guarantee) that is secured solely by a Lien on Equity Interests and (b) PACE Financings, in each case, shall be deemed Unsecured Indebtedness for the purposes of this Agreement.

"Unused Fee" means, for each day during the Availability Period, an amount equal to (a) the Undrawn Amount for such day multiplied by (b) a per annum percentage for such day (as determined for a three hundred sixty (360) day year) equal to 0.20%.

"U.S. Person" means any Person that is a "United States Person" as defined in Section 7701(a)(30) of the Internal Revenue Code.

"U.S. Tax Compliance Certificate" has the meaning specified in Section 3.01(e)(ii)(B)(III).

"Voting Stock" means, with respect to any Person, Equity Interests issued by such Person the holders of which are ordinarily, in the absence of contingencies, entitled to vote for the election of directors (or persons performing similar functions) of such Person, even though the right so to vote has been suspended by the happening of such a contingency.

"Wells Fargo" means Wells Fargo Bank, National Association.

"Wells Fargo Fee Letter" means that certain fee letter, dated as of the Closing Date, among the Borrower, Wells Fargo and Wells Fargo Securities.

"Wells Fargo Securities" means Wells Fargo Securities, LLC.

"Write-Down and Conversion Powers" means, with respect to any EEA Resolution Authority, the write-down and conversion powers of such EEA Resolution Authority from time to time under the Bail-In Legislation for the applicable EEA Member Country, which write-down and conversion powers are described in the EU Bail-In Legislation Schedule.

1.02 Other Interpretive Provisions.

With reference to this Agreement and each other Loan Document, unless otherwise specified herein or in such other Loan Document:

(a) The definitions of terms herein shall apply equally to the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words "include," "includes" and "including" shall be deemed to be followed by the phrase "without limitation." The word "will" shall be construed to have the same meaning and effect as the word "shall." Unless the context requires otherwise, (i) any definition of or reference to any agreement, instrument or other document (including the Loan Documents and any Organization Document) shall be construed as referring to such agreement, instrument or other document as from time to time amended, modified, extended, restated, replaced or supplemented from time to time (subject to any restrictions on such amendments, supplements or modifications set forth herein or in any other Loan Document), (ii) any reference herein to any Person shall be construed to include such Person's successors and assigns, (iii) the words "hereto", "herein," "hereof" and "hereunder," and words of similar import when used in any Loan Document, shall be construed to refer to such Loan Document in its entirety and not to any particular provision thereof, (iv) all references in a Loan Document to Articles, Sections, Preliminary Statements, Exhibits and Schedules shall be construed to refer to Articles and Sections of, and Preliminary Statements, Exhibits and Schedules to, the Loan Document in which such references appear, (v) any reference to any law shall include all statutory and regulatory rules, regulations, orders and provisions consolidating, amending, replacing or interpreting such law and any reference to any law or regulation shall, unless otherwise specified, refer to such law or regulation as amended, modified, extended, restated, replaced or supplemented from time to time, and (vi) the words "asset" and "property" shall be construed to have the same meaning and effect and to refer to any and all real and personal property and tangible and intangible assets and properties, including cash, securities, accounts and contract rights.

(b) In the computation of periods of time from a specified date to a later specified date, the word "from" means "from and including;" the words "to" and "until" each mean "to but excluding;" and the word "through" means "to and including."

(c) Section headings herein and in the other Loan Documents are included for convenience of reference only and shall not affect the interpretation of this Agreement or any other Loan Document.

1.03 Accounting Terms.

(a) Generally. All accounting terms not specifically or completely defined herein shall be construed in conformity with, and all financial data (including financial ratios and other financial calculations) required to be submitted pursuant to this Agreement shall be prepared in conformity with, GAAP applied on a consistent basis, as in effect from time to time, applied in a manner consistent with that used in preparing the Audited Financial Statements, except as otherwise specifically

prescribed herein. Notwithstanding any other provision contained herein, all terms of an accounting or financial nature used herein shall be construed, and all computations of amounts and ratios referred to herein shall be made, (i) without giving effect to any election under Accounting Standards Codification 825 (or any other Financial Accounting Standard or Accounting Standards Codification having a similar result or effect) to value any Indebtedness or other liabilities of the Consolidated Group or any Unconsolidated Affiliate at "fair value," as defined therein and (ii) any change to lease accounting rules from those in effect pursuant to FASB ASC 840 and other related lease accounting guidance as in effect on the Closing Date.

(b) Changes in GAAP. If at any time any change in GAAP (including the adoption of IFRS) would affect the computation of any financial ratio or requirement set forth in any Loan Document, and either the Borrower or the Required Lenders shall so request, the Administrative Agent, the Lenders and the Borrower shall negotiate in good faith to amend such ratio or requirement to preserve the original intent thereof in light of such change in GAAP (subject to the approval of the Required Lenders); provided that, until so amended, (i) such ratio or requirement shall continue to be computed in accordance with GAAP prior to such change therein and (ii) the Borrower shall provide to the Administrative Agent and the Lenders financial statements and other documents required under this Agreement or as requested hereunder setting forth a reconciliation between calculations of such ratio or requirement made before and after giving effect to such change in GAAP.

(c) Consolidation of Variable Interest Entities. All references herein to consolidated financial statements of the Consolidated Group or to the determination of any amount for the Consolidated Group on a consolidated basis or any similar reference shall, in each case, be deemed to include each variable interest entity that the Parent Entity is required to consolidate pursuant to FASB ASC 810 as if such variable interest entity were a Subsidiary as defined herein.

1.04 Rounding.

Any financial ratios required to be maintained pursuant to this Agreement shall be calculated by dividing the appropriate component by the other component, carrying the result to one place more than the number of places by which such ratio is expressed herein and rounding the result up or down to the nearest number (with a rounding-up if there is no nearest number).

1.05 Times of Day; Rates.

(a) Times of Day. Unless otherwise specified, all references herein to times of day shall be references to Eastern time (daylight or standard, as applicable).

(b) Rates. The Administrative Agent does not warrant, nor accept responsibility, nor shall the Administrative Agent have any liability with respect to, the administration, submission or any other matter related to the rates in the definition of "Eurodollar Base Rate" or with respect to any comparable or successor rate thereto.

ARTICLE II

THE COMMITMENTS AND CREDIT EXTENSIONS

2.01 Commitments.

(a) [Reserved]

(b) Term Loan A-1. Subject to the terms and conditions set forth herein, each Lender severally agrees to make its portion of a term loan (the "Term Loan A-1") to the Borrower in Dollars, on (a) the Closing Date, in an amount equal to such Lender's Closing Date Term Loan A-1 Commitment and (b) any Business Day during the Availability Period, in an aggregate amount not to exceed such Lender's Delayed Draw Term Loan A-1 Commitment; provided, that (i) after giving effect to any such Borrowing, the aggregate amount of all Term Loan A-1 Borrowings shall not exceed the aggregate Term Loan A-1 Commitments, (ii) the aggregate amount of Borrowings under the Closing Date Term Loan A-1 Commitment shall not exceed the Closing Date Term Loan A-1 Commitments, (iii) the aggregate amount of Borrowings under the Delayed Draw Term Loan A-1 Commitment shall not exceed the Delayed Draw Term Loan A-1 Commitments, (iv) no more than three (3) Borrowings can be made after the Closing Date with respect to the Delayed Draw Term Loan A-1 Commitments and (v) each Borrowing under the Delayed Draw Term Loan A-1 Commitments must be in a minimum amount of the greater of (x) $15,000,000 and (y) the remaining amount of the Delayed Draw Term Loan A-1 Commitment. Amounts borrowed under this Section 2.01(b) and repaid or prepaid may not be reborrowed. The Term Loan A-1 may be composed of Base Rate Loans, Eurodollar Rate Loans or LIBOR Daily Floating Rate Loans, or a combination thereof, as further provided herein.

2.02 Borrowings, Conversions and Continuations of Loans.

(a) Each Borrowing, each conversion of Loans from one Type to the other, and each continuation of Eurodollar Rate Loans shall be made upon the Borrower's irrevocable notice to the Administrative Agent, which may be given by telephone. Each such notice must be received by the Administrative Agent not later than 11:00 a.m. (i) three Business Days prior to the requested date of any Borrowing of, conversion to or continuation of, Eurodollar Rate Loans or of any conversion of Eurodollar Rate Loans to Base Rate Loans, and (ii) on the requested date of any Borrowing of Base Rate Loans or LIBOR Daily Floating Rate Loans. Each telephonic notice by the Borrower pursuant to this Section 2.02(a) must be confirmed promptly by delivery to the Administrative Agent of a written Loan Notice, appropriately completed and signed by a Responsible Officer of the Borrower. Each Borrowing of, conversion to or continuation of Eurodollar Rate Loans shall be in a principal amount of $1,000,000 or a whole multiple of $100,000 in excess thereof. Each Borrowing of, conversion to or continuation of LIBOR Daily Floating Rate Loans shall be in a principal amount of $2,000,000 or a whole multiple of $100,000 in excess thereof. Each Borrowing of or conversion to Base Rate Loans shall be in a principal amount of $1,000,000 or a whole multiple of $500,000 in excess thereof. Each Loan Notice (whether telephonic or written) shall specify (i) whether the Borrower is requesting a Borrowing, a conversion of Loans from one Type to the other, or a continuation of Loans, as the case may be, (ii) whether such Borrowing is a Term Loan A-1 or an Incremental Term Loan, (iii) the requested date of the Borrowing, conversion or continuation, as the case may be (which shall be a Business Day), (iv) the principal amount of Loans to be borrowed, converted or continued, (v) the Type of Loans to be borrowed or to which existing Loans are to be converted, (vi) if applicable, the duration of the Interest Period with respect thereto, and (vii) if requesting a Borrowing, a certification that such Borrowing complies with Section 2.01. If the Borrower fails to specify a Type of a Loan in a Loan Notice or if the Borrower fails to give a timely notice requesting a conversion or continuation, then the applicable Loans shall be made as, or converted to, Base Rate Loans. Any such automatic conversion to Base Rate Loans shall be effective as of the last day of the Interest Period then in effect with respect to the applicable Eurodollar Rate Loans. If the Borrower requests a Borrowing of, conversion to, or continuation of Eurodollar Rate

Loans in any Loan Notice, but fails to specify an Interest Period, it will be deemed to have specified an Interest Period of one month.

(b) Following receipt of a Loan Notice, the Administrative Agent shall promptly notify each Lender of the amount of its Applicable Percentage of the applicable Loans, and if no timely notice of a conversion or continuation is provided by the Borrower, the Administrative Agent shall notify each Lender of the details of any automatic conversion to Base Rate Loans as described in the preceding subsection. In the case of a Borrowing, each Lender shall make the amount of its Loan available to the Administrative Agent in immediately available funds at the Administrative Agent's Office not later than 1:00 p.m. on the Business Day specified in the applicable Loan Notice. Upon satisfaction or waiver of the applicable conditions set forth in Section 5.02 (and, if such Borrowing is the initial Credit Extension, Section 5.01), the Administrative Agent shall make all funds so received available to the Borrower in like funds as received by the Administrative Agent either by (i) crediting the account of the Borrower on the books of the Administrative Agent with the amount of such funds or (ii) wire transfer of such funds, in each case in accordance with instructions provided to (and acceptable to) the Administrative Agent by the Borrower.

(c) Except as otherwise provided herein, a Eurodollar Rate Loan may be continued or converted only on the last day of the Interest Period for such Eurodollar Rate Loan. During the existence of a Default, no Loans may be requested as, converted to or continued as Eurodollar Rate Loans without the consent of the Required Lenders, and the Required Lenders may demand that any or all of the then outstanding Eurodollar Rate Loans be converted immediately to Base Rate Loans.

(d) The Administrative Agent shall promptly notify the Borrower and the Lenders of the interest rate applicable to any Interest Period for Eurodollar Rate Loans upon determination of such interest rate. At any time that Base Rate Loans are outstanding, the Administrative Agent shall notify the Borrower and the Lenders of any change in the Administrative Agent's prime rate used in determining the Base Rate promptly following the public announcement of such change. At any time that LIBOR Daily Floating Rate Loans are outstanding, the Administrative Agent shall notify the Borrower and the Lenders of any change in such rate promptly following any change in such published rate.

(e) After giving effect to all Borrowings, all conversions of Term Loans A-1 from one Type to the other, and all continuations of Term Loans A-1 as the same Type, there shall not be more than three (3) Interest Periods in effect with respect to all Term Loans A-1.

(f) The Borrower hereby authorizes the Administrative Agent to disburse the proceeds of any Loan made by the Lenders or any of their Affiliates pursuant to the Loan Documents as requested by an authorized representative of the Borrower to any of the accounts designated in any Disbursement Instruction Agreement.

2.03 [Reserved]

2.04 [Reserved]

2.05 Voluntary Prepayments. The Borrower may, upon notice from the Borrower to the Administrative Agent, at any time or from time to time voluntarily prepay any Term Loan in whole or in part without premium or penalty; provided that (A) such notice must be received by the Administrative Agent not later than 11:00 a.m. (1) three Business Days prior to any date of prepayment of Eurodollar Rate Loans and (2) on the date of prepayment of Base Rate Loans and LIBOR Daily Floating Rate Loans; (B) any such

prepayment of Eurodollar Rate Loans shall be in a principal amount of $1,000,000 or a whole multiple of $1,000,000 in excess thereof (or, if less, the entire principal amount thereof then outstanding); (C) any such prepayment of LIBOR Daily Floating Rate Loans shall be in a principal amount of $500,000 or a whole multiple of $100,000 in excess thereof (or, if less, the entire principal amount thereof then outstanding); and (D) any prepayment of Base Rate Loans shall be in a principal amount of $500,000 or a whole multiple of $100,000 in excess thereof (or, if less, the entire principal amount thereof then outstanding). Each such notice shall specify the date and amount of such prepayment, the tranche of Terms Loans to be prepaid and the Type(s) of Term Loans to be prepaid. The Administrative Agent will promptly notify each applicable Lender of its receipt of each such notice, and of the amount of such Lender's Applicable Percentage of such prepayment. If such notice is given by the Borrower, the Borrower shall make such prepayment and the payment amount specified in such notice shall be due and payable on the date specified therein. Any prepayment of a Eurodollar Rate Loan shall be accompanied by all accrued interest on the amount prepaid, together with any additional amounts required pursuant to Section 3.05. Subject to Section 2.15, each such prepayment shall be applied to the applicable Term Loans of the Lenders in accordance with their respective Applicable Percentages.

2.06 Termination or Reduction of Aggregate Delayed Draw Term Loan A-1 Commitments.

(a) Optional Reductions of Delayed Draw Term Loan A-1 Commitments. The Borrower may, upon notice to the Administrative Agent, permanently reduce any or all undrawn amounts of the Delayed Draw Term Loan A-1 Commitments; provided that any such notice shall be received by the Administrative Agent not later than 1:00 p.m., five (5) Business Days prior to the date of termination or reduction and any such partial reduction shall be in an aggregate amount of $2,000,000 or any whole multiple of $1,000,000 in excess thereof.

(b) Notice. The Administrative Agent will promptly notify the Lenders of any termination or reduction of the Delayed Draw Term Loan A-1 Commitments under this Section 2.06. Upon any reduction of the Delayed Draw Term Loan A-1 Commitments, the Delayed Draw Term Loan A-1 Commitment of each Lender shall be reduced by such Lender's Applicable Percentage of such reduction amount. All fees in respect of the Delayed Draw Term Loan A-1 Commitments accrued until the effective date of any reduction of the Delayed Draw Term Loan A-1 Commitments shall be paid on the effective date of such reduction.

2.07 Repayment of Loans.

The Borrower shall repay to the Lenders (a) on the Term Loan A-1 Maturity Date the aggregate principal amount of Term Loan A-1 outstanding on such date and (b) with respect to any Incremental Term Loan, on the applicable maturity date thereof as set forth in the applicable Incremental Term Loan Agreement, together, in each case, with all accrued and unpaid interest with respect thereto.

2.08 Interest.

(a) Subject to the provisions of subsection (b) below, (i) each Eurodollar Rate Loan shall bear interest on the outstanding principal amount thereof for each Interest Period at a rate per annum equal to the sum of the Eurodollar Rate for such Interest Period plus the Applicable Rate, (ii) each LIBOR Daily Floating Rate Loan shall bear interest on the outstanding principal amount thereof from the applicable borrowing date at a rate per annum equal to the LIBOR Daily Floating Rate plus the Applicable Rate and (iii) each Base Rate Loan shall bear interest on the outstanding principal amount thereof from the applicable borrowing date at a rate per annum equal to the Base Rate plus the Applicable Rate.

(b) (i) If any amount of principal of any Loan is not paid when due (without regard to any applicable grace periods), whether at stated maturity, by acceleration or otherwise or if any Event of Default has occurred under Section 9.01(f), all outstanding Obligations hereunder shall thereafter bear interest at a fluctuating interest rate per annum at all times equal to the Default Rate to the fullest extent permitted by applicable Laws.

(ii) If any amount (other than principal of any Loan) is not paid when due (after giving effect to any applicable grace periods), whether at stated maturity, by acceleration or otherwise, then upon the request of the Required Lenders, such amount shall thereafter bear interest at a fluctuating interest rate per annum at all times equal to the Default Rate to the fullest extent permitted by applicable Laws.

(iii) Upon the request of the Required Lenders, while any Event of Default exists, the Borrower shall pay interest on the principal amount of all outstanding Obligations hereunder at a fluctuating interest rate per annum at all times equal to the Default Rate to the fullest extent permitted by applicable Laws.

(iv) Accrued and unpaid interest on past due amounts (including interest on past due interest) shall be due and payable upon demand.

(c) Interest on each Loan shall be due and payable in arrears on each Interest Payment Date applicable thereto and at such other times as may be specified herein. Interest hereunder shall be due and payable in accordance with the terms hereof before and after judgment, and before and after the commencement of any proceeding under any Debtor Relief Law.

2.09 Fees.

(a) The Borrower shall pay to the Arrangers and the Administrative Agent such fees set forth in the Fee Letters and as shall have been separately agreed upon in writing in the amounts and at the times so specified. Such fees shall be fully earned when paid and shall not be refundable for any reason whatsoever.

(b) The Borrower shall pay to the Lenders such fees as shall have been separately agreed upon in writing in the amounts and at the times so specified. Such fees shall be fully earned when paid and shall not be refundable for any reason whatsoever.

(c) For each day during the Availability Period, the Borrower shall pay a fee to the Administrative Agent for the pro rata benefit of Lenders having a Delayed Draw Term Loan A-1 Commitment in an amount equal to the Unused Fee for such day. The Unused Fee shall be payable in arrears on (i) the first Business Day of each fiscal quarter, (ii) the date of any reduction in the Delayed Draw Term Loan A-1 Commitments pursuant to Section 2.06, and (iii) on the last day of the Availability Period.

2.10 Computation of Interest and Fees; Retroactive Adjustments of Applicable Rate.

(a) All computations of interest for Base Rate Loans (including Base Rate Loans determined by reference to the Eurodollar Rate) shall be made on the basis of a year of 365 or 366 days, as the case may be, and actual days elapsed. All other computations of fees and interest shall be made on the basis of a 360-day year and actual days elapsed (which results in more fees or interest, as applicable, being paid than if computed on the basis of a 365-day year). Interest shall accrue on each Loan for the day on which the Loan is made, and shall not accrue on a Loan, or any portion

thereof, for the day on which the Loan or such portion is paid, provided that any Loan that is repaid on the same day on which it is made shall, subject to Section 2.12(a), bear interest for one day. Each determination by the Administrative Agent of an interest rate or fee hereunder shall be conclusive and binding for all purposes, absent manifest error.

(b) If, as a result of any restatement of or other adjustment to the financial statements of the Consolidated Group or for any other reason, the Borrower or the Lenders determine that (i) the Leverage Ratio as calculated by the Borrower as of any applicable date was inaccurate and (ii) a proper calculation of the Leverage Ratio would have resulted in higher pricing for such period, the Borrower shall immediately and retroactively be obligated to pay to the Administrative Agent for the account of the applicable Lenders promptly on demand by the Administrative Agent (or, after the occurrence of an actual or deemed entry of an order for relief with respect to the Borrower under the Bankruptcy Code of the United States, automatically and without further action by the Administrative Agent or any Lender), 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. This paragraph shall not limit the rights of the Administrative Agent or any Lender, as the case may be, under Section 2.08(b) or under Article IX. The Borrower's obligations under this paragraph shall survive the termination of the Commitments of all of the Lenders and the repayment of all other Obligations hereunder.

2.11 Evidence of Debt.

The Credit Extensions made by each Lender shall be evidenced by one or more accounts or records maintained by such Lender and by the Administrative Agent in the ordinary course of business. The accounts or records maintained by the Administrative Agent and each Lender shall be conclusive absent manifest error of the amount of the Credit Extensions made by the Lenders to the Borrower and the interest and payments thereon. Any failure to so record or any error in doing so shall not, however, limit or otherwise affect the obligation of the Borrower hereunder to pay any amount owing with respect to the Obligations. In the event of any conflict between the accounts and records maintained by any Lender and the accounts and records of the Administrative Agent in respect of such matters, the accounts and records of the Administrative Agent shall control in the absence of manifest error. Upon the request of any Lender made through the Administrative Agent, the Borrower shall execute and deliver to such Lender (through the Administrative Agent) a promissory note, which shall evidence such Lender's Loans in addition to such accounts or records. Each such promissory note shall, in the case of Term Loan A-1, be in the form of Exhibit C (a "Term Loan A-1 Note"). Each Lender may attach schedules to its Note and endorse thereon the date, Type (if applicable), amount and maturity of its Loans and payments with respect thereto.

2.12 Payments Generally; Administrative Agent's Clawback.

(a) General. All payments to be made by the Borrower shall be made free and clear of and without condition or deduction for any counterclaim, defense, recoupment or setoff. Except as otherwise expressly provided herein, all payments by the Borrower hereunder shall be made to the Administrative Agent, for the account of the respective Lenders to which such payment is owed, at the Administrative Agent's Office in Dollars and in immediately available funds not later than 2:00 p.m. on the date specified herein. The Administrative Agent will promptly distribute to each Lender its Applicable Percentage (or other applicable share as provided herein) of such payment in like funds as received by wire transfer to such Lender's Lending Office. All payments received by the Administrative Agent after 2:00 p.m. shall be deemed received on the next succeeding Business Day and any applicable interest or fee shall continue to accrue. Subject to the definition of "Interest

Period", if any payment to be made by the Borrower shall come due on a day other than a Business Day, payment shall be made on the next following Business Day, and such extension of time shall be reflected in computing interest or fees, as the case may be.

(b) (i) Funding by Lenders; Presumption by Administrative Agent. Unless the Administrative Agent shall have received notice from a Lender prior to the proposed date of any Borrowing of Eurodollar Rate Loans (or, in the case of any Borrowing of Base Rate Loans or LIBOR Daily Floating Rate Loans, prior to 12:00 noon on the date of such Borrowing) that such Lender will not make available to the Administrative Agent such Lender's share of such Borrowing, the Administrative Agent may assume that such Lender has made such share available on such date in accordance with Section 2.02 (or, in the case of any Borrowing of Base Rate Loans or LIBOR Daily Floating Rate Loans, that such Lender has made such share available in accordance with and at the time required by Section 2.02) and may, in reliance upon such assumption, make available to the Borrower a corresponding amount. In such event, if a Lender has not in fact made its share of the applicable Borrowing available to the Administrative Agent, then the applicable Lender and the Borrower 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 Borrower to but excluding the date of payment to the Administrative Agent, at (A) in the case of a payment to be made by such Lender, the greater of the Federal Funds Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation and (B) in the case of a payment to be made by the Borrower, the interest rate applicable to Base Rate Loans. If the Borrower and such Lender shall pay such interest to the Administrative Agent for the same or an overlapping period, the Administrative Agent shall promptly remit to the Borrower the amount of such interest paid by the Borrower for such period. If such Lender pays its share of the applicable Borrowing to the Administrative Agent, then the amount so paid shall constitute such Lender's Loan included in such Borrowing. Any payment by the Borrower shall be without prejudice to any claim the Borrower may have against a Lender that shall have failed to make such payment to the Administrative Agent.

(ii) Payments by Borrower; Presumptions by Administrative Agent. Unless the Administrative Agent shall have received notice from the Borrower prior to the date on which any payment is due to the Administrative Agent for the account of the Lenders hereunder that the Borrower will not make such payment, the Administrative Agent may assume that the Borrower has made such payment on such date in accordance herewith and may, in reliance upon such assumption, distribute to the Lenders the amount due. In such event, if the Borrower has not in fact made such payment, then each of the Lenders severally agrees to repay to the Administrative Agent forthwith on demand the amount so distributed to such Lender, 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 and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation.

A notice of the Administrative Agent to any Lender or the Borrower with respect to any amount owing under subsection (b) shall be conclusive, absent manifest error.

(c) Failure to Satisfy Conditions Precedent. If any Lender makes available to the Administrative Agent funds for any Loan to be made by such Lender as provided in the foregoing provisions of this Article II, and such funds are not made available to the Borrower by the Administrative Agent because the conditions to the applicable Credit Extension set forth in Article

V are not satisfied or waived in accordance with the terms hereof, the Administrative Agent shall return such funds (in like funds as received from such Lender) to such Lender, without interest.

(d) Obligations of Lenders Several. The obligations of the Lenders hereunder to make Loans and to make payments pursuant to Section 11.04(c) are several and not joint. The failure of any Lender to make any Loan or to make any payment under Section 11.04(c) on any date required hereunder shall not relieve any other Lender of its corresponding obligation to do so on such date, and no Lender shall be responsible for the failure of any other Lender to so make its Loan or to make its payment under Section 11.04(c).

(e) Funding Source. Nothing herein shall be deemed to obligate any Lender to obtain the funds for any Loan in any particular place or manner or to constitute a representation by any Lender that it has obtained or will obtain the funds for any Loan in any particular place or manner.

2.13 Sharing of Payments by Lenders.

If any Lender shall, by exercising any right of setoff or counterclaim or otherwise, obtain payment in respect of any principal of or interest on any of the Loans made by it, resulting in such Lender's receiving payment of a proportion of the aggregate amount of such Loans or participations and accrued interest thereon greater than its pro rata share thereof as provided herein, then the Lender receiving such greater proportion shall (a) notify the Administrative Agent of such fact, and (b) purchase (for cash at face value) participations in the Loans 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 (x) any payment made by or on behalf of the Borrower pursuant to and in accordance with the express terms of this Agreement (including the application of funds arising from the existence of a Defaulting Lender), or (y) any payment obtained by a Lender as consideration for the assignment of or sale of a participation in any of its Loans to any assignee or participant, other than an assignment to the Borrower or any Subsidiary 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.

2.14 [Reserved]

2.15 Defaulting Lenders.

(a) Adjustments. Notwithstanding anything to the contrary contained in this Agreement, if any Lender becomes a Defaulting Lender, then, until such time as that Lender is no longer a Defaulting Lender, to the extent permitted by applicable Law:

(i) Waivers and Amendment. 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" and Section 11.01.

(ii) Defaulting Lender Waterfall. Any payment of principal, interest, fees or other amount received by the Administrative Agent for the account of such Defaulting Lender (whether voluntary or mandatory, at maturity, pursuant to Article IX or otherwise) or received by the Administrative Agent from a Defaulting Lender pursuant to Section 11.08, shall be applied at such time or times as may be determined by the Administrative Agent as follows: first, to the payment of any amounts owing by such Defaulting Lender to the Administrative Agent hereunder; second, as the Borrower 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; third, to the payment of any amounts owing to the Lenders as a result of any judgment of a court of competent jurisdiction obtained by any Lender against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement; fourth, so long as no Default or Event of Default exists, to the payment of any amounts owing to the Borrower as a result of any judgment of a court of competent jurisdiction obtained by the Borrower against that Defaulting Lender as a result of that Defaulting Lender's breach of its obligations under this Agreement; and fifth, 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 in respect of which such Defaulting Lender has not fully funded its appropriate share, and (y) such Loans were made at a time when the conditions set forth in Section 5.02 were satisfied or waived, such payment shall be applied solely to pay the Loans of all Non-Defaulting Lenders on a pro rata basis prior to being applied to the payment of any Loans of such Defaulting Lender until such time as all Loans are held by the Lenders pro rata in accordance with the Commitments hereunder without giving effect to Section 2.15(a)(iv). Any payments, prepayments or other amounts paid or payable to a Defaulting Lender that are applied (or held) to pay amounts owed by a Defaulting Lender pursuant to this Section 2.15(a)(ii) shall be deemed paid to and redirected by such Defaulting Lender, and each Lender irrevocably consents hereto.

(b) Defaulting Lender Cure. If the Borrower and the Administrative Agent 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 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 the Loans to be held on a pro rata basis by the Lenders in accordance with their Applicable Percentages, 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 Borrower while that Lender was a Defaulting Lender; provided, further, that, except to the extent otherwise expressly agreed by the affected parties, no change hereunder from Defaulting Lender to Lender will constitute a waiver or release of any claim of any party hereunder arising from that Lender having been a Defaulting Lender.

2.16 Increase in Commitments.

(a) Request for Increase. Provided there exists no Default, upon notice to the Administrative Agent (which shall promptly notify the Lenders), the Borrower may from time to time, request (x) an increase in Term Loan A-1 or (y) a new term loan (an "Incremental Term Loan"); provided that (i) any such request shall be in a minimum amount of $25,000,000, (ii) the aggregate amount of all such requested increases and Incremental Term Loans may not exceed $150,000,000 and (iii) the sum of the principal amount of all outstanding Term Loans may not exceed $525,000,000 at any one time. At the time of sending such notice, the Borrower (in consultation with the Administrative Agent) shall specify the time period within which each Lender is requested to respond (which shall in no event be less than ten (10) Business Days from the date of delivery of such notice to the Lenders).

(b) Lender Elections to Increase. Each Lender shall notify the Administrative Agent within the time period specified by the Borrower pursuant to Section 2.16(a) whether or not it agrees to increase Term Loan A-1 or agrees to participate in an Incremental Term Loan and, if so, whether by an amount equal to, greater than, or less than its Applicable Percentage of such requested increase. Any Lender not responding within such time period shall be deemed to have declined to increase its Term Loan A-1 or participate in an Incremental Term Loan.

(c) Notification by Administrative Agent; Additional Lenders. The Administrative Agent shall notify the Borrower and each Lender of the Lenders' responses to each request made hereunder. To achieve the full amount of a requested increase, and subject to the approval of the Administrative Agent, the Borrower may also invite additional Eligible Assignees to become Lenders pursuant to a joinder agreement ("New Lenders") in form and substance reasonably satisfactory to the Administrative Agent.

(d) Effective Date and Allocations. If the Term Loan A-1 is increased or an Incremental Term Loan is added in accordance with this Section, the Administrative Agent and the Borrower shall determine the effective date (the "Increase Effective Date") and the final allocation of such increase or Incremental Term Loan. The Administrative Agent shall promptly notify the Borrower and the Lenders and the New Lenders, if any, of the final allocation of such increase or Incremental Term Loan and the Increase Effective Date.

(e) Conditions to Effectiveness of Increase. As a condition precedent to such increase, the Borrower shall deliver to the Administrative Agent (i) a certificate of each Loan Party dated as of the Increase Effective Date (in sufficient copies for each Lender) signed by a Responsible Officer of such Loan Party (A) certifying and attaching the resolutions adopted by such Loan Party approving or consenting to such increase, and (B) in the case of the Borrower, certifying that, before and after giving effect to such increase, (1) the representations and warranties contained in Article VI and the other Loan Documents are true and correct in all material respects (unless already qualified by materiality or Material Adverse Effect, in which case they shall be true and correct in all respects), on and as of the Increase Effective Date, except to the extent that such representations refer to an earlier date, in which case they are true and correct in all material respects as of such earlier date, and except that for purposes of this Section, the representations and warranties contained in subsections (a) and (b) of Section 6.05 shall be deemed to refer to the most recent statements furnished pursuant to clauses (a) and (b), respectively, of Section 7.01, and (2) both before and after giving effect to the increase, no Default exists and (ii) if such increase is in the form of an Incremental Term Loan, an agreement, in form and substance reasonably satisfactory to the Administrative Agent, duly executed by each applicable Lender and New Lender, the Borrower and the Administrative Agent (each such agreement, an "Incremental Term Loan Agreement") setting forth the Applicable Rate and the maturity date for such Incremental Term Loan. The Borrower shall deliver or cause to be delivered any other customary documents (including, without limitation, customary legal opinions)

as reasonably requested by the Administrative Agent in connection with any such increase in the Term Loan A-1 or the making of an Incremental Term Loan.

(f) Conflicting Provisions. This Section shall supersede any provisions in Section 2.13 or 11.01 to the contrary.

2.17 Extension of Maturity Date.

(a) Requests for Extension.

(i) The Borrower may, by notice to the Administrative Agent and the Lenders not earlier than 90 days and not later than 45 days prior to the Term Loan A-1 Maturity Date (the "Existing Maturity Date"), request that the Lenders extend the Term Loan A-1 Maturity Date for an additional six month period from the Existing Maturity Date.

(b) Conditions to Effectiveness of Extension. As a condition precedent to such extension, the Borrower shall (i) deliver to the Administrative Agent a certificate of each Loan Party dated as of the Existing Maturity Date, signed by a Responsible Officer of such Loan Party (A) certifying and attaching the resolutions adopted by such Loan Party approving or consenting to such extension and (B) certifying that, before and after giving effect to such extension, (x) the representations and warranties contained in Article VI and the other Loan Documents are true and correct in all material respects (unless already qualified by materiality or Material Adverse Effect, in which case they shall be true and correct in all respects) on and as of the Existing Maturity Date, 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 (unless already qualified by materiality or Material Adverse Effect, in which case they shall be true and correct in all respects) as of such earlier date, and except that for purposes of this Section 2.17, the representations and warranties contained in subsections (a) and (b) of Section 6.05 shall be deemed to refer to the most recent statements furnished pursuant to subsections (a) and (b), respectively, of Section 7.01, and (y) no Default exists and (ii) pay a fee to the Administrative Agent, for the pro rata benefit of the applicable Lenders, equal to 0.075% on the principal amount of the then outstanding Term Loan A-1 Loan at the time of such extension.

ARTICLE III

TAXES, YIELD PROTECTION AND ILLEGALITY

3.01 Taxes.

(a) Payments Free of Taxes; Obligation to Withhold; Payments on Account of Taxes.

(i) Any and all payments by or on account of any obligation of any Loan Party under any Loan Document shall be made without deduction or withholding for any Taxes, except as required by applicable Laws. If any applicable Laws (as determined in the good faith discretion of the Administrative Agent or a Loan Party, as applicable) require the deduction or withholding of any Tax from any such payment by the Administrative Agent or a Loan Party, then the Administrative Agent or such Loan Party shall be entitled to make such deduction or withholding, upon the basis of the information and documentation to be delivered pursuant to subsection (e) below.

(ii) If any Loan Party or the Administrative Agent shall be required by the Internal Revenue Code to withhold or deduct any Taxes, including both United States Federal backup withholding and withholding taxes, from any payment, then (A) the Administrative Agent shall withhold or make such deductions as are determined by the Administrative Agent to be required based upon the information and documentation it has received pursuant to subsection (e) below, (B) the Administrative Agent shall timely pay the full amount withheld or deducted to the relevant Governmental Authority in accordance with the Internal Revenue Code, and (C) to the extent that the withholding or deduction is made on account of Indemnified Taxes, the sum payable by the applicable Loan Party shall be increased as necessary so that after any required withholding or the making of all required deductions (including deductions applicable to additional sums payable under this Section 3.01) the applicable Recipient receives an amount equal to the sum it would have received had no such withholding or deduction been made.

(iii) If any Loan Party or the Administrative Agent shall be required by any applicable Laws other than the Internal Revenue Code to withhold or deduct any Taxes from any payment, then (A) such Loan Party or the Administrative Agent, as required by such Laws, shall withhold or make such deductions as are determined by it to be required based upon the information and documentation it has received pursuant to subsection (e) below, (B) such Loan Party or the Administrative Agent, to the extent required by such Laws, shall timely pay the full amount withheld or deducted to the relevant Governmental Authority in accordance with such Laws, and (C) to the extent that the withholding or deduction is made on account of Indemnified Taxes, the sum payable by the applicable Loan Party shall be increased as necessary so that after any required withholding or the making of all required deductions (including deductions applicable to additional sums payable under this Section 3.01) the applicable Recipient receives an amount equal to the sum it would have received had no such withholding or deduction been made.

(b) Payment of Other Taxes by the Loan Parties. Without limiting the provisions of subsection (a) above, the Loan Parties shall timely pay to the relevant Governmental Authority in accordance with applicable law, or at the option of the Administrative Agent timely reimburse it for the payment of, any Other Taxes.

(c) Tax Indemnifications.

(i) Each of the Loan Parties shall, and does hereby, jointly and severally indemnify each Recipient, and shall make payment in respect thereof within 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 3.01) 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 Borrower by a Lender (with a copy to the Administrative Agent), or by the Administrative Agent on its own behalf or on behalf of a Lender, shall be conclusive absent manifest error.

(ii) Each Lender shall, and does hereby, severally indemnify, and shall make payment in respect thereof within 10 days after demand therefor, (x) the Administrative Agent against any Indemnified Taxes attributable to such Lender (but only to the extent that any Loan Party has not already indemnified the Administrative Agent for such Indemnified Taxes and without limiting the obligation of the Loan Parties to do so), (y) the Administrative Agent against any Taxes attributable to such Lender's failure to comply with the provisions of Section 11.06(d) relating to the maintenance of a Participant Register and (z) the Administrative Agent against any Excluded Taxes attributable to such Lender, in each case, that are payable or paid by the Administrative Agent in connection with any Loan Document, and any reasonable expenses arising therefrom or with respect thereto, whether or not such Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to any Lender by the Administrative Agent shall be conclusive absent manifest error. Each Lender hereby authorizes the Administrative Agent to set off and apply any and all amounts at any time owing to such Lender under this Agreement or any other Loan Document against any amount due to the Administrative Agent under this clause (ii).

(d) Evidence of Payments. Upon request by any Loan Party or the Administrative Agent, as the case may be, after any payment of Taxes by any Loan Party or by the Administrative Agent to a Governmental Authority as provided in this Section 3.01, each Loan Party shall deliver to the Administrative Agent or the Administrative Agent shall deliver to the Borrower, as the case may be, the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment, a copy of any return required by Laws to report such payment or other evidence of such payment reasonably satisfactory to the Borrower or the Administrative Agent, as the case may be.

(e) Status of Lenders; Tax Documentation.

(i) Any Lender that is entitled to an exemption from or reduction of withholding Tax with respect to payments made under any Loan Document shall deliver to the Borrower and the Administrative Agent, at the time or times reasonably requested by the Borrower or the Administrative Agent, such properly completed and executed documentation reasonably requested by the Borrower 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 Borrower or the Administrative Agent, shall deliver such other documentation prescribed by applicable Law or reasonably requested by the Borrower or the Administrative Agent as will enable the Borrower 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 in Section 3.01(e)(ii)(A), (ii)(B) and (ii)(D) below) shall not be required if in the Lender's reasonable judgment such completion, execution or submission would subject such Lender to any material unreimbursed cost or expense or would materially prejudice the legal or commercial position of such Lender.

(ii) Without limiting the generality of the foregoing, in the event that the Borrower is a U.S. Person,

(A) any Lender that is a U.S. Person shall deliver to the Borrower and the Administrative Agent on or prior to the date on which such Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower or the Administrative Agent), executed copies of Internal Revenue Service Form W-9 certifying that such Lender is exempt from U.S. federal backup withholding Tax;

(B) any Foreign Lender (or any successor Administrative Agent that is not a U.S. Person) shall, to the extent it is legally entitled to do so, deliver to the Borrower and the Administrative Agent (in such number of copies as shall be requested by the recipient) on or prior to the date on which such Foreign Lender becomes a Lender under this Agreement or on which such successor Administrative Agent becomes the Administrative Agent under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower or the Administrative Agent), whichever of the following is applicable:

(I) in the case of a Foreign Lender claiming the benefits of an income tax treaty to which the United States is a party (x) with respect to payments of interest under any Loan Document, executed copies of Internal Revenue Service Form W-8BEN or W-8BEN-E, as applicable, establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the "interest" article of such tax treaty and (y) with respect to any other applicable payments under any Loan Document, Internal Revenue Service 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;

(II) executed copies of Internal Revenue Service Form W-8ECI,

(III) in the case of a Foreign Lender claiming the benefits of the exemption for portfolio interest under Section 881(c) of the Internal Revenue Code, (x) a certificate substantially in the form of Exhibit F-1 to the effect that such Foreign Lender is not a "bank" within the meaning of Section 881(c)(3)(A) of the Internal Revenue Code, a "10 percent shareholder" of the Borrower within the meaning of Section 881(c)(3)(B) of the Internal Revenue Code, or a "controlled foreign corporation" described in Section 881(c)(3)(C) of the Internal Revenue Code (a "U.S. Tax Compliance Certificate") and (y) executed copies of Internal Revenue Service Form W-8BEN or W-8BEN-E, as applicable; or

(IV) to the extent a Foreign Lender is not the beneficial owner, executed copies of Internal Revenue Service Form W-8IMY, accompanied by Internal Revenue Service Form W-8ECI, Internal Revenue Service Form W-8BEN or W-8BEN-E, as applicable, a U.S. Tax Compliance Certificate substantially in the form of Exhibit F-2 or Exhibit F-3, Internal Revenue Service 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 F-4 on behalf of each such direct and indirect partner;

(C) any Foreign Lender shall, to the extent it is legally entitled to do so, deliver to the Borrower and the Administrative Agent (in such number of copies as shall be requested by the recipient) on or prior to the date on which such Foreign Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower 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 Borrower or the Administrative Agent to determine the withholding or deduction required to be made; and

(D) if a payment made to a Lender under any Loan Document would be subject to U.S. federal withholding Tax imposed by FATCA if such Lender were to fail to comply with the applicable reporting requirements of FATCA (including those contained in Section 1471(b) or 1472(b) of the Internal Revenue Code, as applicable), such Lender shall deliver to the Borrower and the Administrative Agent at the time or times prescribed by Law and at such time or times reasonably requested by the Borrower or the Administrative Agent such documentation prescribed by applicable Law (including as prescribed by Section 1471(b)(3)(C)(i) of the Internal Revenue Code) and such additional documentation reasonably requested by the Borrower or the Administrative Agent as may be necessary for the Borrower and the Administrative Agent to comply with their obligations under FATCA and to determine that such Lender has complied with such Lender's obligations under FATCA or to determine the amount to deduct and withhold from such payment. Solely for purposes of this clause (D), "FATCA" shall include any amendments made to FATCA after the date of this Agreement.

(iii) Each Lender agrees that if any form or certification it previously delivered pursuant to this Section 3.01 expires or becomes obsolete or inaccurate in any respect, it shall update such form or certification or promptly notify the Borrower and the Administrative Agent in writing of its legal inability to do so.

(f) Treatment of Certain Refunds. Unless required by applicable Laws, at no time shall the Administrative Agent have any obligation to file for or otherwise pursue on behalf of a Lender, or have any obligation to pay to any Lender, any refund of Taxes withheld or deducted from funds paid for the account of such Lender, as the case may be. If any Recipient determines, in its sole discretion exercised in good faith, that it has received a refund of any Taxes as to which it has been indemnified by any Loan Party or with respect to which any Loan Party has paid additional amounts pursuant to this Section 3.01, it shall pay to the Loan Party an amount equal to such refund (but only to the extent of indemnity payments made, or additional amounts paid, by a Loan Party under this Section 3.01 with respect to the Taxes giving rise to such refund), net of all out-of-pocket expenses (including Taxes) incurred by such Recipient, and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund), provided that the Loan Party, upon the request of the Recipient, agrees to repay the amount paid over to the Loan Party (plus any penalties, interest or other charges imposed by the relevant Governmental Authority) to the Recipient

in the event the Recipient is required to repay such refund to such Governmental Authority. Notwithstanding anything to the contrary in this subsection, in no event will the applicable Recipient be required to pay any amount to the Loan Party pursuant to this subsection the payment of which would place the Recipient in a less favorable net after-Tax position than such Recipient would have been in if the Tax subject to indemnification and giving rise to such refund had not been deducted, withheld or otherwise imposed and the indemnification payments or additional amounts with respect to such Tax had never been paid. This subsection shall not be construed to require any Recipient to make available its Tax returns (or any other information relating to its Taxes that it deems confidential) to any Loan Party or any other Person.

(g) Survival. Each party's obligations under this Section 3.01 shall survive the resignation or replacement of 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 other Obligations.

3.02 Illegality.

If any Lender determines that any Law has made it unlawful, or that any Governmental Authority has asserted that it is unlawful, for any Lender or its Lending Office to make, maintain or fund Loans whose interest is determined by reference to the Eurodollar Rate or the LIBOR Daily Floating Rate, or to determine or charge interest rates based upon the Eurodollar Rate or LIBOR Daily Floating Rate, or any Governmental Authority has imposed material restrictions on the authority of such Lender to purchase or sell, or to take deposits of, Dollars in the London interbank market, then, on notice thereof by such Lender to the Borrower through the Administrative Agent, (i) any obligation of such Lender to make or continue Eurodollar Rate Loans or LIBOR Daily Floating Rate Loans or to convert Base Rate Loans to Eurodollar Rate Loans or LIBOR Daily Floating Rate Loans shall be suspended and (ii) if such notice asserts the illegality of such Lender making or maintaining Base Rate Loans the interest rate on which is determined by reference to the Eurodollar Rate component of the Base Rate, the interest rate on which Base Rate Loans of such Lender shall, if necessary to avoid such illegality, be determined by the Administrative Agent without reference to the Eurodollar Rate component of the Base Rate, in each case until such Lender notifies the Administrative Agent and the Borrower that the circumstances giving rise to such determination no longer exist. Upon receipt of such notice, (x) the Borrower shall, upon demand from such Lender (with a copy to the Administrative Agent), prepay or, if applicable, convert all Eurodollar Rate Loans and LIBOR Daily Floating Rate Loans of such Lender to Base Rate Loans (the interest rate on which Base Rate Loans of such Lender shall, if necessary to avoid such illegality, be determined by the Administrative Agent without reference to the Eurodollar Rate component of the Base Rate), either, in the case of LIBOR Daily Floating Rate Loans, immediately, or, in the case of Eurodollar Rate Loans, on the last day of the Interest Period therefor, if such Lender may lawfully continue to maintain such Eurodollar Rate Loans to such day, or immediately, if such Lender may not lawfully continue to maintain such Eurodollar Rate Loans, and (y) if such notice asserts the illegality of such Lender determining or charging interest rates based upon the Eurodollar Rate or the LIBOR Daily Floating Rate for any period, the Administrative Agent shall during the period of such suspension compute the Base Rate applicable to such Lender without reference to the Eurodollar Rate component thereof until the Administrative Agent is advised in writing by such Lender that it is no longer illegal for such Lender to determine or charge interest rates based upon the Eurodollar Rate. Upon any such prepayment or conversion, the Borrower shall also pay accrued interest on the amount so prepaid or converted.

3.03 Inability to Determine Rates.

If in connection with any request for a Eurodollar Rate Loan or a conversion to or continuation thereof or otherwise, (a) the Administrative Agent determines that (i) Dollar deposits are not being offered to banks in the London interbank eurodollar market for such currency for the applicable amount and Interest Period of such Eurodollar Rate Loan or (ii) adequate and reasonable means do not exist for determining (x) the LIBOR Daily Floating Rate or (y) the Eurodollar Base Rate for any requested Interest Period with respect to a proposed Eurodollar Rate Loan or in connection with an existing or proposed Base Rate Loan (in each case with respect to this clause (a), "Impacted Loans"), or (b) the Administrative Agent or the Required Lenders determine that for any reason the Eurodollar Base Rate for any requested Interest Period with respect to a proposed Eurodollar Rate Loan does not adequately and fairly reflect the cost to the Lenders of funding such Loan, the Administrative Agent will promptly notify the Borrower and all Lenders. Thereafter, (i) the obligation of the Lenders to make or maintain Eurodollar Rate Loans with an Interest Period having the duration of such Interest Period shall be suspended, and (ii) in the event of a determination described in the preceding sentence with respect to the LIBOR Daily Floating Rate or the Eurodollar Rate component of the Base Rate, the utilization of the LIBOR Daily Floating Rate or the Eurodollar Rate component in determining the Base Rate shall be suspended, in each case until the Administrative Agent (upon the instruction of the Required Lenders) revokes such notice. Upon receipt of such notice, the Borrower may revoke any pending request for a Borrowing, conversion or continuation of Eurodollar Rate Loans (to the extent of the affected Eurodollar Rate Loans or Interest Periods) or, failing that, will be deemed to have converted such request into a request for a Borrowing of Base Rate Loans in the amount specified therein.

Notwithstanding the foregoing, if the Administrative Agent has made the determination described in clause (a) of this Section 3.03, the Administrative Agent, in consultation with the Borrower and the affected Lenders, may establish an alternative interest rate for the applicable Impacted Loans, in which case, such alternative interest rate shall apply with respect to such Impacted Loans until (1) the Administrative Agent revokes the notice delivered with respect to the applicable Impacted Loans under the first sentence of this Section 3.03, (2) the Administrative Agent notifies the Borrower that such alternative interest rate does not adequately and fairly reflect the cost to such Lenders of funding the applicable Impacted Loans, or (3) any Lender determines that any Law has made it unlawful, or that any Governmental Authority has asserted that it is unlawful, for such Lender or its applicable Lending Office to make, maintain or fund Loans whose interest is determined by reference to such alternative interest rate or to determine or charge interest rates based upon such rate or any Governmental Authority has imposed material restrictions on the ability of such Lender to do any of the foregoing and, in each case, such Lender provides the Administrative Agent and the Borrower written notice thereof.

3.04 Increased Costs.

(a) Increased Costs Generally. If any Change in Law shall:

(i) impose, modify or deem applicable any reserve, special deposit, compulsory loan, insurance charge or similar requirement against assets of, deposits with or for the account of, or credit extended or participated in by, any Lender (except any reserve requirement reflected in the Eurodollar Rate);

(ii) subject any Recipient to any Taxes (other than (A) Indemnified Taxes, (B) Taxes described in clauses (b) through (d) of the definition of Excluded Taxes, (C) Connection Income Taxes and (D) Taxes imposed as a penalty for a Lender's failure to comply with non-U.S. legislation implementing FATCA) on its loans, loan principal, letters

of credit, commitments, or other obligations, or its deposits, reserves, other liabilities or capital attributable thereto; or

(iii) impose on any Lender or the London interbank market any other condition, cost or expense affecting this Agreement or Eurodollar Rate Loans made by such Lender;

and the result of any of the foregoing shall be to increase the cost to such Lender of making, converting to, continuing or maintaining any Loan the interest on which is determined by reference to the Eurodollar Rate (or of maintaining its obligation to make any such Loan), or to reduce the amount of any sum received or receivable by such Lender hereunder (whether of principal, interest or any other amount) then, upon request of such Lender, the Borrower will pay to such Lender such additional amount or amounts as will compensate such Lender for such additional costs incurred or reduction suffered.

(b) Capital Requirements. If any Lender determines that any Change in Law affecting such Lender or any Lending Office of such Lender or such Lender's holding company, if any, regarding capital or liquidity ratios or requirements has or would have the effect of reducing the rate of return on such Lender's capital or on the capital of such Lender's holding company, if any, as a consequence of this Agreement, the Commitments of such Lender or the Loans made by such Lender to a level below that which such Lender or such Lender's holding company could have achieved but for such Change in Law (taking into consideration such Lender's policies and the policies of such Lender's holding company with respect to capital adequacy), then from time to time the Borrower will pay to such Lender such additional amount or amounts as will compensate such Lender or such Lender's holding company for any such reduction suffered.

(c) Certificates for Reimbursement. A certificate of a Lender setting forth the amount or amounts necessary to compensate such Lender or its holding company, as the case may be, as specified in subsection (a) or (b) of this Section and delivered to the Borrower shall be conclusive absent manifest error. The Borrower shall pay such Lender the amount shown as due on any such certificate within 10 days after receipt thereof.

(d) Delay in Requests. Failure or delay on the part of any Lender to demand compensation pursuant to the foregoing provisions of this Section shall not constitute a waiver of such Lender's right to demand such compensation, provided that the Borrower shall not be required to compensate a Lender pursuant to the foregoing provisions of this Section for any increased costs incurred or reductions suffered more than nine months prior to the date that such Lender, as the case may be, notifies the Borrower of the Change in Law giving rise to such increased costs or reductions and of such Lender's intention to claim compensation therefor (except that, if the Change in Law giving rise to such increased costs or reductions is retroactive, then the nine-month period referred to above shall be extended to include the period of retroactive effect thereof).

3.05 Compensation for Losses.

Upon demand of any Lender (with a copy to the Administrative Agent) from time to time, the Borrower shall promptly compensate such Lender for and hold such Lender harmless from any loss, cost or expense incurred by it as a result of:

(a) any continuation, conversion, payment or prepayment of any Loan other than a Base Rate Loan or a LIBOR Daily Floating Rate Loan on a day other than the last day of the Interest Period for such Loan (whether voluntary, mandatory, automatic, by reason of acceleration, or otherwise);

(b) any failure by the Borrower (for a reason other than the failure of such Lender to make a Loan) to prepay, borrow, continue or convert any Loan other than a Base Rate Loan or a LIBOR Daily Floating Rate Loan on the date or in the amount notified by the Borrower; or

(c) any assignment of a Eurodollar Rate Loan on a day other than the last day of the Interest Period therefor as a result of a request by the Borrower pursuant to Section 11.13;

including any loss of anticipated profits and any loss or expense arising from the liquidation or reemployment of funds obtained by it to maintain such Loan or from fees payable to terminate the deposits from which such funds were obtained. The Borrower shall also pay any customary administrative fees charged by such Lender in connection with the foregoing.

For purposes of calculating amounts payable by the Borrower to the Lenders under this Section 3.05, each Lender shall be deemed to have funded each Eurodollar Rate Loan made by it at the Eurodollar Base Rate used in determining the Eurodollar Rate for such Loan by a matching deposit or other borrowing in the London interbank eurodollar market for a comparable amount and for a comparable period, whether or not such Eurodollar Rate Loan was in fact so funded.

3.06 Mitigation Obligations; Replacement of Lenders.

(a) Designation of a Different Lending Office. If any Lender requests compensation under Section 3.04, or requires the Borrower to pay any Indemnified Taxes or additional amounts to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 3.01, or if any Lender gives a notice pursuant to Section 3.02, then at the request of the Borrower such Lender shall, as applicable, use reasonable efforts to designate a different Lending Office for funding or booking its Loans hereunder or to assign its rights and obligations hereunder to another of its offices, branches or affiliates, if, in the judgment of such Lender, such designation or assignment (i) would eliminate or reduce amounts payable pursuant to Section 3.01 or 3.04, as the case may be, in the future, or eliminate the need for the notice pursuant to Section 3.02, as applicable, and (ii) in each case, would not subject such Lender to any unreimbursed cost or expense and would not otherwise be disadvantageous to such Lender. The Borrower hereby agrees to pay all reasonable costs and expenses incurred by any Lender in connection with any such designation or assignment.

(b) Replacement of Lenders. If any Lender requests compensation under Section 3.04, or if the Borrower is required to pay any Indemnified Taxes or additional amounts to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 3.01 and, in each case, such Lender has declined or is unable to designate a different lending office in accordance with Section 3.06(a), the Borrower may replace such Lender in accordance with Section 11.13.

3.07 Survival.

All of the Borrower's obligations under this Article III shall survive termination of any outstanding Commitments, repayment of all other Obligations hereunder and resignation of the Administrative Agent.

ARTICLE IV

GUARANTY

4.01 The Guaranty.

Each of the Guarantors hereby jointly and severally guarantees to each Lender, each Affiliate of a Lender party to a Swap Contract or Treasury Management Agreement with a Loan Party, and the Administrative Agent as hereinafter provided, as primary obligor and not as surety, the prompt payment of all Obligations in full when due (whether at stated maturity, as a mandatory prepayment, by acceleration or otherwise) strictly in accordance with the terms thereof. The Guarantors hereby further agree that if any of the Obligations are not paid in full when due (whether at stated maturity, as a mandatory prepayment, by acceleration or otherwise), the Guarantors will, jointly and severally, promptly pay the same, without any demand or notice whatsoever, and that in the case of any extension of time of payment or renewal of any of the Obligations, the same will be promptly paid in full when due (whether at extended maturity, as a mandatory prepayment, by acceleration or otherwise) in accordance with the terms of such extension or renewal.

Notwithstanding any provision to the contrary contained herein or in any other of the Loan Documents, Swap Contracts with a Lender or Affiliate of a Lender or Treasury Management Agreements with a Lender or Affiliate of a Lender, (i) the obligations of each Guarantor under this Agreement and the other Loan Documents shall be limited to an aggregate amount equal to the largest amount that would not render such obligations subject to avoidance under the Debtor Relief Laws or any comparable provisions of any applicable state law and (ii) the Obligation of a Guarantor that are guaranteed under this Guaranty shall exclude any Excluded Swap Obligations with respect to such Guarantor.

4.02 Obligations Unconditional.

The obligations of the Guarantors under Section 4.01 are joint and several, absolute and unconditional, irrespective of the value, genuineness, validity, regularity or enforceability of any of the Loan Documents, Swap Contracts with a Lender or Affiliate of a Lender or Treasury Management Agreements with a Lender or Affiliate of a Lender, or any other agreement or instrument referred to therein, or any substitution, release, impairment or exchange of any other guarantee of or security for any of the Obligations, and, to the fullest extent permitted by applicable law, irrespective of any law or regulation or other circumstance whatsoever which might otherwise constitute a legal or equitable discharge or defense of a surety or guarantor, it being the intent of this Section 4.02 that the obligations of the Guarantors hereunder shall be absolute and unconditional under any and all circumstances. Each Guarantor agrees that such Guarantor shall have no right of subrogation, indemnity, reimbursement or contribution against the Borrower or any other Guarantor for amounts paid under this Article IV until such time as the Obligations have been paid in full and the Commitments have expired or terminated. Without limiting the generality of the foregoing, it is agreed that, to the fullest extent permitted by law, the occurrence of any one or more of the following shall not alter or impair the liability of any Guarantor hereunder, which shall remain absolute and unconditional as described above:

(a) at any time or from time to time, without notice to any Guarantor, the time for any performance of or compliance with any of the Obligations shall be extended, or such performance or compliance shall be waived;

(b) any of the acts mentioned in any of the provisions of any of the Loan Documents, any Swap Contracts with a Lender or Affiliate of a Lender or Treasury Management Agreements with a Lender or Affiliate of a Lender, or any other agreement or instrument referred to in the Loan

Documents, such Swap Contracts with a Lender or Affiliate of a Lender or Treasury Management Agreements with a Lender or Affiliate of a Lender shall be done or omitted;

(c) the maturity of any of the Obligations shall be accelerated, or any of the Obligations shall be modified, supplemented or amended in any respect, or any right under any of the Loan Documents, any Swap Contracts with a Lender or Affiliate of a Lender or Treasury Management Agreements with a Lender or Affiliate of a Lender, or any other agreement or instrument referred to in the Loan Documents, such Swap Contracts with a Lender or Affiliate of a Lender or Treasury Management Agreements with a Lender or Affiliate of a Lender, shall be waived or any other guarantee of any of the Obligations shall be released, impaired or exchanged in whole or in part or otherwise dealt with; or

(d) any of the Obligations shall be determined to be void or voidable (including, without limitation, for the benefit of any creditor of any Guarantor) or shall be subordinated to the claims of any Person (including, without limitation, any creditor of any Guarantor).

With respect to its obligations hereunder, each Guarantor hereby expressly waives diligence, presentment, demand of payment, protest and all notices whatsoever, and any requirement that the Administrative Agent or any Lender exhaust any right, power or remedy or proceed against any Person under any of the Loan Documents, any Swap Contracts with a Lender or Affiliate of a Lender or Treasury Management Agreements with a Lender or Affiliate of a Lender, or any other agreement or instrument referred to in the Loan Documents, such Swap Contracts with a Lender or Affiliate of a Lender or Treasury Management Agreements with a Lender or Affiliate of a Lender, or against any other Person under any other guarantee of, or security for, any of the Obligations.

4.03 Reinstatement.

The obligations of the Guarantors under this Article IV shall be automatically reinstated if and to the extent that for any reason any payment by or on behalf of any Person in respect of the Obligations is rescinded or must be otherwise restored by any holder of any of the Obligations, whether as a result of any proceedings in bankruptcy or reorganization or otherwise, and each Guarantor agrees that it will indemnify the Administrative Agent and each Lender on demand for all reasonable costs and expenses (including, without limitation, the fees, charges and disbursements of counsel) incurred by the Administrative Agent or such Lender in connection with such rescission or restoration, including any such costs and expenses incurred in defending against any claim alleging that such payment constituted a preference, fraudulent transfer or similar payment under any bankruptcy, insolvency or similar law.

4.04 Certain Additional Waivers.

Each Guarantor agrees that such Guarantor shall have no right of recourse to security for the Obligations, except through the exercise of rights of subrogation pursuant to Section 4.02 and through the exercise of rights of contribution pursuant to Section 4.06.

4.05 Remedies.

The Guarantors agree that, to the fullest extent permitted by law, as between the Guarantors, on the one hand, and the Administrative Agent and the Lenders, on the other hand, the Obligations may be declared to be forthwith due and payable as provided in Section 9.02 (and shall be deemed to have become automatically due and payable in the circumstances provided in said Section 9.02) for purposes of Section 4.01 notwithstanding any stay, injunction or other prohibition preventing such declaration (or preventing the Obligations from becoming automatically due and payable) as against any other Person and that, in the event

of such declaration (or the Obligations being deemed to have become automatically due and payable), the Obligations (whether or not due and payable by any other Person) shall forthwith become due and payable by the Guarantors for purposes of Section 4.01.

4.06 Rights of Contribution.

The Guarantors agree among themselves that, in connection with payments made hereunder, each Guarantor shall have contribution rights against the other Guarantors as permitted under applicable law. Such contribution rights shall be subordinate and subject in right of payment to the obligations of such Guarantors under the Loan Documents and no Guarantor shall exercise such rights of contribution until all Obligations have been paid in full and the Commitments have terminated.

4.07 Guarantee of Payment; Continuing Guarantee.

The guarantee in this Article IV is a guaranty of payment and not of collection, is a continuing guarantee, and shall apply to all Obligations whenever arising.

4.08 Keepwell.

Each Loan Party that is a Qualified ECP Guarantor at the time the Guaranty in this Article IV by any Loan Party that is not then an "eligible contract participant" under the Commodity Exchange Act (a "Specified Loan Party") or the grant of a security interest under the Loan Documents by any such Specified Loan Party, in either case, becomes effective with respect to any Swap Obligation, hereby jointly and severally, absolutely, unconditionally and irrevocably undertakes to provide such funds or other support to each Specified Loan Party with respect to such Swap Obligation as may be needed by such Specified Loan Party from time to time to honor all of its obligations under the Loan Documents in respect of such Swap Obligation (but, in each case, only up to the maximum amount of such liability that can be hereby incurred without rendering such Qualified ECP Guarantor's obligations and undertakings under this Article IV voidable under applicable Debtor Relief Laws, and not for any greater amount). The obligations and undertakings of each applicable Loan Party under this Section shall remain in full force and effect until such time as the Obligations (other than contingent indemnification obligations that survive the termination of this Agreement) have been paid in full and the Commitments have expired or terminated. Each Loan Party intends this Section to constitute, and this Section shall be deemed to constitute, a guarantee of the obligations of, and a "keepwell, support, or other agreement" for the benefit of, each Specified Loan Party for all purposes of the Commodity Exchange Act.

ARTICLE V

CONDITIONS PRECEDENT TO CREDIT EXTENSIONS

5.01 Conditions of Initial Credit Extension.

This Agreement shall become effective upon and the obligation of each Lender to make its initial Credit Extension hereunder is subject to satisfaction of the following conditions precedent, unless otherwise waived by the Administrative Agent and the Lenders:

(a) Loan Documents. Receipt by the Administrative Agent of executed counterparts of this Agreement and the other Loan Documents, each properly executed by a Responsible Officer of the signing Loan Party and, in the case of this Agreement, by each Lender.

(b) Opinions of Counsel. Receipt by the Administrative Agent of customary opinions of legal counsel to the Loan Parties, addressed to the Administrative Agent and each Lender, dated as of the Closing Date, and in form and substance reasonably satisfactory to the Administrative Agent.

(c) Financial Statements. Receipt by the Administrative Agent of:

(i) the Audited Financial Statements; and

(ii) Interim Financial Statements.

(d) No Closing Date Material Adverse Effect. Since June 30, 2017, no event or circumstance, either individually or in the aggregate, has occurred that has had or could reasonably be expected to have a Closing Date Material Adverse Effect.

(e) Litigation. There shall not exist any action, suit, investigation or proceeding pending in any court or before an arbitrator or Governmental Authority that could reasonably be expected to have a Closing Date Material Adverse Effect.

(f) Organization Documents, Resolutions, Etc. Receipt by the Administrative Agent of the following, each of which shall be originals or facsimiles (followed promptly by originals), in form and substance reasonably satisfactory to the Administrative Agent:

(i) copies of the Organization Documents of each Loan Party certified to be true and complete as of a recent date by the appropriate Governmental Authority of the state or other jurisdiction of its incorporation or organization, where applicable, and certified by a secretary or assistant secretary of such Loan Party to be true and correct as of the Closing Date;

(ii) such certificates of resolutions or other action, incumbency certificates and/or other certificates of Responsible Officers of each Loan Party as the Administrative Agent may require evidencing the identity, authority and capacity of each Responsible Officer thereof authorized to act as a Responsible Officer in connection with this Agreement and the other Loan Documents to which such Loan Party is a party; and

(iii) such documents and certifications as the Administrative Agent may require to evidence that each Loan Party is duly organized or formed, and is validly existing, in good standing and qualified to engage in business in its state of organization or formation.

(g) Closing Certificate. Receipt by the Administrative Agent of a certificate signed by a Responsible Officer of the Borrower certifying that the conditions specified in Sections 5.01(d) and (e) and 5.02(a) and (b) have been satisfied.

(h) Compliance Certificate. Receipt by the Administrative Agent of a duly completed Compliance Certificate, as of the last day of the fiscal quarter of the Consolidated Group ended on June 30, 2017, giving pro forma effect to this Agreement and all Credit Extensions and repayments of Indebtedness on the Closing Date, signed by a Responsible Officer of the Parent Entity.

(i) Fees. Receipt by the Administrative Agent, the Arrangers and the Lenders of any fees required to be paid on or before the Closing Date.

(j) Know Your Customer Requirements. Receipt by the Administrative Agent of, at least five (5) Business Days prior to the Closing Date, all documentation and other information

required by bank regulatory authorities under applicable "know your customer" and anti-money laundering rules and regulations, including, without limitation, the USA Patriot Act, as well as a complete and accurate list of each Loan Party, together with (i) each such Person's jurisdiction of organization and (ii) each such Person's U.S. taxpayer identification number.

(k) Attorney Costs. Unless waived by the Administrative Agent, the Borrower shall have paid all reasonable and documented fees, charges and disbursements of counsel to the Administrative Agent to the extent invoiced prior to or on the Closing Date, plus such additional amounts of such fees, charges and disbursements as shall constitute its reasonable estimate of such fees, charges and disbursements incurred or to be incurred by it through the closing proceedings (provided that such estimate shall not thereafter preclude a final settling of accounts between the Borrower and the Administrative Agent).

Without limiting the generality of the provisions of the last paragraph of Section 10.03, for purposes of determining compliance with the conditions specified in this Section 5.01, each Lender that has signed this Agreement shall be deemed to have consented to, approved or accepted or to be satisfied with, each document or other matter required thereunder to be consented to or approved by or acceptable or satisfactory to a Lender unless the Administrative Agent shall have received notice from such Lender prior to the proposed Closing Date specifying its objection thereto.

5.02 Conditions to all Credit Extensions.

The obligation of each Lender to honor any Request for Credit Extension is subject to the following conditions precedent:

(a) The representations and warranties of the Borrower and each other Loan Party contained in Article VI or any other Loan Document, or which are contained in any document furnished at any time under or in connection herewith or therewith, shall be true and correct in all material respects (unless already qualified by materiality or Material Adverse Effect, in which case they shall be true and correct in all respects) on and as of the date of such Credit Extension, except to the extent that such representations and warranties specifically refer to an earlier date, in which case they shall be true and correct in all material respects (unless already qualified by materiality or Material Adverse Effect, in which case they shall be true and correct in all respects) as of such earlier date, and except that for purposes of this Section 5.02, the representations and warranties contained in subsections (a) and (b) of Section 6.05 shall be deemed to refer to the most recent statements furnished pursuant to clauses (a) and (b), respectively, of Section 7.01.

(b) No Default shall exist, or would result from such proposed Credit Extension or from the application of the proceeds thereof.

(c) The Administrative Agent shall have received a Request for Credit Extension in accordance with the requirements hereof.

Each Request for Credit Extension submitted by the Borrower shall be deemed to be a representation and warranty that the conditions specified in Sections 5.02(a) and (b) have been satisfied on and as of the date of the applicable Credit Extension.

ARTICLE VI

REPRESENTATIONS AND WARRANTIES

The Loan Parties represent and warrant to the Administrative Agent and the Lenders that:

6.01 Existence, Qualification and Power.

(a) Each Loan Party (i) is duly organized or formed, validly existing and in good standing under the Laws of the jurisdiction of its incorporation or organization and (ii) has all requisite power and authority and all requisite governmental licenses, authorizations, consents and approvals to execute, deliver and perform its obligations under the Loan Documents to which it is a party.

(b) Each Loan Party (i) has all requisite power and authority and all requisite governmental licenses, authorizations, consents and approvals to own or lease its assets and carry on its business and (ii) is in good standing under the Laws of each jurisdiction where the conduct of its business requires such qualification or license, except to the extent that failure to do so could not reasonably be expected to have a Material Adverse Effect.

6.02 Authorization; No Contravention.

The execution, delivery and performance by each Loan Party of each Loan Document to which such Person is party have been duly authorized by all necessary corporate or other organizational action, and do not (a) contravene the terms of any of such Person's Organization Documents; (b) conflict with or result in any breach or contravention of, or the creation of any Lien (other than a Lien permitted under Section 8.01) or require any payment to be made under any order, injunction, writ or decree of any Governmental Authority or any arbitral award to which such Person or its property is subject; or (c) violate any Law (including, without limitation, Regulation U or Regulation X issued by the FRB); except in each case referred to in clause (b) or (c), to the extent that failure to do so could not reasonably be expected to have a Material Adverse Effect.

6.03 Governmental Authorization; Other Consents.

No material approval, consent, exemption, authorization, or other action by, or notice to, or filing with, any Governmental Authority or any other Person is necessary or required in connection with the execution, delivery or performance by, or enforcement against, any Loan Party of this Agreement or any other Loan Document.

6.04 Binding Effect.

Each Loan Document constitutes a legal, valid and binding obligation of each Loan Party that is party thereto, enforceable against each such Loan Party in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency or similar laws affecting the enforcement of creditor's rights generally.

6.05 Financial Statements; No Material Adverse Effect.

(a) The Audited Financial Statements (i) were prepared in accordance with GAAP in effect on the preparation date thereof, except as otherwise expressly noted therein; (ii) fairly present the financial condition of the Consolidated Group as of the date thereof and their results of operations for the period covered thereby in accordance with GAAP except as otherwise expressly noted therein;

and (iii) show all material indebtedness and other liabilities, direct or contingent, of the Consolidated Group as of the date thereof, including liabilities for taxes, commitments and Indebtedness, in each case to the extent required under GAAP.

(b) The Interim Financial Statements (i) were prepared in accordance with GAAP, except as otherwise expressly noted therein; (ii) fairly present the financial condition of the Consolidated Group as of the date thereof and their results of operations for the period covered thereby, subject, in the case of clauses (i) and (ii), to normal year-end audit adjustments; and (iii) show all material indebtedness and other liabilities, direct or contingent, of the Consolidated Group as of the date thereof, including liabilities for taxes, material commitments and Indebtedness.

(c) The financial statements delivered pursuant to Section 7.01(a) and (b) have been prepared in accordance with GAAP (except as may otherwise be permitted under Section 7.01(a) and (b)) and present fairly (on the basis disclosed in the footnotes to such financial statements) the consolidated financial condition, results of operations and cash flows of the Consolidated Group as of the dates thereof and for the periods covered thereby.

(d) Since June 30, 2017, there has been no event or circumstance, either individually or in the aggregate, that has had or could reasonably be expected to have a Material Adverse Effect.

6.06 Litigation.

There are no actions, suits, proceedings, claims or disputes pending or, to the knowledge of the Loan Parties after due and diligent investigation, threatened or contemplated, at law, in equity, in arbitration or before any Governmental Authority, by or against any Loan Party or any of its Subsidiaries which if determined adversely, could reasonably be expected to have a Material Adverse Effect.

6.07 [Reserved].

6.08 Ownership of Property; Liens.

Each Loan Party has good record and marketable title to, or valid leasehold interests in, all real property necessary or used in the ordinary conduct of its business, except for such defects in title as could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect. As of the Closing Date and the date of each update of Schedule 6.08 pursuant to Section 7.02, set forth on Schedule 6.08 is a list of all real property owned by the Consolidated Group with a notation as to which such real properties are Unencumbered Properties.

6.09 Environmental Compliance.

There are no violations of Environmental Laws and there are no outstanding claims with respect to Environmental Liabilities that, in either case, could reasonably be expected to have a Material Adverse Effect.

6.10 Insurance.

The properties of the Loan Parties are insured with financially sound and reputable insurance companies (which may include a captive insurance company that is an Affiliate of the Parent Entity), in such amounts, with such deductibles and covering such risks as are customarily carried by companies engaged in similar businesses and owning similar properties in localities where the applicable Loan Party operates.

6.11 Taxes.

The Loan Parties have filed all federal, state and other material tax returns and reports required to be filed, and have paid all federal, state and other material taxes, assessments, fees and other governmental charges levied or imposed upon them or their properties, income or assets otherwise due and payable, except those which are being contested in good faith by appropriate proceedings diligently conducted and for which adequate reserves have been provided in accordance with GAAP. There is no proposed tax assessment against any Loan Party or any Subsidiary that would, if made, have a Material Adverse Effect. Neither any Loan Party nor any Subsidiary thereof is party to any tax sharing agreement. For the avoidance of doubt, agreements pursuant to which a Loan Party or any Subsidiary thereof agrees to make payments to one or more of its partners or members, or their Related Parties (a "Protected Party"), on account of any such Protected Party's Taxes arising from the Loan Party's or such Subsidiary's (i) sale of property, (ii) failure to allocate debt to such Protected Party, or (iii) failure to allow such Protected Party to guarantee the debt of a Loan Party or any Subsidiary thereof, or any similar agreements, shall not be considered a tax sharing agreement.

6.12 ERISA Compliance.

(a) Each Plan is in compliance in all material respects with the applicable provisions of ERISA, the Internal Revenue Code and other federal or state laws. Each Pension Plan that is intended to be a qualified plan under Section 401(a) of the Internal Revenue Code has received a favorable determination letter from the Internal Revenue Service to the effect that the form of such Plan is qualified under Section 401(a) of the Internal Revenue Code and the trust related thereto has been determined by the Internal Revenue Service to be exempt from federal income tax under Section 501(a) of the Internal Revenue Code or an application for such a letter is currently being processed by the Internal Revenue Service. To the best knowledge of the Loan Parties, nothing has occurred that would prevent, or cause the loss of, such tax-qualified status.

(b) There are no pending or, to the best knowledge of the Loan Parties, threatened claims, actions or lawsuits, or action by any Governmental Authority, with respect to any Plan that could reasonably be expected to have a Material Adverse Effect. There has been no prohibited transaction or violation of the fiduciary responsibility rules with respect to any Plan that has resulted or could reasonably be expected to result in a Material Adverse Effect.

(c) (i) No ERISA Event has occurred and neither a Loan Party nor any ERISA Affiliate is aware of any fact, event or circumstance that could reasonably be expected to constitute or result in an ERISA Event with respect to any Pension Plan; (ii) each Loan Party and each ERISA Affiliate has met all applicable requirements under the Pension Funding Rules in respect of each Pension Plan, and no waiver of the minimum funding standards under the Pension Funding Rules has been applied for or obtained; (iii) neither a Loan Party nor any ERISA Affiliate has incurred any liability to the PBGC other than for the payment of premiums, and there are no premium payments which have become due that are unpaid; (iv) neither a Loan Party nor any ERISA Affiliate has engaged in a transaction that could be subject to Section 4069 or Section 4212(c) of ERISA; and (v) no Pension Plan has been terminated by the plan administrator thereof nor by the PBGC, and no event or circumstance has occurred or exists that could reasonably be expected to cause the PBGC to institute proceedings under Title IV of ERISA to terminate any Pension Plan.

(d) No Loan Party is nor will be (i) an employee benefit plan subject to Title I of ERISA; (ii) a plan or account subject to Section 4975 of the Code; (iii) an entity deemed to hold "plan assets" of any such plans or accounts for purposes of ERISA or the Code; or (iv) a "governmental plan" within the meaning of ERISA.

6.13 [Reserved].

6.14 Margin Regulations; Investment Company Act.

(a) The Borrower is not engaged and will not engage, principally or as one of its important activities, in the business of purchasing or carrying margin stock (within the meaning of Regulation U issued by the FRB), or extending credit for the purpose of purchasing or carrying margin stock. Following the application of the proceeds of each Borrowing, not more than 25% of the value of the assets (either of the Borrower only or of the Consolidated Group on a consolidated basis) subject to the provisions of Section 8.01 or Section 8.05 or subject to any restriction contained in any agreement or instrument between the Borrower and any Lender or any Affiliate of any Lender relating to Indebtedness and within the scope of Section 9.01(e) will be margin stock.

(b) None of any Loan Party, any Person Controlling any Loan Party, or any Subsidiary is or is required to be registered as an "investment company" under the Investment Company Act of 1940.

6.15 Disclosure.

To the Borrower's knowledge, no material written report, financial statement, certificate or other information furnished (other than information of a general economic or industry specific nature concerning any Loan Party) by or on behalf of any Loan Party to the Administrative Agent or any Lender in connection with the transactions contemplated hereby and the negotiation of this Agreement or delivered hereunder or under any other Loan Document (in each case, as modified or supplemented by other information so furnished) contains any untrue statement of a material fact or omits to state any material fact necessary to make the statements therein not misleading, in each case, in the light of the circumstances under which they were made; provided that, with respect to projected financial information, the Loan Parties represent only that such information was prepared in good faith based upon assumptions believed to be reasonable at the time (it being understood and agreed that financial projections are not a guarantee of financial performance and actual results may differ from such projections and such differences may be material).

6.16 Compliance with Laws.

Each Loan Party and each Subsidiary is in compliance with the requirements of all Laws, including without limitation, the Patriot Act, and all orders, writs, injunctions and decrees applicable to it or to its properties, except in such instances in which the failure to comply therewith, individually or in the aggregate, could not reasonably be expected to have a Material Adverse Effect.

6.17 Intellectual Property; Licenses, Etc.

Except as could not reasonably be expected to have a Material Adverse Effect: (a) each Loan Party owns, or possesses the legal right to use, all of the trademarks, service marks, trade names, copyrights, patents, patent rights, franchises, licenses and other intellectual property rights (collectively, "IP Rights") that are reasonably necessary for the operation of their respective businesses, (b) no claim has been asserted and is pending by any Person challenging or questioning the use of any IP Rights or the validity or effectiveness of any IP Rights, nor does any Loan Party know of any such claim, and (c) to the knowledge of the Loan

Parties, the use of any IP Rights by any Loan Party or the granting of a right or a license in respect of any IP Rights from any Loan Party does not infringe on the rights of any Person.

6.18 Solvency.

The Loan Parties are Solvent on a consolidated basis.

6.19 OFAC.

Neither a Loan Party, nor any of its Subsidiaries, nor, to the knowledge of a Loan Party, any director, officer, employee, agent, affiliate or representative thereof, is an individual or entity that is, or is owned or controlled by any individual or entity that is (i) currently the subject or target of any Sanctions, (ii) included on OFAC's List of Specially Designated Nationals, HMT's Consolidated List of Financial Sanctions Targets and the Investment Ban List, or any similar list enforced by any other relevant sanctions authority or (iii) located, organized or resident in a Designated Jurisdiction.

6.20 REIT Status.

(a) The Parent Entity is qualified as a REIT.

(b) The Parent Entity is in compliance in all material respects with all provisions of the Internal Revenue Code applicable to the qualification of the Parent Entity as a REIT.

6.21 Anti-Money Laundering Laws.

None of the Loan Parties (a) is under investigation by any Governmental Authority for, or has been charged with, or convicted of, money laundering, drug trafficking, terrorist-related activities or other money laundering predicate crimes under any applicable Law (collectively, "Anti-Money Laundering Laws"), (b) has been assessed civil penalties under any Anti-Money Laundering Laws or (c) has had any of its funds seized or forfeited in an action under any Anti-Money Laundering Laws. Each Loan Party has taken reasonable measures appropriate to the circumstances (in any event as required by applicable Law), to ensure that such Loan Party and its Subsidiaries each is and will continue to be in compliance with all applicable current and future Anti-Money Laundering Laws.

6.22 Anti-Corruption Laws.

The Parent Entity and its Subsidiaries have conducted their businesses in compliance with the United States Foreign Corrupt Practices Act of 1977, the UK Bribery Act 2010, and other similar anti-corruption legislation in other jurisdictions and have instituted and maintained policies and procedures designed to promote and achieve compliance with such laws.

6.23 EEA Financial Institution.

No Loan Party is an EEA Financial Institution.

ARTICLE VII

AFFIRMATIVE COVENANTS

So long as any Lender shall have any Commitment hereunder, any Loan or other Obligation hereunder shall remain unpaid or unsatisfied, the Loan Parties shall and, where applicable, shall cause each Subsidiary to:

7.01 Financial Statements.

Deliver to the Administrative Agent and each Lender, in form and detail reasonably satisfactory to the Administrative Agent:

(a) upon the earlier of the date that is one hundred twenty (120) days after the end of each fiscal year of the Consolidated Group and the date such information is filed with the SEC, a consolidated balance sheet of the Consolidated Group as at the end of such fiscal year, and the related consolidated statements of income or operations, changes in shareholders' equity and cash flows for such fiscal year, setting forth in each case in comparative form the figures for the previous fiscal year, all in reasonable detail and prepared in accordance with GAAP, audited and accompanied by a report and opinion of an independent certified public accountant of nationally recognized standing acceptable to the Administrative Agent, which report and opinion shall be prepared in accordance with generally accepted auditing standards and shall not be subject to (i) any "going concern" or like qualification or exception or (ii) any qualification or exception as to the scope of such audit; and

(b) (x) with respect to the fiscal quarters ending March 31, June 30 and September 30, not later than sixty (60) days after the end of each such fiscal quarter of the Consolidated Group and (y) with respect to each fiscal quarter ending December 31, not later than ninety (90) days after the end of each such fiscal quarter of the Consolidated Group, in each case, a consolidated balance sheet of the Consolidated Group as at the end of such fiscal quarter, and the related consolidated statements of income or operations, changes in shareholders' equity and cash flows for such fiscal quarter and for the portion of the Consolidated Group's fiscal year then ended, setting forth in each case in comparative form the figures for the corresponding fiscal quarter of the previous fiscal year and the corresponding portion of the previous fiscal year, all in reasonable detail and certified by a Responsible Officer of the Parent Entity as fairly presenting the financial condition, results of operations, shareholders' equity and cash flows of the Consolidated Group in accordance with GAAP, subject only to normal year-end audit adjustments and the absence of footnotes.

7.02 Certificates; Other Information.

Deliver to the Administrative Agent and each Lender, in form and detail reasonably satisfactory to the Administrative Agent and the Required Lenders:

(a) concurrently with the delivery of the financial statements referred to in Section 7.01(b), (i) a duly completed Compliance Certificate signed a Responsible Officer of the Parent Entity and (ii) an updated Schedule 6.08, if applicable.

(b) concurrently with the delivery of the financial statements referred to in Section 7.01(a), a certificate of its independent certified public accountants certifying such financial statements.

(c) within 30 days after the end of each fiscal year, beginning with the fiscal year ending December 31, 2017, an annual business plan and budget of the Consolidated Group containing, among other things, pro forma financial statements for each quarter of the next fiscal year.

(d) promptly, and in any event within ten Business Days after receipt thereof by any Loan Party or any Subsidiary thereof, copies of each notice or other correspondence received from the SEC (or comparable agency in any applicable non-U.S. jurisdiction) concerning any material investigation or possible material investigation or other inquiry by such agency regarding financial or other operational results of any Loan Party or any Subsidiary thereof.

(e) promptly, such additional information regarding the business, financial or corporate affairs of any Loan Party or any Subsidiary, or compliance with the terms of the Loan Documents, as the Administrative Agent or any Lender may from time to time reasonably request (subject to legal privilege requirements in the ordinary course and customary written confidentiality obligations as long as such legal privilege requirements or confidentiality obligations were not invoked or incurred in contemplation of this Agreement or with a view to avoid providing information to the Administrative Agent or the Lenders).

Documents required to be delivered pursuant to Section 7.01(a) or (b) or Section 7.02 (to the extent any such documents are included in materials otherwise filed with the SEC) may be delivered electronically and if so delivered, shall be deemed to have been delivered on the date (i) on which the Parent Entity or the Borrower posts such documents, or provides a link thereto on its website on the Internet at the website address listed on Schedule 11.02; or (ii) on which such documents are posted on the Parent Entity's or the Borrower's behalf on an Internet or intranet website, if any, to which each Lender and the Administrative Agent have access (whether a commercial, third-party website or whether sponsored by the Administrative Agent);

The Loan Parties hereby acknowledge that (a) the Administrative Agent and/or the Arrangers may, but shall not be obligated to, make available to the Lenders materials and/or information provided by or on behalf of the Borrower or its Affiliates hereunder (collectively, the "Borrower Materials") by posting the Borrower Materials on Debt Domain, IntraLinks, Syndtrak or another similar electronic system (the "Platform") and (b) certain of the Lenders (each, a "Public Lender") may have personnel who do not wish to receive material non-public information with respect to the Borrower or its Affiliates, or the respective securities of any of the foregoing, and who may be engaged in investment and other market-related activities with respect to such Person's securities. The Loan Parties hereby agree that (w) all Borrower Materials that are to be made available to Public Lenders shall be clearly and conspicuously marked "PUBLIC" which, at a minimum, shall mean that the word "PUBLIC" shall appear prominently on the first page thereof; (x) by marking Borrower Materials "PUBLIC," the Loan Parties shall be deemed to have authorized the Administrative Agent, the Arrangers and the Lenders to treat such Borrower Materials as not containing any material non-public information with respect to the Borrower, its Affiliates or its securities for purposes of United States federal and state securities laws (provided, however, that to the extent such Borrower Materials constitute Information, they shall be treated as set forth in Section 11.07); (y) all Borrower Materials marked "PUBLIC" are permitted to be made available through a portion of the Platform designated as "Public Side Information;" and (z) the Administrative Agent and the Arrangers shall be entitled to treat any Borrower Materials that are not marked "PUBLIC" as being suitable only for posting on a portion of the Platform that is not designated as "Public Side Information."

7.03 Notices.

Promptly (and in any event, within two Business Days after a Responsible Officer obtains knowledge of the same) notify the Administrative Agent of:

(a) the occurrence of any Default.

(b) any matter that has resulted or could reasonably be expected to result in a Material Adverse Effect.

(c) the occurrence of any ERISA Event.

(d) any material change in accounting policies or financial reporting practices by a Loan Party or any Subsidiary, including any determination referred to in Section 2.10(b).

(e) If the Parent Entity has obtained an Investment Grade Rating, any change in such Debt Rating.

Each notice pursuant to this Section 7.03(a) through (d) shall be accompanied by a statement of a Responsible Officer of the Borrower setting forth details of the occurrence referred to therein and stating what action the applicable Loan Party has taken and proposes to take with respect thereto. Each notice pursuant to Section 7.03(a) shall describe with particularity any and all provisions of this Agreement and any other Loan Document that have been breached. The Administrative Agent agrees to notify the Lenders of any notice delivered to the Administrative Agent by the Borrower pursuant to this Section 7.03.

7.04 Payment of Obligations.

Pay and discharge, as the same shall become due and payable (a) all tax liabilities, assessments and governmental charges or levies upon it or its properties or assets, unless the same are being contested in good faith by appropriate proceedings diligently conducted and adequate reserves in accordance with GAAP are being maintained by the Loan Party or such Subsidiary and (b) all lawful claims which, if unpaid, would by law become a Lien upon its property (other than Liens permitted under Section 8.01).

7.05 Preservation of Existence, Etc. and REIT Status.

(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 except in a transaction permitted by Section 8.04 or 8.05.

(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 the failure to do so could not reasonably be expected to have a Material Adverse Effect.

(c) Preserve or renew all of its registered patents, copyrights, trademarks, trade names and service marks, the non-preservation or non-renewal of which could reasonably be expected to have a Material Adverse Effect.

(d) Maintain or cause to be maintained (as applicable) the Parent Entity’s status as a REIT in compliance with all applicable provisions under the Internal Revenue Code relating to such status.

7.06 Maintenance of Properties.

Do all things reasonably required to maintain, preserve and protect all of its properties and equipment necessary in the operation of its business in good working order and condition, ordinary wear and tear excepted and make all necessary repairs thereto and renewals and replacements thereof, except where the failure to do so could not reasonably be expected to have a Material Adverse Effect.

7.07 Maintenance of Insurance.

Maintain with financially sound and reputable insurance companies not Affiliates of a Loan Party, insurance with respect to its properties and business against loss or damage of the kinds customarily insured against by Persons engaged in the same or similar business, of such types and in such amounts as are customarily carried under similar circumstances by such other Persons; provided, that notwithstanding the above, the Loan Parties may comply with this Section 7.07 by maintaining any such insurance with a captive insurance company that is an Affiliate of the Parent Entity.

7.08 Compliance with Laws.

Comply with the requirements of all Laws, including without limitation the Patriot Act, OFAC, Anti-Money Laundering Laws and all orders, writs, injunctions and decrees applicable to it or to its business or property, except in such instances in which (a) such requirement of Law or order, writ, injunction or decree is being contested in good faith by appropriate proceedings diligently conducted or (b) the failure to comply therewith could not reasonably be expected to have a Material Adverse Effect.

7.09 Books and Records.

Maintain proper books of record and account, (a) in which full, true and correct entries in all material respects shall be made of all financial transactions and matters involving the assets and business of the Consolidated Group to the extent required and in conformity with GAAP and (b) in material conformity with all material requirements of any Governmental Authority having regulatory jurisdiction over the Consolidated Group.

7.10 Inspection Rights.

Permit representatives of the Administrative Agent and each Lender to visit and inspect any of its properties, to examine its corporate, financial and operating records, and make copies thereof or abstracts therefrom (subject to legal privilege requirements in the ordinary course and customary written confidentiality obligations as long as such legal privilege requirements or confidentiality obligations were not incurred in contemplation of this Agreement or with a view to avoid providing information to the Administrative Agent or the Lenders) and to discuss its affairs, finances and accounts with its directors, officers, and independent public accountants (provided that the Borrower shall have the opportunity to participate in any discussions with its independent public accountants), at the expense of the Borrower (subject to the limitations below) and at such reasonable times during normal business hours and as often as may be reasonably requested, upon reasonable advance notice to the Borrower; provided, however, that (a) absent the existence of an Event of Default only one such visit a year shall be at the Borrower's expense and (b) when an Event of Default exists, the Administrative Agent or any Lender (or any of their respective representatives or independent contractors) may do any of the foregoing at the expense of the Borrower at any time during normal business hours and without advance notice.

7.11 Use of Proceeds.

Use the proceeds of the Credit Extensions (a) to finance working capital, capital expenditures, acquisitions, redevelopment, joint ventures, note purchases, Mezzanine Debt Investments and construction and (b) for other general corporate purposes; provided that in no event shall the proceeds of the Credit Extensions be used in contravention of any Law or of any Loan Document.

7.12 ERISA Compliance.

Do, and cause each of its ERISA Affiliates to do, each of the following: (a) maintain each Plan in compliance in all material respects with the applicable provisions of ERISA, the Internal Revenue Code and other federal or state law; (b) cause each Plan that is qualified under Section 401(a) of the Internal Revenue Code to maintain such qualification; and (c) make all required contributions to any Pension Plan.

7.13 Addition of Subsidiary Guarantors.

If any Subsidiary guaranties any borrowed money Indebtedness owed by the Borrower, the Parent Entity or any other Loan Party, the Borrower shall (a) cause such Subsidiary to become a Subsidiary Guarantor by executing and delivering to the Administrative Agent a Joinder Agreement in the form of Exhibit D or such other document as the Administrative Agent shall deem appropriate for such purpose, (b) deliver to the Administrative Agent documents of the types referred to in Sections 5.01 (b), (f) and (j) for such Person, in each case in form and substance similar to those delivered on the Closing Date and (c) provide a certificate that the representations in Section 6.01 through 6.04 inclusive are true and correct in all material respects (unless already qualified by materiality or Material Adverse Effect, in which case they shall be true and correct in all respects) as of the date of such certificate, 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 (unless already qualified by materiality or Material Adverse Effect, in which case they shall be true and correct in all respects) as of such earlier date, with respect to the new Subsidiary Guarantor.

ARTICLE VIII

NEGATIVE COVENANTS

So long as any Lender shall have any Commitment hereunder, any Loan or other Obligation hereunder shall remain unpaid or unsatisfied, no Loan Party shall, nor shall it permit any Subsidiary to, directly or indirectly:

8.01 Liens.

Create, incur, assume or suffer to exist any Lien upon any of its property, assets or revenues, whether now owned or hereafter acquired, other than the following:

(a) Permitted Liens; and

(b) other Liens as long as (i) such Liens do not encumber Unencumbered Properties or the Equity Interests of the Borrower or any Subsidiary Guarantor, (ii) such Liens do not encumber assets owned by the Parent Entity or the Borrower, and (iii) the incurrence of such Lien will not cause, on a pro forma basis, a Default under the Loan Documents, including the financial covenants in Section 8.11.

8.02 [Reserved].

8.03 Indebtedness.

Create, incur, assume or suffer to exist any Indebtedness, except:

(a) Indebtedness under (i) the Loan Documents, (ii) the Existing Credit Agreement, (iii) Indebtedness incurred under that certain Credit Agreement, dated as of September 16, 2016, (as amended, modified, or restated from time to time) among the Borrower, the Parent Entity, any other guarantors party thereto, the lenders party thereto and PNC Bank, National Association, as administrative agent (the "PNC Agreement") and (iv) Indebtedness incurred under that certain Credit Agreement, dated as of the Closing Date, (as amended, modified, or restated from time to time) among the Borrower, the Parent Entity, any other guarantors party thereto, the lenders party thereto and KeyBank National Association, as administrative agent (the "Key Agreement");

(b) intercompany Indebtedness among members of the Consolidated Group;

(c) obligations (contingent or otherwise) of a Loan Party or any Subsidiary existing or arising under any Swap Contract; provided that (i) such obligations are (or were) entered into by such Person in the ordinary course of business for the purpose of directly mitigating risks associated with liabilities, commitments, investments, assets, or property held or reasonably anticipated by such Person, or changes in the value of securities issued by such Person, and not for purposes of speculation or taking a "market view;" and (ii) such Swap Contract does not contain any provision exonerating the non-defaulting party from its obligation to make payments on outstanding transactions to the defaulting party;

(d) other Indebtedness as long as the incurrence of such Indebtedness will not cause, on a pro forma basis, a Default under the Loan Documents, including the financial covenants in Section 8.11; and

(e) Guaranties of the foregoing; provided that, a Subsidiary cannot guaranty borrowed money Indebtedness owed by the Parent Entity, the Borrower or any other Loan Party unless such Subsidiary is, or simultaneously becomes, a Subsidiary Guarantor as set forth in Section 7.13.

8.04 Fundamental Changes.

Merge, dissolve, liquidate, consolidate with or into another Person, or Dispose of (whether in one transaction or in a series of transactions) all or substantially all of its assets (whether now owned or hereafter acquired) to or in favor of any Person; provided that, notwithstanding the foregoing provisions of this Section 8.04 (a) the Parent Entity may merge or consolidate with any of its Subsidiaries (other than the Borrower); provided that the Parent Entity shall be the continuing or surviving Person, (b) the Borrower may merge or consolidate with any of its Subsidiaries; provided that the Borrower shall be the continuing or surviving corporation, (c) any Loan Party (other than the Parent Entity or the Borrower) may merge or consolidate with any other Loan Party, (d) any non-Loan Party may merge with a Loan Party as long as the Loan Party is the continuing or surviving Person, (e) any non-Loan Party may be merged or consolidated with or into any other non-Loan Party and (f) the Permitted Reorganization and the transactions contemplated thereby may occur.

8.05 Dispositions.

Make any Disposition unless such Disposition would not, on a pro forma basis after giving effect to such Disposition, cause a Default under the Loan Documents.

8.06 Restricted Payments.

(a) Permit the Dividend Payout Ratio, as of the last day of any fiscal quarter, to exceed the FFO Percentage.

(b) Subject to the paragraph below, permit the Parent Entity, at any time an Event of Default exists, to make or declare any dividends or similar distributions without the written consent of the Administrative Agent and Required Lenders.

Notwithstanding anything in this Section 8.06 to the contrary, (i) the Parent Entity shall be permitted at all times to distribute the minimum amount of dividends necessary for the Parent Entity to maintain its status as a REIT for U.S. federal and state income tax purposes, (ii) provided there is no continuing Event of Default under Sections 9.01(a) or (f), the Parent Entity shall be permitted at all times to pay dividends necessary for it to avoid the payment of federal or state income or excise taxes, (iii) the Borrower and its Subsidiaries may declare and make distributions on their Equity Interests in accordance with their respective Organization Documents in an amount sufficient to enable the Parent Entity to pay dividends pursuant to clauses (i) and (ii) above and (iv) the Borrower and its Subsidiaries shall be permitted to make any dividends or similar distributions that are required to be made to in order to give effect to the Permitted Reorganization.

8.07 Change in Nature of Business.

Engage in any material line of business substantially different from those lines of business conducted by the Consolidated Group on the Closing Date or any business substantially related or incidental thereto.

8.08 Transactions with Affiliates.

Enter into any transaction of any kind with any Affiliate of the Consolidated Group, whether or not in the ordinary course of business, other than (a) on fair and reasonable terms substantially as favorable to such member of the Consolidated Group as would be obtainable by such member of the Consolidated Group at the time in a comparable arm's length transaction with a Person other than an Affiliate, (b) transactions permitted under Section 8.04, (c) dividends or distributions permitted under Section 8.06, (d) transactions with a captive insurance company that is an Affiliate of the Parent Entity, (e) transactions entered into to acquire the additional Equity Interests, if any, in PECO-ARC Institutional Joint Venture I, L.P. or (f) in connection with the Permitted Reorganization.

8.09 Burdensome Agreements.

Enter into, or permit to exist, any Contractual Obligation that (a) prohibits the ability of any such Person to (i) make Restricted Payments to any Loan Party, (ii) pay any Indebtedness or other obligations owed to any Loan Party or (iii) with respect to a Loan Party, pledge its property pursuant to and to the extent required under the Loan Documents or any renewals, refinancings, exchanges, refundings or extension thereof except for (1) this Agreement and the other Loan Documents, (2) any document or instrument governing Secured Indebtedness incurred in compliance with Section 8.01; provided that any such restriction contained therein relates only to the asset or assets secured in connection therewith, (3) any Lien permitted under Section 8.01 or any document or instrument governing any Lien permitted under Section 8.01; provided that any such restriction contained therein relates only to the asset or assets subject to such Lien permitted under Section 8.01, or (4) customary restrictions and conditions contained in any agreement relating to the sale of any property permitted under Section 8.05 pending the consummation of such sale or (b) with respect to a Loan Party, requires the grant of any security for any obligation if such property is given as security for the Obligations.

8.10 Use of Proceeds.

Use the proceeds of any Credit Extension, whether directly or indirectly, and whether immediately, incidentally or ultimately, to purchase or carry margin stock (within the meaning of Regulation U of the FRB) or to extend credit to others for the purpose of purchasing or carrying margin stock or to refund indebtedness originally incurred for such purpose.

8.11 Financial Covenants.

(a) Leverage Ratio. Permit the Leverage Ratio, as of the last day of any fiscal quarter of the Consolidated Group, to be greater than sixty percent (60%), or, for a period of four consecutive fiscal quarters following a Material Acquisition, sixty-five percent (65%).

(b) Secured Leverage Ratio. Permit the Secured Leverage Ratio, as of the last day of any fiscal quarter of the Consolidated Group, to be greater than forty percent (40%), or, for a period of four consecutive fiscal quarters following a Material Acquisition, forty-five percent (45%).

(c) Fixed Charge Coverage Ratio. Permit the Fixed Charge Coverage Ratio, as of the last day of any fiscal quarter of the Consolidated Group, to be less than 1.50 to 1.00, or, for a period of four consecutive fiscal quarters following a Material Acquisition, 1.40 to 1.00.

(d) Minimum Tangible Net Worth. Permit Tangible Net Worth, as of the last day of any fiscal quarter of the Consolidated Group, to be less than the sum of (i) seventy-five percent (75%) of Tangible Net Worth as of the quarter ending December 31, 2017 plus (ii) an amount equal to seventy percent (70%) of the aggregate increases in Shareholders' Equity of the Consolidated Group occurring subsequent to the quarter ending December 31, 2017 by reason of the issuance and sale of Equity Interests of the Consolidated Group (other than any Dividend Reinvestment Proceeds), including upon any conversion of debt securities of the Parent Entity or the Borrower into such Equity Interests, minus (iii) the aggregate amount of payments made with respect to any redemption, retirement, surrender, defeasance, repurchase, purchase or other similar transaction or acquisition for value, direct or indirect, on account of any Equity Interests of the Parent Entity subsequent to the quarter ending December 31, 2017 and on or prior to the last day of the fiscal quarter of the Consolidated Group immediately following the date the Parent Entity obtained an Investment Grade Rating (the sum of (i) plus (ii) minus (iii), "Minimum Tangible Net Worth"); provided that following the date that the Parent Entity obtains an Investment Grade Rating, the requirement pursuant to this Section 8.11(d) shall be a fixed number based on the Minimum Tangible Net Worth required as of the last day of the fiscal quarter of the Consolidated Group immediately following the date the Parent Entity obtained an Investment Grade Rating minus the aggregate amount of payments made with respect to any redemption, retirement, surrender, defeasance, repurchase, purchase or other similar transaction or acquisition for value, direct or indirect, on account of any Equity Interests of the Parent Entity after the last day of the fiscal quarter of the Consolidated Group immediately following the date the Parent Entity obtained the Investment Grade Rating.

(e) Maximum Unsecured Indebtedness to Unencumbered Asset Value Ratio. Permit, as of the last day of any fiscal quarter of the Consolidated Group, the ratio of (i) Unsecured Indebtedness as of such date to (ii) Unencumbered Asset Value as of the four fiscal quarter period ending on such date to be greater than sixty percent (60%) or, for a period of four consecutive fiscal quarters following a Material Acquisition, sixty-five percent (65%).

(f) Unencumbered NOI to Interest Expense on Unsecured Indebtedness Ratio. Permit, as of the last day of any fiscal quarter of the Consolidated Group, the ratio of (i) Unencumbered NOI for the most recent four fiscal quarter period to (ii) Interest Expense incurred with respect to Unsecured Indebtedness for the most recent four fiscal quarter period to be less than 1.75 to 1.00 or, for a period of four consecutive fiscal quarters following a Material Acquisition, 1.70 to 1.00.

8.12 Organization Documents; Fiscal Year; Legal Name, State of Formation and Form of Entity.

(a) With respect to any Loan Party, (i) change its name, state of formation or form of organization without providing the Administrative Agent at least ten (10) Business Days prior written notice or (ii) amend, modify or change its Organization Documents in a manner adverse to the Lenders.

(b) Change its fiscal year.

8.13 Sanctions.

Directly or indirectly, knowingly use the proceeds or any Loan, or lend, contribute or otherwise make available such proceeds to any Subsidiary, joint venture partner or other individual or entity, to fund any activities or business with any individual or entity, or in any Designated Jurisdiction that, at the time of such funding, is the subject of any Sanctions, or in any other manner that will result in a breach by any individual or entity (including any individual or entity participating in the transaction, whether as Lender, Lead Arranger, Administrative Agent or otherwise) of Sanctions.

8.14 Anti-Corruption Laws.

Directly or indirectly, use the proceeds of any Credit Extension for any purpose which would breach the United States Foreign Corrupt Practices Act of 1977, the UK Bribery Act 2010 or other similar anti-corruption legislation in other jurisdictions.

ARTICLE IX

EVENTS OF DEFAULT AND REMEDIES

9.01 Events of Default.

Any of the following shall constitute an Event of Default:

(a) Non-Payment. The Borrower or any other Loan Party fails to pay (i) when and as required to be paid herein, any amount of principal of any Loan or (ii) within five Business Days after the same becomes due, any interest on any Loan or any fee due hereunder, or (iii) within five Business Days after the same becomes due, any other amount payable hereunder or under any other Loan Document; or

(b) Specific Covenants. Any Loan Party fails to perform or observe any term, covenant or agreement contained in any of Section 7.01, 7.02, 7.03, 7.05, 7.10, 7.11 or 7.13 or Article VIII or

(c) Other Defaults. Any Loan Party fails to perform or observe any other covenant or agreement (not specified in subsection (a) or (b) above) contained in any Loan Document on its part to be performed or observed and such failure continues for thirty days; or

(d) Representations and Warranties. Any representation or warranty made or deemed made by or on behalf of the Borrower or any other Loan Party herein, in any other Loan Document,

or in any document delivered in connection herewith or therewith shall be incorrect or misleading in any material respect (unless already qualified by materiality or Material Adverse Effect, in which case an Event of Default shall exist if such representation, warranty or statement of fact shall be incorrect or misleading in any respect) when made or deemed made; or

(e) Cross-Default. (i) Any Loan Party or any Subsidiary (A) fails to make any payment when due (whether by scheduled maturity, required prepayment, acceleration, demand, or otherwise) in respect of any Indebtedness that is Recourse Debt or any Guarantee of any such Recourse Debt (in either case, other than the Obligations and Indebtedness under Swap Contracts) having an aggregate outstanding 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 Fifty Million Dollars ($50,000,000) and such failure is not waived and continues beyond any cure period as may be specifically noted therein, or (B) fails to observe or perform any other material agreement or condition relating to any such Recourse Debt or Guarantee or contained in any instrument or agreement evidencing, securing or relating thereto, or any other event occurs, in each case that is not waived, continues beyond any cure period and results in such Recourse Debt or Guarantee becoming or being declared immediately due and payable; (ii) Any Loan Party or any Subsidiary (A) fails to make any payment when due (whether by scheduled maturity, required prepayment, acceleration, demand, or otherwise) in respect of any Indebtedness that is Non-Recourse Debt or any Guarantee of any such Non-Recourse Debt having an aggregate outstanding 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 One Hundred Twenty-Five Million Dollars ($125,000,000) and such failure is not waived and continues beyond any cure period as may be specifically noted therein; provided, that the failure to pay any such Non-Recourse Debt when due shall not constitute an Event of Default (and such Non-Recourse Debt shall be excluded from the applicable aggregate limit referred to above) so long as the only default by the Loan Party or Subsidiary is the failure to pay such Non-Recourse Debt when due on its scheduled maturity date and the Loan Party or Subsidiary is actively pursuing the extension or refinancing of such Non-Recourse Debt and the holder of such Non-Recourse Debt has not initiated a foreclosure of its Lien or proceedings to have a receiver appointed for the collateral securing such Non-Recourse Debt, except that (x) the deferral under this clause (ii)(A) shall not extend for more than ninety (90) days after the maturity date of such Non-Recourse Debt, subject to extension of such deferral period for an additional thirty (30) days if prior to the expiration of such initial 90 day period the Borrower has provided to the Administrative Agent reasonably satisfactory evidence that the Loan Party or Subsidiary is continuing to actively pursue such extension or refinancing, or (B) fails to observe or perform any other material agreement or condition relating to any such Non-Recourse Debt or Guarantee or contained in any instrument or agreement evidencing, securing or relating thereto, or any other event occurs, in each case that is not waived, continues beyond any cure period and results in such Non-Recourse Debt or Guarantee becoming or being declared immediately due and payable; (iii) there occurs under any Swap Contract an Early Termination Date (as defined in such Swap Contract) resulting from (A) any Event of Default (as defined in such Swap Contract) as to which any Loan Party is the Defaulting Party (as defined in such Swap Contract) that is not waived and continues beyond any cure period provided therein or (B) any Termination Event (as defined in such Swap Contract) under such Swap Contract as to which any Loan Party is an Affected Party (as defined therein) and, in either event, the Swap Termination Value owed by any Loan Party as a result thereof is greater than the Threshold Amount; or (iv) there exists (A) an Event of Default (as defined under the Existing Credit Agreement) under the Existing Credit Agreement that is not waived and continues beyond any cure period provided therein and results in such debt under the Existing Credit Agreement becoming or being declared immediately due and payable, (B) an Event of Default (as

defined under the PNC Agreement) under the PNC Agreement that is not waived and continues beyond any cure period provided therein and results in such debt under the PNC Agreement becoming or being declared immediately due and payable or (C) an Event of Default (as defined under the Key Agreement) under the Key Agreement that is not waived and continues beyond any cure period provided therein and results in such debt under the Key Agreement becoming or being declared immediately due and payable; or

(f) Insolvency Proceedings, Etc. Any Loan Party institutes or consents to the institution of any proceeding under any Debtor Relief Law, or makes an assignment for the benefit of creditors; or applies for or consents to the appointment of any receiver, trustee, custodian, conservator, liquidator, rehabilitator or similar officer for it or for all or any material part of its property; or any receiver, trustee, custodian, conservator, liquidator, rehabilitator or similar officer is appointed without the application or consent of such Person and the appointment continues undischarged or unstayed for sixty calendar days; or any proceeding under any Debtor Relief Law relating to any such Person or to all or any material part of its property is instituted without the consent of such Person and continues undismissed or unstayed for sixty calendar days, or an order for relief is entered in any such proceeding; or

(g) Inability to Pay Debts; Attachment. (i) Any Loan Party becomes unable or admits in writing its inability or fails generally to pay its debts as they become due, or (ii) any writ or warrant of attachment or execution or similar process is issued or levied against all or any material part of the property of any such Person and is not released, vacated or fully bonded within thirty days after its issue or levy; or

(h) Judgments. There is entered against any Loan Party one or more final judgments or orders for the payment of money in an aggregate amount exceeding the Threshold Amount (to the extent not covered by independent third-party insurance as to which the insurer does not dispute coverage) which remains unpaid for sixty days and (i) enforcement proceedings are commenced by any creditor upon such judgment or order, or (ii) such judgment or order has not been stayed on appeal or otherwise appropriately contested in good faith; or

(i) ERISA. (i) An ERISA Event occurs with respect to a Pension Plan or Multiemployer Plan which has resulted or could reasonably be expected to result in liability of any Loan Party 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 (ii) the Borrower or any ERISA Affiliate fails to pay when due, after the expiration of any applicable grace period, any installment payment with respect to its withdrawal liability under Section 4201 of ERISA under a Multiemployer Plan in an aggregate amount in excess of the Threshold Amount; or

(j) Invalidity of Loan Documents. Any Loan Document, at any time after its execution and delivery and for any reason other than as expressly permitted hereunder or thereunder or satisfaction in full of all the Obligations, ceases to be in full force and effect; or any Loan Party or any other Person contests in any manner the validity or enforceability of any Loan Document; or any Loan Party denies that it has any or further liability or obligation under any Loan Document, or purports to revoke, terminate or rescind any Loan Document; or

(k) Change of Control. There occurs any Change of Control.

9.02 Remedies Upon Event of Default9.02 Remedies Upon Event of Default..

If any Event of Default occurs and is continuing, the Administrative Agent shall, at the request of, or may, with the consent of, the Required Lenders, take any or all of the following actions:

(a) declare any commitment of each Lender to make Loans to be terminated, whereupon such commitments and obligation shall be terminated;

(b) declare the unpaid principal amount of all outstanding Loans, all interest accrued and unpaid thereon, and all other amounts owing or payable hereunder or under any other Loan Document to be immediately due and payable, without presentment, demand, protest or other notice of any kind, all of which are hereby expressly waived by the Borrower; and

(c) exercise on behalf of itself and the Lenders all rights and remedies available to it and the Lenders under the Loan Documents;

provided, however, that upon the occurrence of an actual or deemed entry of an order for relief with respect to any Loan Party under the Bankruptcy Code of the United States, the obligation of each Lender to make Loans shall automatically terminate, the unpaid principal amount of all outstanding Loans and all interest and other amounts as aforesaid shall automatically become due and payable without further act of the Administrative Agent or any Lender.

9.03 Application of Funds.

After the exercise of remedies provided for in Section 9.02 (or after the Loans have automatically become immediately due and payable as set forth in the proviso to Section 9.02), any amounts received on account of the Obligations shall be applied by the Administrative Agent in the following order:

First, to payment of that portion of the Obligations constituting fees, indemnities, expenses and other amounts (including fees, charges and disbursements of counsel to the Administrative Agent and amounts payable under Article III) payable to the Administrative Agent in its capacity as such;

Second, to payment of that portion of the Obligations constituting fees, indemnities and other amounts (other than principal, interest) payable to the Lenders (including fees, charges and disbursements of counsel to the respective Lenders) arising under the Loan Documents and amounts payable under Article III, ratably among them in proportion to the respective amounts described in this clause Second payable to them;

Third, to payment of that portion of the Obligations constituting accrued and unpaid interest on the Loans, ratably among the Lenders in proportion to the respective amounts described in this clause Third held by them;

Fourth, to payment of that portion of the Obligations constituting (i) accrued and unpaid principal of the Loans and (ii) breakage, termination or other payments due under any Swap Contract between and Loan Party and any Lender or Affiliate of a Lender, ratably among the Lenders, the applicable Affiliates (with respect to clause (ii)) in proportion to the respective amounts described in this clause Fourth held by them; and

Last, the balance, if any, after all of the Obligations have been indefeasibly paid in full, to the Borrower or as otherwise required by Law.

Excluded Swap Obligations with respect to any Loan Party shall not be paid with amounts received from such Loan Party or such Loan Party's assets, but appropriate adjustments shall be made with respect to payments from other Loan Parties to preserve the allocation to Obligations otherwise set forth above in this Section.

ARTICLE X

ADMINISTRATIVE AGENT

10.01 Appointment and Authority.

Each of the Lenders hereby irrevocably appoints Wells Fargo to act on its behalf as the Administrative Agent hereunder and under the other Loan Documents and authorizes the Administrative Agent to take such actions on its behalf and to exercise such powers as are delegated to the Administrative Agent by the terms hereof or thereof, together with such actions and powers as are incidental thereto. The provisions of this Article are solely for the benefit of the Administrative Agent, the Lenders, and neither the Borrower nor any other Loan Party shall have 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 Loan Documents (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 Law. 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.

10.02 Rights as a Lender.

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, include 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.

10.03 Exculpatory Provisions.

The Administrative Agent shall not have any duties or obligations except those expressly set forth herein and in the other Loan 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 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 Loan 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 Loan Documents), provided that the Administrative Agent shall not be required to take any action that, in its reasonable opinion, may expose the Administrative Agent to liability or that is contrary to any Loan 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 affect

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 Loan Documents, have any duty to disclose, and shall not be liable for such failure to disclose, any information relating to any Loan Party or any of its Affiliates that is communicated to or obtained by the Person serving as the Administrative Agent or any of its Affiliates in any capacity.

The Administrative Agent shall not be liable for any action taken or not taken by it (i) 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 11.01 and 9.02) or (ii) in the absence of its own bad faith, gross negligence or willful misconduct as determined by a court of competent jurisdiction by final and non-appealable judgment. The Administrative Agent shall be deemed not to have knowledge of any Default unless and until notice describing such Default is given in writing to the Administrative Agent by the Borrower or a Lender.

The Administrative Agent shall not be responsible for or have any duty to ascertain or inquire into (i) any statement, warranty or representation made in or in connection with this Agreement or any other Loan Document, (ii) the contents of any certificate, report or other document delivered hereunder or thereunder or in connection herewith or therewith, (iii) the performance or observance of any of the covenants, agreements or other terms or conditions set forth herein or therein or the occurrence of any Default, (iv) the validity, enforceability, effectiveness or genuineness of this Agreement, any other Loan Document or any other agreement, instrument or document or (v) the satisfaction of any condition set forth in Article V or elsewhere herein, other than to confirm receipt of items expressly required to be delivered to the Administrative Agent.

10.04 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 that by its terms must be fulfilled to the satisfaction of a Lender, the Administrative Agent may presume that such condition is satisfactory to such Lender unless the Administrative Agent shall have received notice to the contrary from such Lender prior to the making of such Loan. The Administrative Agent may consult with legal counsel (who may be counsel for the Loan Parties), 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.

10.05 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 Loan 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.

10.06 Resignation of Administrative Agent.

(a) The Administrative Agent may at any time give notice of its resignation to the Lenders and the Borrower. Upon receipt of any such notice of resignation, the Required Lenders shall have the right, in consultation with the Borrower, 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 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, appoint a successor Administrative Agent meeting the qualifications set forth above. Whether or not a successor has been appointed, such resignation shall become effective in accordance with such notice on the Resignation Effective Date.

(b) If the Person serving as Administrative Agent is a Defaulting Lender pursuant to clause (d) of the definition thereof, the Required Lenders may, to the extent permitted by applicable Law by notice in writing to the Borrower and such Person remove such Person as the Administrative Agent and, in consultation with the Borrower, appoint a successor. If no such successor shall have been so appointed by the Required Lenders and shall have accepted such appointment within thirty (30) days (or such earlier day as shall be agreed by the Required Lenders) (the "Removal Effective Date"), then such removal shall nonetheless become effective in accordance with such notice on the Removal Effective Date.

(c) With effect from the Resignation Effective Date or the Removal Effective Date (as applicable) (1) the retiring or removed Administrative Agent shall be discharged from its duties and obligations hereunder and under the other Loan Documents (except that in the case of any collateral security held by the Administrative Agent on behalf of the Lenders under any of the Loan Documents, the retiring or removed Administrative Agent shall continue to hold such collateral security until such time as a successor Administrative Agent is appointed) and (2) except for any indemnity payments or other amounts then owed to the retiring or removed 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 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 or removed Administrative Agent (other than as provided in Section 3.01(g) and other than any rights to indemnity payments or other amounts owed to the retiring or removed Administrative Agent as of the Resignation Effective Date or the Removal Effective Date, as applicable), and the retiring or removed Administrative Agent shall be discharged from all of its duties and obligations hereunder or under the other Loan Documents (if not already discharged therefrom as provided above in this Section). The fees payable by the Borrower to a successor Administrative Agent shall be the same as those payable to its predecessor unless otherwise agreed between the Borrower and such successor. After the retiring or removed Administrative Agent's resignation or removal hereunder and under the other Loan Documents, the provisions of this Article and Section 11.04 shall continue in effect for the benefit of such retiring or removed 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.

10.07 Non-Reliance on Administrative Agent and Other Lenders.

Each Lender 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 also 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 Loan Document or any related agreement or any document furnished hereunder or thereunder.

10.08 No Other Duties; Etc.

Anything herein to the contrary notwithstanding, none of the bookrunners, arrangers, syndication agents, documentation agents or co-agents shall have any powers, duties or responsibilities under this Agreement or any of the other Loan Documents, except in its capacity, as applicable, as the Administrative Agent or a Lender.

10.09 Administrative Agent May File Proofs of Claim.

In case of the pendency of any receivership, insolvency, liquidation, bankruptcy, reorganization, arrangement, adjustment, composition or other judicial proceeding relative to any Loan Party, the Administrative Agent (irrespective of whether the principal of any Loan 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 and all other Obligations (other than obligations under Swap Contracts or Treasury Management Agreements to which the Administrative Agent is not a party) that are owing and unpaid and to file such other documents as may be necessary or advisable in order to have the claims of the Lenders and the Administrative Agent (including any claim for the reasonable compensation, expenses, disbursements and advances of the Lenders and the Administrative Agent and their respective agents and counsel and all other amounts due the Lenders and the Administrative Agent under Sections 2.09 and 11.04) allowed in such judicial proceeding; and

(b) to collect and receive any monies or other property payable or deliverable on any such claims and to distribute the same;

and any custodian, receiver, assignee, trustee, liquidator, sequestrator or other similar official in any such judicial proceeding is hereby authorized by each Lender to make such payments to the Administrative Agent and, in the event that the Administrative Agent shall consent to the making of such payments directly to the Lenders, to pay to the Administrative Agent any amount due for the reasonable compensation, expenses, disbursements and advances of the Administrative Agent and its agents and counsel, and any other amounts due the Administrative Agent under Sections 2.09 and 11.04.

Nothing contained herein shall be deemed to authorize the Administrative Agent to authorize or consent to or accept or adopt on behalf of any Lender any plan of reorganization, arrangement, adjustment or composition affecting the Obligations or the rights of any Lender or to authorize the Administrative Agent to vote in respect of the claim of any Lender in any such proceeding.

10.10 Guaranty Matters.

Each Lender irrevocably authorizes the Administrative Agent, at its option and in its discretion to release any Subsidiary Guarantor from its obligations under the Guaranty if such Person ceases to be required to be a Subsidiary Guarantor under Section 7.13. Upon request by the Administrative Agent at any time, the Required Lenders will confirm in writing the Administrative Agent's authority to release any Subsidiary Guarantor from its obligations under the Guaranty, pursuant to this Section 10.10.

10.11 Treasury Management Agreements and Swap Contracts.

No Lender or Affiliate of a Lender that obtains the benefit of Section 9.03 or the Guaranty by virtue of the provisions hereof shall have any right to notice of any action or to consent to, direct or object to any action hereunder or under any other Loan Document (or to notice of or to consent to any amendment, waiver or modification of the provisions hereof or of the Guaranty) other than in its capacity as a Lender and, in such case, only to the extent expressly provided in the Loan Documents. Notwithstanding any other provision of this Article X to the contrary, the Administrative Agent shall not be required to verify the payment of, or that other satisfactory arrangements have been made with respect to, Obligations arising under Treasury Management Agreements and Swap Contracts except to the extent expressly provided herein and unless the Administrative Agent has received written notice of such Obligations, together with such supporting documentation as the Administrative Agent may request, from the applicable Lender or Affiliate of a Lender, as the case may be. The Administrative Agent shall not be required to verify the payment of, or that other satisfactory arrangements have been made with respect to, Obligations arising under Treasury Management Agreements and Swap Contracts.

ARTICLE XI

MISCELLANEOUS

11.01 Amendments, Etc.

No amendment or waiver of any provision of this Agreement or any other Loan Document, and no consent to any departure by the Borrower or any other Loan Party therefrom, shall be effective unless in writing signed by the Required Lenders and the Borrower or the applicable Loan Party, as the case may be, and acknowledged by the Administrative Agent, and each such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given; provided, further, that

(a) no such amendment, waiver or consent shall:

(i) extend or increase the Commitment of a Lender (or reinstate any Commitment terminated pursuant to Section 9.02) without the written consent of such Lender whose Commitment is being extended or increased (it being understood and agreed that a waiver of any condition precedent set forth in Section 5.02 or of any Default or a mandatory reduction in Commitments is not considered an extension or increase in Commitments of any Lender);

(ii) postpone any date fixed by this Agreement or any other Loan Document for any payment or mandatory prepayment of principal, interest, fees or other amounts due to the Lenders (or any of them) or any scheduled or mandatory reduction of the Commitments hereunder or under any other Loan Document without the written consent of each Lender entitled to receive such payment or whose Commitments are to be reduced;

(iii) reduce the principal of, or the rate of interest specified herein on, any Loan, or (subject to clause (i) of the final paragraph of this Section 11.01) any fees or other amounts payable hereunder or under any other Loan Document without the written consent of each Lender entitled to receive such payment of principal, interest, fees or other amounts; provided, however, that only the consent of the Required Lenders shall be necessary to amend the definition of "Default Rate" or to waive any obligation of the Borrower to pay interest at the Default Rate;

(iv) change Section 2.13 or Section 9.03 in a manner that would alter the pro rata sharing of payments required thereby without the written consent of each Lender directly affected thereby;

(v) change any provision of this Section 11.01(a) or the definition of "Required Lenders" without the written consent of each Lender directly affected thereby; or

(vi) release the Borrower or the Parent Entity without the written consent of each Lender.

(b) unless also signed by the Administrative Agent, no amendment, waiver or consent shall affect the rights or duties of the Administrative Agent under this Agreement or any other Loan Document.

Notwithstanding anything to the contrary herein:

(i) the Fee Letters may be amended, or rights or privileges thereunder waived, in a writing executed only by the parties thereto.

(ii) no Defaulting Lender shall have any right to approve or disapprove any amendment, waiver or consent hereunder (and any amendment, waiver or consent which by its terms requires the consent of all Lenders or each affected Lender may be effected with the consent of the applicable Lenders other than Defaulting Lenders), except that (x) the Commitment of any Defaulting Lender may not be increased or extended without the consent of such 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 disproportionately adversely relative to other affected Lenders shall require the consent of such Defaulting Lender.

(iii) each Lender is entitled to vote as such Lender sees fit on any bankruptcy reorganization plan that affects the Loans, and each Lender acknowledges that the provisions of Section 1126(c) of the Bankruptcy Code of the United States supersede the unanimous consent provisions set forth herein.

(iv) the Required Lenders shall determine whether or not to allow a Loan Party to use cash collateral in the context of a bankruptcy or insolvency proceeding and such determination shall be binding on all of the Lenders.

(v) amendments and waivers that affect solely the Lenders under Term Loan A-1 or any Incremental Term Loan (including waiver or modification of (x) conditions to extensions of credit under the relevant Term Loan and (y) the availability and conditions to funding of any Incremental Term Loan) and do not otherwise contradict the rights of Lenders under clause (a) of this Section 11.01: (1) shall only require the consent of those Lenders holding a majority of the outstanding Commitments and Loans with respect to Term Loan A-1 or Incremental Term Loan, as applicable and (2) any fees paid with respect to such amendment or waiver need only be offered pro rata to those Lenders whose consent is required.

(vi) any amendment entered into in order to effectuate an increase in Term Loan A-1 or to provide an Incremental Term Loan, in each case in accordance with Section 2.16, shall only require the consent of the Lenders providing such increase or Incremental Term Loan as long as the purpose of such amendment is solely to incorporate the appropriate provisions for such increase or Incremental Term Loan.

(vii) the Borrower may, by written notice to the Administrative Agent from time to time (and with the consent of the Administrative Agent, not to be unreasonably withheld), make one or more offers (each, a "Loan Modification Offer") to all the Lenders under a Term Loan to make one or more amendments or modifications to allow the maturity of such Loans of the accepting Lenders to be extended (and in connection therewith increase the Applicable Rate and/or fees payable with respect to such Loans of the accepting Lenders) ("Extension Amendments") pursuant to procedures reasonably specified by the Administrative Agent and reasonably acceptable to the Borrower. Such notice shall set forth (x) the terms and conditions of the requested Extension Amendment and (y) the date on which such Extension Amendment is requested to become effective. Extension Amendments shall become effective only with respect to the Loans of the Lenders that accept in writing the applicable Loan Modification Offer (such Lenders, the "Accepting Lenders") and, in the case of any Accepting Lender, only with respect to such Lender's Loans as to which such Lender's acceptance has been made. The Borrower, each other Loan Party and each Accepting Lender shall execute and deliver to the Administrative Agent such documentation (the "Loan Amendment") as the Administrative Agent shall reasonably specify to evidence the acceptance of the Extension Amendments and the terms and conditions thereof, and the Loan Parties shall also deliver such corporate resolutions, opinions and other documents as reasonably requested by the Administrative Agent. The Administrative Agent shall promptly notify each Lender as to the effectiveness of each Loan Amendment. Each of the parties hereto hereby agrees that upon the effectiveness of any Loan Amendment, this Agreement shall be deemed amended to the extent (but only to the extent) necessary to reflect the existence and terms of the Extension Amendment evidenced thereby and only with respect to the Loans of the Accepting Lenders as to which such Lenders' acceptance has been made and shall not contradict the rights of the Lenders under clause (a) of this Section 11.01 with respect to the Loans of non-Accepting Lenders.

11.02 Notices and Other Communications; Facsimile Copies.

(a) Notices Generally. Except in the case of notices and other communications expressly permitted to be given by telephone (and except as provided in subsection (b) below), all notices and other communications provided for herein shall be in writing and shall be delivered by hand or overnight courier service, mailed by certified or registered mail or sent by facsimile as follows, and all notices and other communications expressly permitted hereunder to be given by telephone shall be made to the applicable telephone number, as follows:

(i) if to the Borrower or any other Loan Party or the Administrative Agent, to the address, facsimile number, e-mail address or telephone number specified for such Person on Schedule 11.02; and

(ii) if to any other Lender, to the address, facsimile number, e-mail address or telephone number specified in its Administrative Questionnaire (including, as appropriate, notices delivered solely to the Person designated by a Lender on its Administrative Questionnaire then in effect for the delivery of notices that may contain material non-public information relating to the Borrower).

Notices and other communications sent by hand or overnight courier service, or mailed by certified or registered mail, shall be deemed to have been given when received; notices and other communications sent by facsimile or e-mail transmission shall be deemed to have been given when sent (except that, if not given during normal business hours for the recipient, shall be deemed to have been given at the opening of business on the next Business Day for the recipient). Notices and other communications delivered through electronic communications to the extent provided in subsection (b) below, shall be effective as provided in such subsection (b).

(b) Electronic Communications. Notices and other communications to the Lenders hereunder may be delivered or furnished by electronic communication (including e-mail address and Internet or intranet websites) pursuant to procedures approved by the Administrative Agent, provided that the foregoing shall not apply to notices to any Lender pursuant to Article II if such Lender has notified the Administrative Agent that it is incapable of receiving notices under such Article by electronic communication. The Administrative Agent or the Borrower may each, in its discretion, agree to accept notices and other communications to it hereunder by electronic communications pursuant to procedures approved by it, provided that approval of such procedures may be limited to particular notices or communications.

Unless the Administrative Agent otherwise prescribes, (i) notices and other communications sent to an e-mail address shall be deemed received upon the sender's receipt of an acknowledgement from the intended recipient (such as by the "return receipt requested" function, as available, return e-mail or other written acknowledgement), and (ii) notices or communications posted to an Internet or intranet website shall be deemed received upon the deemed receipt by the intended recipient at its e-mail address as described in the foregoing clause (i) of notification that such notice or communication is available and identifying the website address therefor; provided that, for both clauses (i) and (ii), if such notice, email or other communication is not sent during the normal business hours of the recipient, such notice, email or communication shall be deemed to have been sent at the opening of business on the next Business Day for the recipient. Notwithstanding anything contained herein, the Borrower shall deliver paper copies of any documents to the Administrative Agent or to any Lender that requests such paper copies until a written request to cease delivering paper copies is given by the Administrative Agent or such Lender. The Administrative Agent shall have no obligation to request the delivery of or to maintain paper copies of the documents delivered

electronically, and in any event shall have no responsibility to monitor compliance by the Borrower with any such request for delivery. Each Lender shall be solely responsible for requesting delivery to it of paper copies and maintaining its paper or electronic documents.

(c) The Platform. THE PLATFORM IS PROVIDED "AS IS" AND "AS AVAILABLE." THE AGENT PARTIES (AS DEFINED BELOW) DO NOT WARRANT THE ACCURACY OR COMPLETENESS OF THE BORROWER MATERIALS OR THE ADEQUACY OF THE PLATFORM, AND EXPRESSLY DISCLAIM LIABILITY FOR ERRORS IN OR OMISSIONS FROM THE BORROWER MATERIALS. NO WARRANTY OF ANY KIND, EXPRESS, IMPLIED OR STATUTORY, INCLUDING ANY WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT OF THIRD PARTY RIGHTS OR FREEDOM FROM VIRUSES OR OTHER CODE DEFECTS, IS MADE BY ANY AGENT PARTY IN CONNECTION WITH THE BORROWER MATERIALS OR THE PLATFORM. In no event shall the Administrative Agent or any of its Related Parties (collectively, the "Agent Parties") have any liability to the Borrower, any Lender or any other Person for losses, claims, damages, liabilities or expenses of any kind (whether in tort, contract or otherwise) arising out of the Borrower's, any Loan Party's or the Administrative Agent's transmission of Borrower Materials or any other Information through the Internet or any telecommunications, electronic or other information transmission systems.

(d) Change of Address, Etc. Each of the Borrower and the Administrative Agent may change its address, facsimile or telephone number for notices and other communications hereunder by notice to the other parties hereto. Each other Lender may change its address, facsimile or telephone number or e-mail address for notices and other communications hereunder by notice to the Borrower and the Administrative Agent. In addition, each Lender agrees to notify the Administrative Agent from time to time to ensure that the Administrative Agent has on record (i) an effective address, contact name, telephone number, facsimile number and e-mail address to which notices and other communications may be sent and (ii) accurate wire instructions for such Lender. Furthermore, each Public Lender agrees to cause at least one individual at or on behalf of such Public Lender to at all times have selected the "Private Side Information" or similar designation on the content declaration screen of the Platform in order to enable such Public Lender or its delegate, in accordance with such Public Lender's compliance procedures and applicable Law, including United States federal and state securities Laws, to make reference to Borrower Materials that are not made available through the "Public Side Information" portion of the Platform and that may contain material non-public information with respect to the Borrower or its securities for purposes of United States federal or state securities laws.

(e) Reliance by Administrative Agent and Lenders. The Administrative Agent and the Lenders shall be entitled to rely and act upon any notices (including telephonic or electronic Loan Notices) purportedly given by or on behalf of any Loan Party even if (i) such notices were not made in a manner specified herein, were incomplete or were not preceded or followed by any other form of notice specified herein, or (ii) the terms thereof, as understood by the recipient, varied from any confirmation thereof. The Loan Parties shall indemnify the Administrative Agent, each Lender and the Related Parties of each of them from all losses, costs, expenses and liabilities resulting from the reliance by such Person on each notice purportedly given by or on behalf of a Loan Party. All telephonic notices to and other telephonic communications with the Administrative Agent may be recorded by the Administrative Agent, and each of the parties hereto hereby consents to such recording.

11.03 No Waiver; Cumulative Remedies; Enforcement.

No failure by any Lender or the Administrative Agent to exercise, and no delay by any such Person in exercising, any right, remedy, power or privilege hereunder or under any other Loan Document shall operate as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege. The rights, remedies, powers and privileges herein provided, and provided under each other Loan Document, are cumulative and not exclusive of any rights, remedies, powers and privileges provided by law.

Notwithstanding anything to the contrary contained herein or in any other Loan Document, the authority to enforce rights and remedies hereunder and under the other Loan Documents against the Loan Parties or any of them shall be vested exclusively in, and all actions and proceedings at law in connection with such enforcement shall be instituted and maintained exclusively by, the Administrative Agent in accordance with Section 10.01 for the benefit of all the Lenders; provided, however, that the foregoing shall not prohibit (a) the Administrative Agent from exercising on its own behalf the rights and remedies that inure to its benefit (solely in its capacity as Administrative Agent) hereunder and under the other Loan Documents, (b) any Lender from exercising setoff rights in accordance with Section 11.08 (subject to the terms of Section 2.13), or (c) any Lender from filing proofs of claim or appearing and filing pleadings on its own behalf during the pendency of a proceeding relative to any Loan Party under any Debtor Relief Law; and provided, further, that if at any time there is no Person acting as Administrative Agent hereunder and under the other Loan Documents, then (i) the Required Lenders shall have the rights otherwise ascribed to the Administrative Agent pursuant to Section 10.01 and (ii) in addition to the matters set forth in clauses (b) and (c) of the preceding proviso and subject to Section 2.13, any Lender may, with the consent of the Required Lenders, enforce any rights and remedies available to it and as authorized by the Required Lenders.

11.04 Expenses; Indemnity; and Damage Waiver.

(a) Costs and Expenses. The Loan Parties shall pay (i) all reasonable and documented out-of-pocket expenses incurred by the Administrative Agent and its Affiliates (including the reasonable and documented fees, charges and disbursements of one counsel for the Administrative Agent) in connection with the syndication of the credit facilities provided for herein, the preparation, negotiation, execution, delivery and administration of this Agreement and the other Loan Documents or any amendments, modifications or waivers of the provisions hereof or thereof (whether or not the transactions contemplated hereby or thereby shall be consummated) and (ii) all reasonable and documented out-of-pocket expenses incurred by the Administrative Agent or any Lender (including the reasonable fees, charges and disbursements of one counsel for the Administrative Agent, any Lender) taken as a whole (unless (x) a conflict exists as determined in the good faith judgment of each affected Lender, in which case(s) the reasonable and documented fees, charges and disbursements of one reasonably necessary additional counsel for each such affected Lender shall be covered, or (y) a special counsel is necessary as determined in the good faith judgment of the Administrative Agent, in which case(s) the reasonable and documented fees, charges and disbursements of one reasonably necessary special counsel for the Administrative Agent shall be covered), in connection with the enforcement or protection of its rights (A) in connection with this Agreement and the other Loan Documents, including its rights under this Section, or (B) in connection with the Loans made hereunder, including all such reasonable and documented out-of-pocket expenses incurred during any workout, restructuring or negotiations in respect of such Loans.

(b) Indemnification by the Loan Parties. The Loan Parties shall indemnify the Administrative Agent (and any sub-agent thereof), each Lender 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 reasonable fees, charges and disbursements of one counsel for all Indemnitees, plus, (x) in the event of a conflict of interest as determined in the good faith judgment of each affected Indemnitee, one additional counsel for all such affected Indemnitees (taken together with all similarly situated Indemnitees) and (y) in the event that a special counsel is necessary as determined in the good faith judgment of the Administrative Agent, one additional counsel for Administrative Agent), incurred by any Indemnitee or asserted against any Indemnitee by any Person (including the Borrower or any other Loan Party) arising out of, in connection with, or as a result of (i) the execution or delivery of this Agreement, any other Loan Document or any agreement or instrument contemplated hereby or thereby, the performance by the parties hereto of their respective obligations hereunder or thereunder or the consummation of the transactions contemplated hereby or thereby, or, in the case of the Administrative Agent (and any sub-agent thereof) and its Related Parties only, the administration of this Agreement and the other Loan Documents, (ii) any Loan or the use or proposed use of the proceeds therefrom, (iii) any actual or alleged presence or release of Hazardous Materials on or from any property owned or operated by a Loan Party or any of its Subsidiaries, or any Environmental Liability related in any way to a Loan Party or any of its Subsidiaries, or (iv) any actual or prospective claim, litigation, investigation or proceeding relating to any of the foregoing, whether based on contract, tort or any other theory, whether brought by a third party or by the Borrower or any other Loan Party, and regardless of whether any Indemnitee is a party thereto, in all cases, whether or not caused by or arising, in whole or in part, out of the comparative, contributory or sole negligence of the Indemnitee; 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 the Borrower or any other Loan Party against an Indemnitee for breach in bad faith of such Indemnitee's obligations hereunder or under any other Loan Document, if the Borrower or such other Loan Party has obtained a final and nonappealable judgment in its favor on such claim as determined by a court of competent jurisdiction. Without limiting the provisions of Section 3.01(c), this Section 11.04(b) shall not apply with respect to Taxes other than any Taxes that represent losses, claims, damages, etc. arising from any non-Tax claim.

(c) Reimbursement by Lenders. To the extent that the Loan Parties for any reason fail to indefeasibly pay any amount required under subsection (a) or (b) of this Section to be paid by them to the Administrative Agent (or any sub-agent thereof) or any Related Party of any of the foregoing, each Lender severally agrees to pay to the Administrative Agent (or any such sub-agent) 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 sum of the aggregate unpaid principal amount of the Term Loans then outstanding, such payment to be made severally among them based on such Lenders' Applicable Percentages (determined as of the time that the applicable unreimbursed expense or indemnity payment is sought), 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), 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), in connection with such capacity. The obligations of the Lenders under this subsection (c) are subject to the provisions of Section 2.12(d).

(d) Waiver of Consequential Damages, Etc. To the fullest extent permitted by applicable law, no Loan Party shall assert, and each Loan Party hereby waives, and acknowledges that no other Person shall have, 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 Loan Document or any agreement or instrument contemplated hereby, the transactions contemplated hereby or thereby, any Loan or the use of the proceeds thereof. No Indemnitee referred to in subsection (b) above shall be liable for any damages arising from the use by unintended recipients of any information or other materials distributed by it through telecommunications, electronic or other information transmission systems in connection with this Agreement or the other Loan Documents or the transactions contemplated hereby or thereby. No Loan Party shall be liable for any 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 Loan Document or any agreement or instrument contemplated hereby, the transactions contemplated hereby or thereby, any Loan or the use of proceeds thereof.

(e) Payments. All amounts due under this Section shall be payable not later than ten Business Days after demand therefor.

(f) Survival. The agreements in this Section and the indemnity provisions of Section 11.02(e) shall survive the resignation of the Administrative Agent, the replacement of any Lender, the termination of the Commitments and the repayment, satisfaction or discharge of all the other Obligations.

11.05 Payments Set Aside.

To the extent that any payment by or on behalf of any Loan Party is made to the Administrative Agent or any Lender, or the Administrative Agent or any Lender exercises its right of setoff, and such payment or the proceeds of such setoff or any part thereof is subsequently invalidated, declared to be fraudulent or preferential, set aside or required (including pursuant to any settlement entered into by the Administrative Agent or such Lender in its discretion) to be repaid to a trustee, receiver or any other party, in connection with any proceeding under any Debtor Relief Law or otherwise, then (a) to the extent of such recovery, the obligation or part thereof originally intended to be satisfied shall be revived and continued in full force and effect as if such payment had not been made or such setoff had not occurred, and (b) each Lender severally agrees to pay to the Administrative Agent upon demand its applicable share (without duplication) of any amount so recovered from or repaid by the Administrative Agent, plus interest thereon from the date of such demand to the date such payment is made at a rate per annum equal to the Federal Funds Rate from time to time in effect. The obligations of the Lenders under clause (b) of the preceding sentence shall survive the payment in full of the Obligations and the termination of this Agreement.

11.06 Successors and Assigns.

(a) Successors and Assigns Generally. The provisions of this Agreement and the other Loan Documents shall be binding upon and inure to the benefit of the parties hereto and thereto and their respective successors and assigns permitted hereby, except that the Borrower may not assign or otherwise transfer any of its rights or obligations hereunder or thereunder without the prior written consent of the Administrative Agent and each Lender and no Lender may assign or otherwise transfer any of its rights or obligations hereunder except (i) to an assignee in accordance with the provisions of subsection (b) of this Section, (ii) by way of participation in accordance with the provisions of subsection (d) of this Section or (iii) by way of pledge or assignment of a security interest subject to the restrictions of subsection (e) of this Section (and any other attempted assignment or transfer by any party hereto shall be null and void). Nothing in this Agreement, expressed or implied, shall be construed to confer upon any Person (other than the parties hereto, their respective successors and assigns permitted hereby, Participants to the extent provided in subsection (d) of this Section and, to the extent expressly contemplated hereby, the Related Parties of each of the Administrative

Agent and the Lenders) any legal or equitable right, remedy or claim under or by reason of this Agreement.

(b) Assignments by Lenders. Any Lender may at any time assign to one or more assignees all or a portion of its rights and obligations under this Agreement and the other Loan Documents (including all or a portion of its Commitment and the Loans at the time owing to it); provided that any such assignment shall be subject to the following conditions:

(i) Minimum Amounts.

(A) in the case of an assignment of the entire remaining amount of the assigning Lender's Commitment and/or the Loans at the time owing to it or contemporaneous assignments to related Approved Funds that equal at least the amount specified in paragraph (b)(i)(B) of this Section in the aggregate or in the case of an assignment to a Lender, an Affiliate of a Lender or an Approved Fund, no minimum amount need be assigned; and

(B) in any case not described in subsection (b)(i)(A) of this Section, the aggregate amount of the Commitment (which for this purpose includes Loans outstanding thereunder) or, if the Commitment is not then in effect, the principal outstanding balance of the Loans of the assigning Lender subject to each such assignment, determined as of the date the Assignment and Assumption with respect to such assignment is delivered to the Administrative Agent or, if "Trade Date" is specified in the Assignment and Assumption, as of the Trade Date, shall not be less than $5,000,000 unless each of the Administrative Agent and, so long as no Event of Default has occurred and is continuing, the Borrower otherwise consents (each such consent not to be unreasonably withheld or delayed).

(ii) Proportionate Amounts. Each partial assignment shall be made as an assignment of a proportionate part of all the assigning Lender's Loans and Commitments, and rights and obligations with respect thereto assigned.

(iii) Required Consents. No consent shall be required for any assignment except to the extent required by subsection (b)(i)(B) of this Section and, in addition:

(A) the consent of the Borrower (such consent not to be unreasonably withheld or delayed) shall be required unless (1) an Event of Default has occurred and is continuing at the time of such assignment or (2) such assignment is to a Lender, an Affiliate of a Lender or an Approved Fund; and

(B) the consent of the Administrative Agent (such consent not to be unreasonably withheld or delayed) shall be required for assignments to a Person that is not a Lender, an Affiliate of such Lender or an Approved Fund with respect to such Lender.

(iv) Assignment and Assumption. The parties to each assignment shall execute and deliver to the Administrative Agent an Assignment and Assumption, together with a processing and recordation fee in the amount of $3,500; provided, however, that the Administrative Agent may, in its sole discretion, elect to waive such processing and recordation fee in the case of any assignment. The assignee, if it is not a Lender, shall deliver to the Administrative Agent an Administrative Questionnaire.

(v) No Assignment to Certain Persons. No such assignment shall be made (A) to the Borrower or any of the Borrower's Affiliates or Subsidiaries, (B) to any Defaulting Lender or any of its Subsidiaries, or any Person who, upon becoming a Lender hereunder, would constitute any of the foregoing Persons described in this clause (B) or (C) to a natural Person.

(vi) Certain Additional Payments. In connection with any assignment of rights and obligations of any Defaulting Lender hereunder, no such assignment shall be effective unless and until, in addition to the other conditions thereto set forth herein, the parties to the assignment shall make such additional payments to the Administrative Agent in an aggregate amount sufficient, upon distribution thereof as appropriate (which may be outright payment, purchases by the assignee of participations or subparticipations, or other compensating actions, including funding, with the consent of the Borrower and the Administrative Agent, the applicable pro rata share of Loans previously requested but not funded by the Defaulting Lender, to each of which the applicable assignee and assignor hereby irrevocably consent), to (x) pay and satisfy in full all payment liabilities then owed by such Defaulting Lender to the Administrative Agent or any Lender hereunder (and interest accrued thereon) and (y) acquire (and fund as appropriate) its full pro rata share of all Loans in accordance with its Applicable Percentage. Notwithstanding the foregoing, in the event that any assignment of rights and obligations of any Defaulting Lender hereunder shall become effective under applicable Law without compliance with the provisions of this paragraph, then the assignee of such interest shall be deemed to be a Defaulting Lender for all purposes of this Agreement until such compliance occurs.

Subject to acceptance and recording thereof by the Administrative Agent pursuant to subsection (c) of this Section, from and after the effective date specified in each Assignment and Assumption, the assignee thereunder shall be a party to this Agreement and, to the extent of the interest assigned by such Assignment and Assumption, have the rights and obligations of a Lender under this Agreement, and the assigning Lender thereunder shall, to the extent of the interest assigned by such Assignment and Assumption, be released from its obligations under this Agreement (and, in the case of an Assignment and Assumption covering all of the assigning Lender's rights and obligations under this Agreement, such Lender shall cease to be a party hereto) but shall continue to be entitled to the benefits of Sections 3.01, 3.04, 3.05 and 11.04 with respect to facts and circumstances occurring prior to the effective date of such assignment; provided, that except to the extent otherwise expressly agreed by the affected parties, no assignment by a Defaulting Lender will constitute a waiver or release of any claim of any party hereunder arising from that Lender's having been a Defaulting Lender. Upon request, the Borrower (at its expense) shall execute and deliver a Note to the assignee Lender. Any assignment or transfer by a Lender of rights or obligations under this Agreement that does not comply with this subsection shall be treated for purposes of this Agreement as a sale by such Lender of a participation in such rights and obligations in accordance with subsection (d) of this Section.

(c) Register. The Administrative Agent, acting solely for this purpose as an agent of the Borrower, shall maintain at the Administrative Agent's Office a copy of each Assignment and Assumption delivered to it (or the equivalent thereof in electronic form) and a register for the recordation of the names and addresses of the Lenders, and the Commitments of, and principal amounts (and stated interest) of the Loans owing to, each Lender pursuant to the terms hereof from time to time (the "Register"). The entries in the Register shall be conclusive absent manifest error, and the Borrower, the Administrative Agent and the Lenders shall treat each Person whose name is recorded in the Register pursuant to the terms hereof as a Lender hereunder for all purposes of this

Agreement. The Register shall be available for inspection by the Borrower and any Lender, at any reasonable time and from time to time upon reasonable prior notice.

(d) Participations. Any Lender may at any time, without the consent of, or notice to, the Borrower or the Administrative Agent, sell participations to any Person (other than a natural Person, a Defaulting Lender or the Borrower or any of the Borrower's Affiliates or Subsidiaries) (each, a "Participant") in all or a portion of such Lender's rights and/or obligations under this Agreement (including all or a portion of its Commitment and/or the Loans owing to it); provided that (i) such Lender's obligations under this Agreement shall remain unchanged, (ii) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations and (iii) the Borrower, the Administrative Agent, 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 11.04(c) without regard to the existence of any participation.

Any agreement or instrument pursuant to which a Lender sells such a participation shall provide that such Lender shall retain the sole right to enforce this Agreement and to approve any amendment, modification or waiver of any provision of this Agreement; provided that such agreement or instrument may provide that such Lender will not, without the consent of the Participant, agree to any amendment, waiver or other modification described in clauses (i) through (vi) of Section 11.01(a) that affects such Participant. The Borrower agrees that each Participant shall be entitled to the benefits of Sections 3.01, 3.04 and 3.05 to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to subsection (b) of this Section (subject to the requirements and limitations therein, including the requirements under Section 3.01(e) and it being understood that the documentation required under Section 3.01(e) shall be delivered to the Lender who sells the participation); provided that such Participant (A) agrees to be subject to the provisions of Sections 3.06 and 11.13 as if it were an assignee under paragraph (b) of this Section and (B) shall not be entitled to receive any greater payment under Sections 3.01 or 3.04, with respect to any participation, than the Lender from whom it acquired the applicable participation would have been entitled to receive, except to the extent such entitlement to receive a greater payment results from a Change in Law that occurs after the Participant acquired the applicable participation. Each Lender that sells a participation agrees, at the Borrower's request and expense, to use reasonable efforts to cooperate with the Borrower to effectuate the provisions of Section 3.06 with respect to any Participant. To the extent permitted by law, each Participant also shall be entitled to the benefits of Section 11.08 as though it were a Lender, provided such Participant agrees to be subject to Section 2.13 as though it were a Lender. Each Lender that sells a participation shall, acting solely for this purpose as an agent of the Borrower, maintain a register on which it enters the name and address of each Participant and the principal amounts (and stated interest) of each Participant's interest in the Loans or other obligations under the Loan Documents (the "Participant Register"); provided that no Lender shall have any obligation to disclose all or any portion of the Participant Register (including the identity of any Participant or any information relating to a Participant's interest in any commitments, loans, or its other obligations under any Loan Document) to any Person except to the extent that such disclosure is necessary to establish that such commitment, loan, 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.

(e) Certain Pledges. Any Lender may at any time pledge or assign a security interest in all or any portion of its rights under this Agreement (including under its Note, if any) to secure obligations of such Lender, including any pledge or assignment to secure obligations to a Federal Reserve Bank; provided that no such pledge or assignment shall release such Lender from any of its obligations hereunder or substitute any such pledgee or assignee for such Lender as a party hereto.

11.07 Treatment of Certain Information; Confidentiality.

(a) Treatment of Confidential Information. Each of the Administrative Agent and the Lenders agrees 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 regulations or by any subpoena or similar legal process, (d) to any other party hereto, (e) in connection with the exercise of any remedies hereunder or under any other Loan Document or any action or proceeding relating to this Agreement or any other Loan Document or the enforcement of rights hereunder or thereunder, (f) subject to an agreement containing provisions substantially the same as those of this Section, to (i) any assignee of or Participant in, or any prospective assignee of or Participant in, any of its rights and obligations under this Agreement or (ii) 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 a Loan Party and its obligations, this Agreement or payments hereunder, (g) on a confidential basis to (i) any rating agency in connection with rating the Borrower or its Subsidiaries or the credit facilities provided hereunder or (ii) the CUSIP Service Bureau or any similar agency in connection with the issuance and monitoring of CUSIP numbers or other market identifiers with respect to the credit facilities provided hereunder, (h) with the consent of the Borrower or (i) to the extent such Information (x) becomes publicly available other than as a result of a breach of this Section or (y) becomes available to the Administrative Agent or any Lender or any of their respective Affiliates on a nonconfidential basis from a source other than the Borrower. For purposes of this Section, "Information" means all information received from a Loan Party or any Subsidiary relating to the Loan Parties or any Subsidiary or any of their respective businesses, other than any such information that is available to the Administrative Agent or any Lender on a nonconfidential basis prior to disclosure by such Loan Party or any Subsidiary, provided that, in the case of information received from a Loan Party or any Subsidiary 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.

(b) Non-Public Information. Each of the Administrative Agent and the Lenders acknowledges that (a) the Information may include material non-public information concerning the Borrower or a Subsidiary, as the case may be, (b) it has developed compliance procedures regarding the use of material non-public information and (c) it will handle such material non-public information in accordance with applicable Law, including United States Federal and state securities Laws.

11.08 Set-off.

If an Event of Default shall have occurred and be continuing, each Lender and each of their respective Affiliates is hereby authorized at any time and from time to time, after obtaining the prior written consent of the Administrative Agent, to the fullest extent permitted by applicable law, to set off and apply any and all deposits (general or special, time or demand, provisional or final, in whatever currency) at any time held and other obligations (in whatever currency) at any time owing by such Lender or any such Affiliate to or for the credit or the account of the Borrower or any other Loan Party against any and all of the obligations of the Borrower or such Loan Party now or hereafter existing under this Agreement or any other Loan Document to such Lender or their respective Affiliates, irrespective of whether or not such Lender or Affiliate shall have made any demand under this Agreement or any other Loan Document and although such obligations of the Borrower or such Loan Party may be contingent or unmatured or are owed to a branch office or Affiliate of such Lender 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, (x) all amounts so set off shall be paid over immediately to the Administrative Agent for further application in accordance with the provisions of Section 2.15 and, pending such payment, shall be segregated by such Defaulting Lender from its other funds and deemed held in trust for the benefit of the Administrative Agent and the Lenders and (y) the Defaulting Lender shall provide promptly to the Administrative Agent a statement describing in reasonable detail the Obligations owing to such Defaulting Lender as to which it exercised such right of setoff. The rights of each Lender and their respective Affiliates under this Section are in addition to other rights and remedies (including other rights of setoff) that such Lender or their respective Affiliates may have. Each Lender agrees to notify the Borrower 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.

11.09 Interest Rate Limitation.

Notwithstanding anything to the contrary contained in any Loan Document, the interest paid or agreed to be paid under the Loan Documents shall not exceed the maximum rate of non-usurious interest permitted by applicable Law (the "Maximum Rate"). If the Administrative Agent or any Lender shall receive interest in an amount that exceeds the Maximum Rate, the excess interest shall be applied to the principal of the Loans or, if it exceeds such unpaid principal, refunded to the Borrower. In determining whether the interest contracted for, charged, or received by the Administrative Agent or a Lender exceeds the Maximum Rate, such Person may, to the extent permitted by applicable Law, (a) characterize any payment that is not principal as an expense, fee, or premium rather than interest, (b) exclude voluntary prepayments and the effects thereof, and (c) amortize, prorate, allocate, and spread in equal or unequal parts the total amount of interest throughout the contemplated term of the Obligations hereunder.

11.10 Counterparts; Integration; Effectiveness.

This Agreement may be executed in counterparts (and by different parties hereto in different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. This Agreement, the other Loan Documents, and any separate letter agreements with respect to fees payable to the Administrative Agent or any Arranger, constitute the entire contract among the parties relating to the subject matter hereof and supersede any and all previous agreements and understandings, oral or written, relating to the subject matter hereof. Except as provided in Section 5.01, this Agreement shall become effective when it shall have been executed by the 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 by facsimile or other electronic imaging means (e.g. “pdf” or “tif”) shall be effective as delivery of a manually executed counterpart of this Agreement.

11.11 Survival of Representations and Warranties.

All representations and warranties made hereunder and in any other Loan Document or other document delivered pursuant hereto or thereto or in connection herewith or therewith shall survive the execution and delivery hereof and thereof. Such representations and warranties have been or will be relied upon by the Administrative Agent and each Lender, regardless of any investigation made by the Administrative Agent or any Lender or on their behalf and notwithstanding that the Administrative Agent or any Lender may have had notice or knowledge of any Default at the time of any Credit Extension, and shall continue in full force and effect as long as any Loan or any other Obligation hereunder shall remain unpaid or unsatisfied.

11.12 Severability.

If any provision of this Agreement or the other Loan Documents is held to be illegal, invalid or unenforceable, (a) the legality, validity and enforceability of the remaining provisions of this Agreement and the other Loan Documents shall not be affected or impaired thereby and (b) the parties shall endeavor in good faith negotiations to replace the illegal, invalid or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the illegal, invalid or unenforceable provisions. The invalidity of a provision in a particular jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction. Without limiting the foregoing provisions of this Section 11.12, if and to the extent that the enforceability of any provisions in this Agreement relating to Defaulting Lenders shall be limited by Debtor Relief Laws, as determined in good faith by the Administrative Agent, then such provisions shall be deemed to be in effect only to the extent not so limited.

11.13 Replacement of Lenders.

If the Borrower is entitled to replace a Lender pursuant to the provisions of Section 3.06, or if any Lender is a Defaulting Lender or a Non-Consenting Lender, then the Borrower may, at its 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 11.06), all of its interests, rights (other than its existing rights to payments pursuant to Sections 3.01 and 3.04) and obligations under this Agreement and the related Loan Documents to an Eligible Assignee that shall assume such obligations (which assignee may be another Lender, if a Lender accepts such assignment), provided that:

(a) the Borrower shall have paid to the Administrative Agent the assignment fee (if any) specified in Section 11.06(b);

(b) such Lender shall have received payment of an amount equal to one hundred percent (100%) of the outstanding principal of its Loans, accrued interest thereon, accrued fees and all other amounts payable to it hereunder and under the other Loan Documents (including any amounts under Section 3.05) from the assignee (to the extent of such outstanding principal and accrued interest and fees) or the Borrower (in the case of all other amounts);

(c) in the case of any such assignment resulting from a claim for compensation under Section 3.04 or payments required to be made pursuant to Section 3.01, such assignment will result in a reduction in such compensation or payments thereafter;

(d) such assignment does not conflict with applicable Laws; and

(e) in the case of any such assignment resulting from a Non-Consenting Lender's failure to consent to a proposed change, waiver, discharge or termination with respect to any Loan Document, the applicable replacement bank, financial institution or Fund consents to the proposed change, waiver, discharge or termination; provided that the failure by such Non-Consenting Lender to execute and deliver an Assignment and Assumption shall not impair the validity of the removal of such Non-Consenting Lender and the mandatory assignment of such Non-Consenting Lender's Commitments and outstanding Loans pursuant to this Section 11.13 shall nevertheless be effective without the execution by such Non-Consenting Lender of an Assignment and Assumption.

A Lender shall not be required to make any such assignment or delegation if, prior thereto, as a result of a waiver by such Lender or otherwise, the circumstances entitling the Borrower to require such assignment and delegation cease to apply.

11.14 Governing Law; Jurisdiction; Etc.

(a) GOVERNING LAW. This Agreement and the other Loan Documents shall be governed by, and construed in accordance with, the law of the State of NEW YORK.

(b) SUBMISSION TO JURISDICTION. THE BORROWER AND EACH OTHER 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 FOREGOING IN ANY WAY RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT OR THE TRANSACTIONS RELATING HERETO OR THERETO, IN ANY OTHER 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 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.

(c) WAIVER OF VENUE. THE BORROWER AND EACH OTHER 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 AGREEMENT OR ANY OTHER LOAN DOCUMENT IN ANY COURT REFERRED TO IN PARAGRAPH (B) OF THIS SECTION. EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT

PERMITTED BY APPLICABLE LAW, THE DEFENSE OF AN INCONVENIENT FORUM TO THE MAINTENANCE OF SUCH ACTION OR PROCEEDING IN ANY SUCH COURT.

(d) SERVICE OF PROCESS. EACH PARTY HERETO IRREVOCABLY CONSENTS TO SERVICE OF PROCESS IN THE MANNER PROVIDED FOR NOTICES IN SECTION 11.02. NOTHING IN THIS AGREEMENT WILL AFFECT THE RIGHT OF ANY PARTY HERETO TO SERVE PROCESS IN ANY OTHER MANNER PERMITTED BY APPLICABLE LAW.

11.15 Waiver of Right to Trial by Jury.

EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PERSON HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PERSON WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

11.16 Electronic Execution of Assignments and Certain Other Documents.

The words "execute," "execution," "signed," "signature" and words of like import in any Assignment and Assumption or in any amendment or other modification hereof (including waivers and consents) shall be deemed to include electronic signatures, the electronic matching of assignment terms and contract formations on electronic platforms approved by the Administrative Agent, 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.

11.17 USA PATRIOT Act.

Each Lender that is subject to the Act (as hereinafter defined) and the Administrative Agent (for itself and not on behalf of any Lender) hereby notifies the Borrower that pursuant to the requirements of the USA Patriot Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)) (the "Patriot Act"), it is required to obtain, verify and record information that identifies the Borrower, which information includes the name and address of the Borrower and other information that will allow such Lender or the Administrative Agent, as applicable, to identify the Borrower in accordance with the Patriot Act. The Borrower shall, promptly following a request by the Administrative Agent or any Lender, provide all documentation and other information that the Administrative Agent or such Lender requests in order to comply with its ongoing obligations under applicable "know your customer" and anti-money laundering rules and regulations, including the Patriot Act.

11.18 No Advisory or Fiduciary Relationship.

In connection with all aspects of each transaction contemplated hereby (including in connection with any amendment, waiver or other modification hereof or of any other Loan Document), the Borrower acknowledges and agrees, and acknowledges its Affiliates' understanding, that: (a)(i) the arranging and other services regarding this Agreement provided by the Administrative Agent, the Arrangers, and the Lenders are arm's-length commercial transactions between the Borrower and its Affiliates, on the one hand, and the Administrative Agent, the Arrangers and the Lenders on the other hand, (ii) the Borrower has consulted its own legal, accounting, regulatory and tax advisors to the extent it has deemed appropriate, and (iii) the Borrower is capable of evaluating, and understands and accepts, the terms, risks and conditions of the transactions contemplated hereby and by the other Loan Documents; (b)(i) the Administrative Agent, each Arranger and each Lender is and has been acting solely as a principal and, except as expressly agreed in writing by the relevant parties, has not been, is not and will not be acting as an advisor, agent or fiduciary, for the Borrower or any of Affiliates or any other Person and (ii) neither the Administrative Agent nor any Lender or Arranger has any obligation to the Borrower or any of its Affiliates with respect to the transactions contemplated hereby except those obligations expressly set forth herein and in the other Loan Documents; and (c) the Administrative Agent, the Arrangers and the Lenders and their respective Affiliates may be engaged in a broad range of transactions that involve interests that differ from those of the Borrower and its Affiliates, and neither the Administrative Agent nor any Lender or Arranger has any obligation to disclose any of such interests to the Borrower or its Affiliates. To the fullest extent permitted by law, the Borrower hereby waives and releases, any claims that it may have against the Administrative Agent or any Lender or Arranger with respect to any breach or alleged breach of agency or fiduciary duty in connection with any aspect of any transaction contemplated hereby.

11.19 Acknowledgement and Consent to Bail-In of EEA Financial Institutions.

Notwithstanding anything to the contrary in any Loan Document or in any other agreement, arrangement or understanding among any such parties, each party hereto acknowledges that any liability of any Lender that is an EEA Financial Institution arising under any Loan Document, to the extent such liability is unsecured, may be subject to the write-down and conversion powers of an EEA Resolution Authority and agrees and consents to, and acknowledges and agrees to be bound by:

(a) the application of any Write-Down and Conversion Powers by an EEA Resolution Authority to any such liabilities arising hereunder which may be payable to it by any Lender that is an EEA Financial Institution; and

(b) the effects of any Bail-in Action on any such liability, including, if applicable:

(i) a reduction in full or in part or cancellation of any such liability;

(ii) a conversion of all, or a portion of, such liability into shares or other instruments of ownership in such EEA Financial Institution, its parent undertaking, or a bridge institution that may be issued to it or otherwise conferred on it, and that such shares or other instruments of ownership will be accepted by it in lieu of any rights with respect to any such liability under this Agreement or any other Loan Document; or

(c) the variation of the terms of such liability in connection with the exercise of the write-down and conversion powers of any EEA Resolution Authority.

11.20 ERISA Issues.

Each Lender as of the Closing Date represents and warrants as of the Closing Date to the Administrative Agent and the Arrangers and their respective Affiliates, and not, for the avoidance of doubt, for the benefit of the Borrower or any other Loan Party, that such Lender is not and will not be (i) an employee benefit plan subject to Title I of ERISA; (ii) a plan or account subject to Section 4975 of the Code; (iii) an entity deemed to hold "plan assets" of any such plans or accounts for purposes of ERISA or the Code; or (iv) a "governmental plan" within the meaning of ERISA.

[SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the date first above written.

BORROWER: PHILLIPS EDISON GROCERY CENTER OPERATING PARTNERSHIP I, L.P., a Delaware limited partnership

By: Phillips Edison Grocery Center OP GP I LLC, a Delaware limited liability company,
its General Partner

By: */s/ John Caulfield*
Name: John Caulfield
Title: Vice President

GUARANTORS: PHILLIPS EDISON GROCERY CENTER REIT I, INC., a Maryland corporation

By: */s/ John Caulfield*
Name: John Caulfield
Title: Vice President

ADMINISTRATIVE AGENT:

WELLS FARGO BANK, NATIONAL ASSOCIATION,
as Administrative Agent

By: */s/ Scott S. Solis*
Name: Scott S. Solis
Title: Managing Director

LENDERS:

WELLS FARGO BANK, NATIONAL ASSOCIATION,
as a Lender

By: */s/ Scott S. Solis*
Name: Scott S. Solis
Title: Managing Director

PNC BANK, NATIONAL ASSOCIATION,
as a Lender

By: */s/ Brian B. Fagan*
Name: Brian B. Fagan
Title: Senior Vice President

BANK OF AMERICA, N.A.,
as a Lender

By: */s/ Gary J. Katunas*
Name: Gary J. Katunas
Title: Senior Vice President

JPMORGAN CHASE BANK, N.A.,
as a Lender

By: */s/ Paul Choi*
Name:Paul Choi
Title: Executive Director

KEYBANK NATIONAL ASSOCIATION

By: */s/ Michael P. Szuba*
Name:Michael P. Szuba
Title: Vice President

REGIONS BANK

By: */s/ C. Vincent Hughes, Jr,*
Name: C. Vincent Hughes, Jr,
Title: Vice President

REGIONS BANK

By: */s/ Melissa Casto*
Name: Melissa M. Casto
Title: Senior Vice President

CITIBANK, N.A.

By: */s/ John C. Rowland*
Name: John C. Rowland
Title: Vice President

ROYAL BANK OF CANADA

By: */s/ Sheena Lee*
Name: Sheena Lee
Title: Authorized Signatory

BRANCH BANKING AND TRUST COMPANY

By: */s/ Kenneth M. Blackwell*
Name: Kenneth M. Blackwell
Title: Senior Vice President

FIRST AMENDMENT TO CREDIT AGREEMENT

THIS FIRST AMENDMENT TO CREDIT AGREEMENT, dated as of October 4, 2017 (this "Agreement"), is entered into among Phillips Edison Grocery Center Operating Partnership I, L.P., a Delaware limited partnership (the "Borrower"), Phillips Edison Grocery Center REIT I Inc., a Maryland corporation (the "Parent Entity"), the Lenders party hereto and PNC Bank, National Association, as Administrative Agent (in such capacity, the "Administrative Agent"). Capitalized terms used herein and not otherwise defined shall have the meanings ascribed thereto in the Credit Agreement (as defined below).

RECITALS

A. The Borrower, the Parent Entity, the other guarantors party thereto, the Lenders and the Administrative Agent entered into that certain Credit Agreement, dated as of September 16, 2016 (as amended, restated, extended, supplemented or otherwise modified in writing from time to time, the "Credit Agreement").

B. The Borrower has requested that the Credit Agreement be amended as set forth below.

C. The parties hereto have agreed to amend the Credit Agreement as set forth herein.

D. In consideration of the agreements hereinafter set forth, and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties hereto agree as follows.

AGREEMENT

1. Amendments. The Credit Agreement is hereby amended as follows:

(a) The following definitions are hereby added to Section 1.01 of the Credit Agreement in the appropriate alphabetical order:

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

"Bail-In Legislation" means, with respect to any EEA Member Country implementing Article 55 of Directive 2014/59/EU of the European Parliament and of the Council of the European Union, the implementing law for such EEA Member Country from time to time which is described in the EU Bail-In Legislation Schedule.

"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.

"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.

"First Amendment Effective Date" means October 4, 2017.

"Key Agreement" has the meaning set forth in Section 8.03(a).

"PACE Financings" means (a) any "Property-Assessed Clean Energy" loan or financing or (b) any other indebtedness, without regard to the name given thereto, which is (i) incurred for improvements to a Property for the purpose of increasing energy efficiency, increasing use of renewable energy sources, resource conservation, or a combination of the foregoing, and (ii) repaid through multi-year assessments against such Property.

"Wells Agreement" has the meaning set forth in Section 8.03(a).

"Write-Down and Conversion Powers" means, with respect to any EEA Resolution Authority, the write-down and conversion powers of such EEA Resolution Authority from time to time under the Bail-In Legislation for the applicable EEA Member Country, which write-down and conversion powers are described in the EU Bail-In Legislation Schedule.

(b) The definition of "Defaulting Lender" in Section 1.01 of the Credit Agreement is hereby amended by deleting the "or" after clause (d)(i) therein and adding the following language to the end of clause (d)(ii): *"or (iii) become the subject of a Bail-In Action."*

(c) The definition of "Funds from Operations" in Section 1.01 of the Credit Agreement is hereby amended by inserting the words "*or disposition*" in clause (z) after the words "in connection with the acquisition" and before the words "of real property".

(d) The definition of "Net Operating Income" in Section 1.01 of the Credit Agreement is hereby amended by replacing clause (a) in its entirety to read as follows:

(a) the aggregate gross revenues from the operations of such Property during such period from tenants paying rent (exclusive of any rental income from any leases to Major Tenants in any bankruptcy proceedings, to the extent the relevant leases have been rejected pursuant to such bankruptcy proceedings during the subject period and exclusive of above and below market lease adjustments and amortization of tenant allowance in accordance with GAAP) minus

(e) The definition of "Permitted Liens" in Section 1.01 of the Credit Agreement is hereby amended by deleting the word "and" at the end of clause (k) thereof, substituting ";" for

the "." at the end of clause (l) thereof and inserting new clauses (m) and (n) after clause (l) to read as follows:

"(m) Liens securing PACE Financings in an amount not to exceed (a) $1,000,000 in any one year and (b) $2,500,000, in the aggregate, during the term of this Agreement; and

(n) Liens, if any, in favor of Bank of America, N.A., on Cash Collateral (as defined in the Existing Credit Agreement) pursuant to Section 2.14(a) of the Existing Credit Agreement."

(f) The definition of "Permitted Reorganization" in Section 1.01 of the Credit Agreement is hereby amended by adding the following language to the end of clause (a) therein: "*(including, without limitation, any merger, purchase, contribution or assumption of assets and/or liabilities or other similar transaction with any Affiliate)"*.

(g) The definition of "Secured Indebtedness" in Section 1.01 of the Credit Agreement is hereby amended in its entirety to read as follows:

"Secured Indebtedness" means, for any Person, Indebtedness of such Person that is secured by a Lien; provided that (a) direct Indebtedness (as opposed to a Guarantee) that is secured solely by a Lien on Equity Interests and (b) PACE Financings, in each case, shall not be deemed to be Secured Indebtedness for the purposes of this Agreement.

(h) The definition of "Unsecured Indebtedness" in Section 1.01 of the Credit Agreement is hereby amended in its entirety to read as follows:

"Unsecured Indebtedness" means all Indebtedness which is not secured by a Lien; provided that (a) direct Indebtedness (as opposed to a Guarantee) that is secured solely by a Lien on Equity Interests and (b) PACE Financings, in each case, shall be deemed Unsecured Indebtedness for the purposes of this Agreement.

(i) Section 6.12 of the Credit Agreement is hereby amended by adding a new clause (d) to the end of such section to read as follows:

(d) Each Loan Party represents and warrants as of the First Amendment Effective Date that the it is not and will not be (i) an employee benefit plan subject to Title I of ERISA, (ii) a plan or account subject to Section 4975 of the Internal Revenue Code; (iii) an entity deemed to hold "plan assets" of any such plans or accounts for purposes of ERISA or the Internal Revenue Code; or (iv) a "governmental plan" within the meaning of ERISA.

(j) A new Section 6.23 is hereby added to the end of Article VI to read as follows:

6.23 No EEA Financial Institution. No Loan Party is an EEA Financial Institution.

(k) Section 8.03(a) of the Credit Agreement is hereby amended in its entirety to read as follows:

(a) Indebtedness under (i) the Loan Documents, (ii) the Existing Credit Agreement, (iii) Indebtedness incurred under that certain Credit Agreement, dated as of the First Amendment Effective Date, (as amended, modified, or restated from time to time) among the Borrower, the Parent Entity, any other guarantors party thereto, the lenders party thereto and Wells Fargo Bank, National Association, as administrative agent (the "Wells Agreement") and (iv) Indebtedness incurred under that certain Credit Agreement, dated as of the First Amendment Effective Date, (as amended, modified, or restated from time to time) among the Borrower, the Parent Entity, any other guarantors party thereto, the lenders party thereto and KeyBank, National Association, as administrative agent (the "Key Agreement");

(l) Section 8.11(d) of the Credit Agreement is hereby amended in its entirety to read as follows:

(d) Minimum Tangible Net Worth. Permit Tangible Net Worth, as of the last day of any fiscal quarter of the Consolidated Group, to be less than the sum of (i) seventy-five percent (75%) of Tangible Net Worth as of the quarter ending December 31, 2017 plus (ii) an amount equal to seventy percent (70%) of the aggregate increases in Shareholders' Equity of the Consolidated Group occurring subsequent to the quarter ending December 31, 2017 by reason of the issuance and sale of Equity Interests of the Consolidated Group (other than any Dividend Reinvestment Proceeds), including upon any conversion of debt securities of the Parent Entity or the Borrower into such Equity Interests, minus (iii) the aggregate amount of payments made with respect to any redemption, retirement, surrender, defeasance, repurchase, purchase or other similar transaction or acquisition for value, direct or indirect, on account of any Equity Interests of the Parent Entity subsequent to the quarter ending December 31, 2017 and on or prior to the last day of the fiscal quarter of the Consolidated Group immediately following the date the Parent Entity obtained an Investment Grade Rating (the sum of (i) plus (ii) minus (iii), "Minimum Tangible Net Worth"); provided that following the date that the Parent Entity obtains an Investment Grade Rating, the requirement pursuant to this Section 8.11(d) shall be a fixed number based on the Minimum Tangible Net Worth required as of the last day of the fiscal quarter of the Consolidated Group immediately following the date the Parent Entity obtained the Investment Grade Rating minus the aggregate amount of payments made with respect to any redemption, retirement, surrender, defeasance, repurchase, purchase or other similar transaction or acquisition for value, direct or indirect, on account of any Equity Interests of the Parent Entity after the last day of the fiscal quarter of the Consolidated Group immediately following the date the Parent Entity obtained the Investment Grade Rating.

(m) Clause (iv) of Section 9.01(e) is hereby amended and restated in its entirety to read as follows:

(iv) there exists (A) an Event of Default (as defined under the Existing Credit Agreement) under the Existing Credit Agreement that is not waived and continues beyond any cure period provided therein and results in such debt under the Existing Credit Agreement becoming or being declared immediately due and payable, (B) an Event of Default (as defined under the Wells Agreement) under the Wells Agreement that is not waived and continues beyond any cure period provided therein and results in such debt under the Wells Agreement becoming or being declared immediately due and payable or (C) an Event of Default (as defined under the Key Agreement) under the Key

Agreement that is not waived and continues beyond any cure period provided therein and results in such debt under the Key Agreement becoming or being declared immediately due and payable; or

(n) A new Section 11.19 if hereby added to the end of Article XI to read as follows:

11.21 Acknowledgement and Consent to Bail-In of EEA Financial Institutions. Notwithstanding anything to the contrary in any Loan Document or in any other agreement, arrangement or understanding among any such parties, each party hereto acknowledges that any liability of any Lender that is an EEA Financial Institution arising under any Loan Document, to the extent such liability is unsecured, may be subject to the write-down and conversion powers of an EEA Resolution Authority and agrees and consents to, and acknowledges and agrees to be bound by:

(a) the application of any Write-Down and Conversion Powers by an EEA Resolution Authority to any such liabilities arising hereunder which may be payable to it by any Lender that is an EEA Financial Institution; and

(b) the effects of any Bail-in Action on any such liability, including, if applicable:

(i) a reduction in full or in part or cancellation of any such liability;

(ii) a conversion of all, or a portion of, such liability into shares or other instruments of ownership in such EEA Financial Institution, its parent undertaking, or a bridge institution that may be issued to it or otherwise conferred on it, and that such shares or other instruments of ownership will be accepted by it in lieu of any rights with respect to any such liability under this Agreement or any other Loan Document; or

(iii) the variation of the terms of such liability in connection with the exercise of the write-down and conversion powers of any EEA Resolution Authority.

(o) A new Section 11.20 is hereby added to the end of Article XI of the Credit Agreement after Section 11.19 to read as follows:

11.20 ERISA Representation. Each Lender as of the First Amendment Effective Date represents and warrants to the Administrative Agent, and the Arrangers and their respective Affiliates, and not, for the avoidance of doubt, for the benefit of the Borrower or any other Loan Party, that such Lender is not and will not be (a) an employee benefit plan subject to Title I of ERISA, (b) a plan or account subject to Section 4975 of the Internal Revenue Code; (c) an entity deemed to hold "plan assets" of any such plans or accounts for purposes of ERISA or the Internal Revenue Code; or (d) a "governmental plan" within the meaning of ERISA.

2. Effectiveness; Conditions Precedent. This Agreement shall be effective upon receipt by the Administrative Agent of copies of this Agreement duly executed by the Borrower, the Guarantors and the Required Lenders.

3. Ratification of Credit Agreement. Each of the Loan Parties acknowledges and consents to the terms set forth herein and agrees that this Agreement does not impair, reduce or limit any of its obligations under the Loan Documents as amended hereby.

4. Representations and Warranties. Each of the Loan Parties represents and warrants to the Lenders as follows:

(a) It has taken all necessary action to authorize the execution, delivery and performance of this Agreement;

(b) This Agreement has been duly executed and delivered by such Person and constitutes such Person's legal, valid and binding obligations, enforceable in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency or similar laws affecting creditor's rights generally;

(c) No material consent, approval, authorization or order of, or filing, registration or qualification with, any court or governmental authority or third party is required in connection with the execution, delivery or performance by such Person of this Agreement;

(d) The execution and delivery of this Agreement does not (i) violate, contravene or conflict with any provision of such Person's Organization Documents or (ii) violate, contravene or conflict with any Laws applicable to such Person except, in the case referred to in this clause (ii), to the extent that failure to do so could not reasonably be expected to have a Material Adverse Effect;

(e) After giving effect to this Agreement, the representations and warranties of the Borrower and each other Loan Party set forth in Article VI of the Credit Agreement and the other Loan Documents are true and correct in all material respects (unless already qualified by materiality or Material Adverse Effect, in which case they shall be true and correct in all respects) as of the date hereof, 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 (unless already qualified by materiality or Material Adverse Effect, in which case they shall be true and correct in all respects) as of such earlier date, and except that for purposes of this Section 4, the representations and warranties contained in subsections (a) and (b) of Section 6.05 of the Credit Agreement shall be deemed to refer to the most recent statements furnished pursuant to clauses (a) and (b), respectively, of Section 7.01 of the Credit Agreement; and

(f) After giving effect to this Agreement, no event has occurred and is continuing which constitutes a Default or an Event of Default.

5. Counterparts/Telecopy. This Agreement may be executed in any number of counterparts, each of which when so executed and delivered shall be an original, but all of which shall constitute one and the same instrument. Delivery of executed counterparts of this Agreement by telecopy or .pdf shall be effective as an original.

6. GOVERNING LAW. THIS AGREEMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER SHALL BE GOVERNED BY AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK.

7. Reference to and Effect on Credit Agreement. Except as specifically modified herein, the Credit Agreement and the other Loan Documents shall remain in full force and effect and are each hereby ratified and confirmed. This Agreement shall be considered a Loan Document from and after the date hereof. The Loan Parties intend for the amendments to the Loan Documents set forth herein to evidence an amendment to the terms of the existing indebtedness of the Loan Parties to the Administrative Agent and the Lenders and do not intend for such amendments to constitute a novation in any manner whatsoever.

[remainder of page intentionally left blank]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the date first above written.

BORROWER: PHILLIPS EDISON GROCERY CENTER OPERATING PARTNERSHIP I, L.P.,
a Delaware limited partnership

By: Phillips Edison Grocery Center OP GP I LLC, a Delaware limited liability company,
its General Partner

By: */s/ John Caulfield*
Name: John Caulfield
Title: Vice President

PARENT ENTITY: PHILLIPS EDISON GROCERY CENTER REIT I INC.,
a Maryland corporation

By: */s/ John Caulfield*
Name: John Caulfield
Title: Vice President

ADMINISTRATIVE
AGENT: PNC BANK, NATIONAL ASSOCIATION,
as Administrative Agent

By: */s/ Brian Fagan*
Name: Brian Fagan
Title: Senior Vice President

LENDERS: PNC BANK, NATIONAL ASSOCIATION
as a Lender

By: */s/ Brian B. Fagan*
Name: Brian Fagan
Title: Senior Vice President

CAPITAL ONE, NATIONAL ASSOCIATION,
as a Lender

By: */s/ Frederick H. Denecke*
Name: Frederick H. Denecke
Title: Senior Vice President

FIFTH THIRD BANK,
as a Lender

By: */s/ Michael P. Perillo*
Name: Michael P. Perillo
Title: Vice President

REGIONS BANK,
as a Lender

By: /s/ C. Vincent Hughes, Jr.
Name: C. Vincent Hughes, Jr.
Title: Vice President

ASSOCIATED BANK, NATIONAL ASSOCIATION,
as a Lender

By: */s/ Gregory A. Conner*
Name: Gregory A. Conner
Title: Senior Vice President

FIRST TENNESSEE BANK NATIONAL ASSOCIATION,
as a Lender

By: */s/ Ty Treadwell*
Name: Tyrus J. Treadwell
Title: Vice President

TRISTATE CAPITAL BANK,
as a Lender

By: */s/ Ellen Frank*
Name: Ellen Frank
Title: Senior Vice President

LOAN AGREEMENT

By and Among

Ardrey Kell Station LLC, Richmond Station LLC, Stockbridge Station LLC, Stockbridge Station Outparcel LLC, Harrison Pointe Station LLC, West Creek Station LLC, Deerwood Lake Station LLC, Northridge Station LLC, Goolsby Pointe Station LLC, Hamilton Village Station LLC, Cushing Station LLC, Red Maple Station LLC, Northtowne Station LLC, Dean Taylor Station LLC, Savage Station LLC, Sterling Point Station LLC and Lakewood Station LLC,
as Borrower

and

TEACHERS INSURANCE AND ANNUITY ASSOCIATION
OF AMERICA,
as Lender

Dated as of October 4, 2017

Authorization #:AAA-7887
Investment ID#:0008464

TABLE OF CONTENTS

LOAN AGREEMENT

THIS LOAN AGREEMENT (this "**Loan Agreement**") is made as of this 4th day of October, 2017 by and among **ARDREY KELL STATION LLC, RICHMOND STATION LLC, STOCKBRIDGE STATION LLC, STOCKBRIDGE STATION OUTPARCEL LLC, HARRISON POINTE STATION LLC, WEST CREEK STATION LLC, DEERWOOD LAKE STATION LLC, NORTHRIDGE STATION LLC, GOOLSBY POINTE STATION LLC, HAMILTON VILLAGE STATION LLC, CUSHING STATION LLC, RED MAPLE STATION LLC, NORTHTOWNE STATION LLC, DEAN TAYLOR STATION LLC, SAVAGE STATION LLC, STERLING POINT STATION LLC** and **LAKEWOOD STATION LLC**, each a Delaware limited liability company (collectively, jointly and severally, "**Borrower**" and individually, a "**Borrower Entity**"), having its principal place of business at c/o Phillips Edison & Company, 11501 Northlake Drive, Cincinnati, Ohio 45249, and **TEACHERS INSURANCE AND ANNUITY ASSOCIATION OF AMERICA**, a New York corporation, having an address at 730 Third Avenue, New York, New York 10017 ("**Lender**")**.**

RECITALS:

A. Lender agreed to make and Borrower agreed to accept a loan (the "**Loan**") in the aggregate maximum principal amount of $175,000,000.00.

B. Each Borrower Entity is the owner of the parcel of real property designated on **Exhibit A** attached hereto (collectively, the "**Property**" and individually, an "**Individual Property**"). Notwithstanding the foregoing, however, with respect to Stockbridge Station LLC and Stockbridge Station Outparcel LLC, for purposes of (x) any Transfer under Article XII and (y) any calculation of loan to value and Debt Service Coverage hereunder under this Loan Agreement, the Individual Property owned by each such Borrower Entity shall be treated collectively.

C. To evidence the Loan, each Borrower Entity has executed certain promissory notes (collectively, the "**Note**" and individually, an "**Individual Note**")), dated of even date herewith, in the principal amounts set forth on **Schedule 1** attached hereto (individually, an "**Allocated Loan Amount**" and collectively, the "**Allocated Loan Amounts**"; each Allocated Loan Amount or so much as is outstanding from time to time under each Individual Note is referred to individually as the "**Individual Principal**", and the Allocated Loan Amounts or so much as is outstanding from time to time under the Note (being the sum of each Individual Principal) is referred to the "**Principal**"). Collectively, Borrower has promised to pay the Principal with interest thereon to Lender as set forth in the Note and with the balance, if any, of the Debt being due and payable on November 1, 2026 (the "**Maturity Date**").

AGREEMENT

NOW, THEREFORE, in consideration of the Loan and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, Borrower and Lender agree as follows:

ARTICLE I

DEFINITIONS AND RULES OF CONSTRUCTION

Section 1.1 Definitions. Capitalized terms used in this Loan Agreement are defined in **Exhibit B** or in the text with a cross-reference in **Exhibit B**.

Section 1.2 Rules of Construction. This Loan Agreement will be interpreted in accordance with the rules of construction set forth in **Exhibit C**.

ARTICLE II

PAYMENT TERMS

Section 2.1 The Obligations; Cross Collateralization and Cross Default.

(a) This Loan Agreement secures the Principal, the Interest, the Late Charges, the Prepayment Premiums, the Expenses, any additional advances made by Lender in connection with the Property or the Loan and all other amounts payable under the Loan Documents (the "**Debt**") and also secures both the timely payment of the Debt as and when required and the timely performance of all other obligations and covenants to be performed under the Loan Documents (the "**Obligations**").

(b) (i) Borrower acknowledges and agrees that Lender has made the Loan to Borrower based upon each Borrower Entity's respective interests in the Property and in reliance upon the Property being of greater value as collateral security than the Allocated Loan Amounts as of the date hereof. Each Borrower Entity shall be jointly and severally liable with each and every other Borrower Entity with respect to all of the Obligations. Borrower expressly acknowledges and agrees that such joint and several liability is material consideration for the making of the Loan by Lender, that Lender would not have made the Loan without such joint and several liability on the part of Borrower, and that each Borrower Entity derives material benefit from the making of the Loan. Without limitation of the any of the foregoing, each representation and warranty of "Borrower" (with respect to the "Property" or otherwise) shall be an individual representation and warranty of each and every Borrower Entity for itself and with respect to the Individual Property owned by such Borrower Entity, and each covenant and obligation (including the Obligations) on the part of "Borrower" (with respect to the "Property" or otherwise) shall be an individual covenant and obligation of each and every Borrower Entity for itself and with respect to the Individual Property owned by such Borrower Entity. Unless otherwise expressly set forth to the contrary, each reference to "Property" herein shall mean and refer to the Property and each Individual Property.

(ii) Any term or condition of this Loan Agreement or any other Loan Document relating to the Property or any portion thereof or estate or interest therein shall be deemed to mean and refer to the property, rights, interests and estates of each and every Borrower Entity, individually and collectively. Each Borrower Entity agrees (i) that its interests in the Property shall be and are cross-collateralized pursuant to each and every Security Instrument to secure the Obligations of each and every other Borrower Entity, and (ii) that its obligations under this Loan Agreement and the other Loan Documents are cross-defaulted with the obligations of each other Borrower Entity comprising "Borrower", so that (X) an Event of Default under this Loan Agreement or any other Loan Document by any Borrower Entity constitutes an Event of Default by each and every Borrower Entity and (Y) each and every Security Instrument shall secure each and every Individual Note.

Section 2.2 Payments of Principal and Fixed Interest.

(a) Borrower will make monthly installment payments ("**Debt Service Payments**") as follows:

(i) On the date hereof, a payment of accrued interest on the Principal at the Fixed Interest Rate pertaining to the period from the date hereof through November 1, 2017;

(ii) On December 1, 2017, and on the first day of each succeeding calendar month through and including October 1, 2026, payments in the amount of $517,708.33, each of which will be applied to accrued interest on the Principal at the Fixed Interest Rate; and

(b) Interest on the Principal shall be calculated on a 30 day month/360 day year, except that any Interest due for the first and last months of the Term, if such payments pertain to partial months, shall be based upon the actual number of days in such months that the Principal is outstanding and a 365 day or 366 day year, as applicable.

(c) On the Maturity Date, Borrower will pay the Principal in full together with accrued interest at the Fixed Interest Rate and all other amounts due under the Loan Documents.

Section 2.3 Prepayment Provisions.

(a) Except as otherwise expressly set forth herein, including pursuant to Section 12.4 and Section 12.5, the Note may not be prepaid in full or in part before November 1, 2020. Commencing on November 1, 2020, Borrower may prepay the Note in full, but not in part, on the first day of any calendar month (or on any other date, provided that Interest is paid through the next payment date, upon not less than 30 days' prior notice to Lender and upon payment in full of the Debt which will include a payment (the "**Prepayment Premium**") equal to the greater of (i) an amount equal to the product of 1% (the "**Prepayment Percentage**") times the Prepayment Date Principal and (ii) the amount by which the sum of the Discounted Values of the Note Payments, derived by using the Discount Rate, exceeds the Prepayment Date Principal. In order to calculate (ii) in the foregoing, each remaining Note Payment will be discounted and the resulting Discounted Values will be added together. Commencing on May 1, 2026, the Note may be prepaid in full without payment of the Prepayment Premium. Except as otherwise expressly set forth herein, no Individual Note may be prepaid without simultaneous prepayment in full of all other Individual Notes. Notwithstanding the foregoing, if Lender elects to apply Insurance Proceeds or Condemnation Awards resulting from any Casualty or Condemnation, as the case may be, or a Termination Fee (to the extent not retained by Borrower in accordance with the provisions of this Agreement) to the Principal, the prepayment resulting from such application, whether in full or in part, may be applied against the Allocated Loan Amounts as Lender may reasonably determine and shall be without payment of the Prepayment Premium.

(b) Any prepayment not permitted by the this Loan Agreement and the other Loan Documents, including, without limitation, any tender of payment of the amount necessary to satisfy the Debt accelerated, any judgment of foreclosure, any statement of amount due at the time of foreclosure (including foreclosure by power of sale) and any tender of payment made during any redemption period after foreclosure, will include, to the extent permitted by law, a payment (the "**Evasion of Prepayment Premium**") equal to the greater of (i) an amount equal to the product of the Prepayment Percentage plus 200 basis points times the Prepayment Date Principal, and (ii) the amount by which the sum of the Discounted Values of the Note Payments, derived by using the Default Discount Rate, exceeds the Prepayment Date Principal. In order to calculate (ii) in the foregoing, each remaining Note Payment will be discounted and the resulting Discounted Values will be added together.

(c) The calculation of any amount paid to or due Lender in conjunction with any applicable prepayment, applicable tender of payment or applicable payment of any other amount with respect to the Prepayment Date Principal, as described in this Section 2.3 shall include interest to and including the date of receipt thereof by Lender.

(d) Borrower acknowledges that:

(i) a prepayment that is not permitted pursuant to the terms of the Loan Documents without a Prepayment Premium or Evasion of Prepayment Premium will cause damage to Lender;

(ii) the Evasion of Prepayment Premium is intended to compensate Lender for the loss of its investment and the expense incurred and time and effort associated with making the Loan, which will not be fully repaid if the Loan is prepaid;

(iii) it will be extremely difficult and impractical to ascertain the extent of Lender's damages caused by a prepayment not permitted by the Loan Documents; and

(iv) the Evasion of Prepayment Premium represents Lender and Borrower's reasonable estimate of Lender's damages for an applicable prepayment and is not a penalty.

Section 2.4 Default Rate. Interest on the Principal will accrue at the Default Interest Rate from the date an Event of Default occurs and for so long as such Event of Default is continuing.

Section 2.5 Late Charges.

(a) If Borrower fails to pay any Debt Service Payment when due and the failure continues for a period of 5 days or more, which 5-day period shall commence on the day after the day payment is actually due, Borrower agrees to pay to Lender an amount (a "**Late Charge**") equal to four percent (4%) of the delinquent payment (provided that no such Late Charge shall be applicable to the outstanding balance of the Loan due on the Maturity Date).

(b) Borrower acknowledges that:

(i) a delinquent payment requiring a Late Charge will cause damage to Lender;

(ii) the Late Charge is intended to compensate Lender for loss of use of the applicable delinquent payment and the expense incurred and time and effort associated with recovering the applicable delinquent payment;

(iii) it will be extremely difficult and impractical to ascertain the extent of Lender's damages caused by the applicable delinquency; and

(iv) the Late Charge represents Lender and Borrower's reasonable estimate of Lender's damages from a delinquency requiring a Late Charge and is not a penalty.

Section 2.6 Withholding. If Borrower has a commercially reasonable basis to believe that Lender is not entitled to an exemption from or reduction of withholding tax with respect to payments made under any Loan Document, Lender shall deliver to Borrower, at the time or times reasonably requested by Borrower, such properly completed and executed documentation reasonably requested by Borrower (including, without limitation, appropriate IRS Forms W-8 or W-9) as will permit such payments to be made without withholding or at a reduced rate of withholding. In addition, if Borrower has a commercially reasonable basis to believe that Lender is subject to backup withholding or information reporting requirements, Lender shall deliver such other documentation prescribed by applicable law or reasonably requested by Borrower as will enable Borrower to determine whether or not Lender is subject to such backup withholding or information reporting requirements. Notwithstanding anything to the contrary in the preceding two sentences, the completion, execution and submission of such documentation shall not be required if in Lender's reasonable judgment such completion, execution or submission would subject Lender to any material unreimbursed cost or expense or would materially prejudice the legal or commercial position of Lender in which case Borrower shall withhold the amount of tax required by applicable Law.

ARTICLE III

TITLE AND AUTHORITY

Section 3.1 Title to the Property.

(a) Borrower has and will continue to have insurable title in fee simple absolute to the Land and the Improvements and insurable title to the Fixtures and Personal Property, all free and clear of liens, encumbrances and charges except the Permitted Exceptions. To Borrower's knowledge, there are no facts or circumstances that might give rise to a lien, encumbrance or charge on the Property which would have a material adverse effect on the value of the Property if unpaid.

(b) The Security Instrument, when properly recorded in the appropriate records, together with any Uniform Commercial Code financing statements required to be filed in connection therewith, will create a valid and enforceable first lien on and security interest in the Property, subject only to the Permitted Exceptions.

Section 3.2 Authority.

(a) Borrower is and will do or cause to be done all things reasonably necessary to continue to be (i) duly organized, validly existing and in good standing under the Laws of the state or commonwealth in which it was formed, organized or incorporated as set forth in Section 2.3 of the Security Instruments and (ii) duly qualified to conduct business, in good standing, in the state or commonwealth where the Property is located.

(b) Borrower has and will do or cause to be done all things reasonably necessary to, in all material respects, continue to have all approvals required by Law or otherwise and full right, power and authority to (i) own and operate the Property and carry on Borrower's business as now conducted or as proposed to be conducted, in all material respects; (ii) execute and deliver the Loan Documents; (iii) grant, mortgage, convey, assign and pledge the Property to Lender pursuant to the provisions of the Security Instrument; and (iv) perform the Obligations.

(c) The execution and delivery of the Loan Documents and the performance of the Obligations do not and will not conflict with or result in a default under any Laws or any Leases or Property Documents and do not and will not conflict with or result in a default under any agreement binding upon any Borrower Entity.

(d) The Loan Documents constitute and will continue to constitute legal, valid and binding obligations of Borrower enforceable in accordance with their respective terms, subject to any applicable provisions of the Bankruptcy Code and insolvency Laws and Laws governing the rights of creditors generally.

(e) Borrower has not changed its legal name or its state or commonwealth of formation, as set forth in Section 2.3 of the Security Instruments, in the four months prior to the date hereof, except as Borrower has disclosed any such change to Lender in writing and delivered to Lender appropriate Uniform Commercial Code search reports in connection therewith.

(f) Borrower has not (i) merged with or into any other Person or otherwise been involved in any reorganization or (ii) acquired substantially all of the assets of any other Person where Borrower became subject to the obligations of such Person, for a period of one year ending on the date hereof, except as Borrower has disclosed any such change, merger, reorganization or acquisition to Lender in writing and delivered to Lender appropriate Uniform Commercial Code search reports in connection therewith.

Section 3.3 No Foreign Person. Borrower is not a "foreign person" within the meaning of Section 1445(f)(3) of the Code.

Section 3.4 Litigation. As of the date hereof, except as disclosed by Borrower to Lender in writing, there are no current Proceedings or Government investigations against Borrower or the Property, and Borrower has not received written notice of any threatened Proceeding or Government investigation which if adversely determined would have a material adverse effect on the Borrower or the Property. Borrower is not aware of any facts or circumstances that may reasonably give rise to a Proceeding or Government investigation which, if adversely determined would have a material adverse effect on the Borrower or the Property. Borrower will give Lender prompt notice of the commencement of any Proceeding or investigation against the Property or Borrower which is not covered by insurance or which could have a material adverse effect on the Property or on Lender's interests in the Property or under the Loan Documents and, at Borrower's expense, will appear in and defend any such Proceeding or investigation or tender defense to its Insurer. Borrower also will deliver to Lender such additional information relating to such Proceeding or investigation as Lender may reasonably request from time to time.

ARTICLE IV

PROPERTY STATUS, MAINTENANCE AND LEASES

Section 4.1 Status of the Property.

(a) The Property is serviced, and Borrower will use commercially reasonable efforts to cause the Property to continue to be serviced, by all public utilities required for the Permitted Use of the Property.

(b) As of the date hereof, except as shown on a survey of the Property delivered to Lender, all roads and streets necessary for service of and access to the Property for the current or contemplated use of the Property are serviceable, physically open and to Borrower's knowledge dedicated to and accepted by the Government for use by the public.

(c) Except as disclosed in the property condition report obtained by the Lender, as of the date hereof, the Property is free from material unrepaired damage caused by a Casualty.

(d) All costs and expenses of labor, materials, supplies and equipment engaged by Borrower or ordered by Borrower and used in the construction of the Improvements made by Borrower which are due and owing have been paid in full.

Section 4.2 Maintenance of the Property.

(a) Subject to the rights and obligations of tenants under Leases, Borrower will maintain the Property in good repair, ordinary wear and tear, Casualty, and Condemnation excepted, and safe condition, suitable for the Permitted Use, including, to the extent necessary, replacing the Fixtures and Personal Property with property at least equal in quality and condition to that being replaced and free of liens, subject to the rights and obligations of tenants under Leases.

(b) Borrower will not erect any new buildings, building additions or other structures on the Land or otherwise materially alter the Improvements without Lender's prior consent which may be withheld in Lender's sole but reasonable discretion; provided that (i) any alterations or tenant improvements required by the provisions of any Lease and that do not require Borrower's consent (as landlord), (ii) any alterations or tenant improvements required to be performed by Borrower, as landlord, by the provisions of any Lease that do not add to or decrease the square footage of any Improvements in any material respect, (iii) any repairs or replacements in the ordinary course of Borrower's business that require capital expenditures (e.g., roof replacements, parking lot repaving and restriping, or updates to a building façade) of less than $2,000,000.00 per project and (iv) any non-structural alterations shall not require Lender's consent.

(c) The Property will be managed by a Manager reasonably satisfactory to Lender pursuant to a management agreement reasonably satisfactory to Lender; provided, however, that (i) the current Manager (and its property management agreement) are hereby deemed to be acceptable to Lender and (ii) a Qualified Manager (and its applicable Replacement Management Agreement) are hereby deemed to be acceptable to Lender.

Section 4.3 Change in Use. Borrower will use the Property for the Permitted Use and for no other purpose.

Section 4.4 Waste. Borrower will not commit or knowingly permit any material physical waste, material impairment or deterioration, other than ordinary wear and tear, of the Property or any material demolition or removal of any of the Property, subject to removal for obsolesce without Lender's prior consent, not to be unreasonably withheld, conditioned or delayed.

Section 4.5 Inspection of the Property. Subject to the rights of tenants under the Leases, Lender, or its agent or independent expert, has the right to enter and inspect the Property during normal business hours and upon reasonable prior notice, with Borrower having the right to be present during such inspections, except during the existence of an Event of Default, when no prior notice is necessary, provided that neither Lender nor its agents or any such independent expert shall unreasonably interfere with the operation of the Property or the rights of the tenants under the Leases. Lender has the right, at Lender's sole cost and expense, to engage an independent expert to review and report on Borrower's compliance with Borrower's obligations under this Loan Agreement and the other Loan Documents to maintain the Property, comply with Law and refrain from waste, impairment or deterioration of the Property and the alteration, demolition or removal of any of the Property except in each case as may be permitted by the provisions of this Loan Agreement and the other Loan Documents. If the independent expert's report discloses material failure to comply with such obligations, or if Lender engages the independent expert after the occurrence of an Event of Default, then the independent expert's review and report will be at Borrower's expense, payable on demand.

Section 4.6 Parking. Borrower will provide parking areas within the Property in a manner consistent with the Permitted Use and sufficient to accommodate the greatest of: (i) the number of parking spaces required by Law (or such lesser number as may be expressly approved by Lender); or (ii) the number of parking spaces required by the Leases and the Property Documents, subject in all events to permitted exceptions, variances or waivers of such requirements.

Section 4.7 Separate Tax Lot. The Property is and will remain assessed for real estate tax purposes as one or more wholly independent tax lots, separate from any property that is not part of the Property.

Section 4.8 Changes in Zoning or Restrictive Covenants. Without Lender's consent, which consent shall not be unreasonably conditioned, withheld or delayed, Borrower will not (i) initiate, join in or affirmatively consent to any change in any Laws pertaining to zoning or other restriction which would modify the Permitted Use for the Property; (ii) knowingly permit the Property to be used for any purpose not included in the Permitted Use; or (iii) impair the integrity of the Property as a single, legally subdivided zoning lot separate from all other property.

Section 4.9 Lender's Right to Appear. During the continuance of an Event of Default, Lender has the right to appear in and defend any Proceeding brought regarding the Property and to bring any Proceeding, in Lender's name, which Lender, in its sole discretion, determines should be brought to protect Lender's interest in the Property.

ARTICLE V

IMPOSITIONS AND ACCUMULATIONS

Section 5.1 Impositions.

(a) Subject to Borrower's consent rights set forth below, Borrower will pay each Imposition before the date (the "**Imposition Penalty Date**") the date on which the Imposition becomes delinquent.

(b) Borrower, at its own expense, may contest any Impositions, provided that the following conditions are met:

(i) not less than twenty (20) days prior to the Imposition Penalty Date, Borrower delivers to Lender notice of the proposed contest;

(ii) the contest is by a Proceeding promptly initiated and conducted diligently and in good faith;

(iii) the Proceeding suspends the collection of the contested Imposition, or Borrower pays same prior to initiating the applicable Proceeding (provided, the foregoing need not be satisfied if clause (vi) is satisfied);

(iv) the Proceeding is not prohibited under and is conducted in accordance with the Leases and the Property Documents;

(v) the Proceeding precludes imposition of criminal or civil penalties and sale or forfeiture of the Property as a result of the contest and Lender will not be subject to any civil suit as a result of the contest; and

(vi) Borrower either deposits with the Accumulations Depositary reserves or furnishes a bond or other security reasonably satisfactory to Lender, in either case in an amount sufficient to pay the contested Impositions, together with all interest and penalties or Borrower pays all of the contested Impositions under protest (provided, the foregoing need not be satisfied if clause (iii) is satisfied).

Section 5.2 Accumulations.

(a) Subject to subsection (h) below, in accordance with the Tax Pledge, Borrower made an initial deposit with either Lender or a mortgage servicer or financial institution designated or approved by Lender from time to time, acting on behalf of Lender as Lender's agent or otherwise such that Lender is the "customer", as defined in the Uniform Commercial Code, of the depository bank with respect to the deposit account into which the Accumulations are deposited, to receive, hold and disburse the Accumulations in accordance with the Tax Pledge (the "**Accumulations Depositary**"). On the first day of each calendar month during the Term, Borrower will deposit with the Accumulations Depositary an amount equal to 1/12th of the annual Taxes and Assessments as reasonably determined by Lender or its agent. Except as otherwise required by the Tax Pledge, at least 20 days before each Imposition Penalty Date, Borrower will deliver to the Accumulations Depositary any bills and other documents that are necessary to pay the Taxes and Assessments.

(b) The Accumulations will be applied by Lender or its agent to the payment of Taxes and Assessments. Any excess Accumulations after payment of Taxes and Assessments by Lender or its agent will be returned to Borrower or credited against the next installments of Accumulations or Obligations coming due, or as required by Law. If the Accumulations are not sufficient to pay Taxes and Assessments, except as otherwise required by the Tax Pledge, Borrower shall promptly pay the deficiency to the Accumulations Depositary (any in any event, not less than ten (10) Business Days prior to the Imposition Penalty Date).

(c) The Accumulations Depositary will hold the Accumulations as security for the Obligations until applied in accordance with the provisions of this Loan Agreement and the Tax Pledge. If Lender is not the Accumulations Depositary, the Accumulations Depositary will deliver the Accumulations to Lender upon Lender's demand at any time after an Event of Default.

(d) If the Property is sold or conveyed other than by foreclosure or transfer in lieu of foreclosure, all right, title and interest of Borrower to the Accumulations will automatically be returned to Borrower.

(e) The Accumulations Depositary has deposited the initial deposit and will deposit the monthly deposits into an account with a financial institution selected by Lender, which funds may be held in either a separate or commingled account, all in accordance with the Tax Pledge. If Lender is the Accumulations Depositary, Lender shall have no obligation to pay interest on such Accumulations.

(f) Lender shall pay, or shall direct the Accumulations Depositary to pay, any Taxes or Assessments unless Borrower is contesting the Taxes or Assessments in accordance with the provisions of this Loan Agreement, in which event any payment of the contested Taxes or Assessments will be made under protest in the manner prescribed by Law or, at Lender's election, will be withheld.

(g) If Lender assigns this Loan Agreement and the other Loan Documents, in accordance with the provisions of this Loan Agreement, Lender will pay, or cause the Accumulations Depositary to pay, the unapplied balance of the Accumulations to or at the direction of the assignee. Simultaneously with the payment, Lender and the Accumulations Depositary will be released from all liability with respect to the

Accumulations, except as the result of Lender's gross negligence or willful misconduct, and Borrower will look solely to the assignee with respect to the Accumulations. When the Obligations have been fully satisfied, any unapplied balance of the Accumulations will be returned to Borrower. At any time after an Event of Default occurs, Lender may apply the Accumulations as a credit against any portion of the Debt selected by Lender in its sole discretion.

(h) Notwithstanding the foregoing, the provisions of this Section 5.2, for Borrower to escrow for Taxes and Assessments are hereby waived. Borrower will provide paid Tax receipts upon Lender request.

The waiver shall only be effective (x) so long as there is no Event of Default under the Loan Documents and (y) for so long as all Taxes and Assessments relating to the Property are paid timely and in full. In the event the waiver is no longer effective as aforesaid, the Tax Pledge will be required for the remainder of the Loan term.

At Lender's sole discretion, a Tax Pledge may be required in the event that the Loan's annual Debt Service Coverage falls below 1.10x. If the annual Debt Service Coverage returns to a level of 1.10x or higher for a period of twelve (12) consecutive months, Borrower may request Lender's consent to a new waiver of the Tax Pledge, which consent shall be at Lender's sole discretion.

Section 5.3 Changes in Tax Laws. If any change effective after the date hereof in a Law requires the deduction of the Debt from the value of the Property for the purpose of taxation or imposes a tax, either directly or indirectly, on the Debt, any Loan Document or Lender's interest in the Property, upon Lender's written request Borrower will pay the additional tax with interest and penalties, if any, resulting from such change in Law. If Lender reasonably and in good faith determines that Borrower's payment of such tax is unlawful, unenforceable, usurious or taxable unless Borrower agrees to indemnify the Lender for such taxable amount to Lender the Debt will become immediately due and payable (without payment of a Prepayment Premium) on 180 days' prior notice unless the tax must be paid within the 180-day period, in which case, the Debt will be due and payable (without payment of a Prepayment Premium) within the lesser period. This Section 5.3 shall not apply to any taxes imposed on or with respect to Lender that are (a) imposed on or measured by net income (however denominated) or franchise taxes or (b) attributable to Lender's failure to deliver to Borrower such documentation prescribed by applicable Law or reasonably requested by Borrower as would reduce or eliminate the amount of such taxes imposed on or with respect to Lender (to the extent Lender is legally entitled to deliver such documentation to Borrower).

ARTICLE VI

INSURANCE, CASUALTY, CONDEMNATION

AND RESTORATION

Section 6.1 Insurance Coverages.

(a) Borrower will maintain or cause to be maintained such insurance coverages and endorsements in form and substance as Lender may require in its reasonable discretion from time to time. The insurance will be in an amount equal to 100% of the full replacement cost of the Improvements and Personal Property (without deduction for depreciation) and will include fire and sprinkler leakage, extended coverage, vandalism, malicious mischief, boiler and machinery, terrorism coverage, windstorm, earthquake and flood insurance (if located in earthquake or flood zones), a minimum of 12 months of rent loss insurance, and such other kinds of insurance as may be required by Lender in its sole discretion provided that Lender provides prior written notice of such request to Borrower and such insurance is available at commercial reasonable rates, premiums prepaid, in amounts satisfactory to Lender, with a standard mortgagee endorsement in Lender's favor for the property insurance, an additional insured endorsement in Lender's favor for liability insurance and a waiver of subrogation endorsement, where applicable.

(b) The insurance, including renewals, required under this Section will be issued on valid and enforceable policies and endorsements satisfactory to Lender (the "**Policies**"). Each Policy will contain a standard waiver of subrogation and a replacement cost endorsement and will provide that Lender will receive not less than 30 days' prior written notice of any cancellation, termination or non-renewal of a Policy other than an increase in coverage and that Lender will be named under a standard mortgagee endorsement on the property insurance as mortgagee and loss payee.

(c) The insurance companies issuing the Policies (the "**Insurers**") must be authorized to do business in the state or commonwealth where the Property is located, and must carry a rating of "A-" or better by A.M. Best with a Financial Size Category (FSC) of "X" or higher. In the exercise of its commercially reasonable discretion, Lender may select an alternative credit rating agency and may impose different credit rating standards for the Insurers. Notwithstanding Lender's right to approve the Insurers and to establish credit rating standards for the Insurers, Lender will not be responsible for the solvency of any Insurer.

(d) Notwithstanding Lender's rights under this Article, Lender will not be liable for any loss, damage or injury resulting from the inadequacy or lack of any insurance coverage.

(e) Borrower will comply with the provisions of the Policies and with the requirements, notices and demands imposed by the Insurers and applicable to Borrower or the Property.

(f) Borrower will pay the Insurance Premiums for each Policy and provide Lender with evidence of such payment promptly after receipt of the invoice and will provide evidence of renewal prior to expiration the Policy being replaced or renewed. In the event Borrower is unable to deliver a certified copy 15 days prior to the expiration date, Borrower will provide evidence of the renewed coverage by delivering to Lender an Acord 27 (2004/04 or 1993/03) or Acord 28 (2003/10) or the current industry equivalent until a certified copy is available and delivered to Lender. Certified copies required hereunder may be certified by Borrower's insurance broker.

(g) Intentionally Omitted.

(h) If Borrower elects to carry any of the insurance required under this Section on a blanket or umbrella policy, Borrower will deliver to Lender a certified copy of the blanket policy which will allocate to the Property the amount of coverage required under this Section and otherwise will provide the same coverage and protection as would a separate policy insuring only the Property.

(i) Borrower will give the Insurers and Lender prompt notice of any change in ownership or occupancy of the Property that may result in a change in the insurance requirements for the Property. This subsection does not abrogate the prohibitions on transfers set forth in this Loan Agreement.

(j) To the extent the insurance requirements in this Section are satisfied using a stand-alone policy(ies) covering only the Property, then in the event of the foreclosure of the applicable Security Instrument or other transfer of the title to the Property, all right, title and interest of Borrower in and to such insurance policy(ies), or premiums or payments in satisfaction of claims or any other rights under such insurance policy(ies) shall pass to the transferee of the Property. Notwithstanding the foregoing to the extent the insurance requirements in this Section are satisfied using a blanket policy then in the event of the foreclosure of the applicable Security Instrument or other transfer of the title to the Property, all right, title and interest of Lender in and to any premiums or payments in satisfaction of claims or any other rights under such insurance policy(ies) relating to the Property shall not pass to the transferee of the Property.

Section 6.2 Casualty and Condemnation.

(a) Borrower will give Lender notice of (i) any Casualty which causes at least $500,000 in damage to any Individual Property promptly after it occurs and (ii) any Condemnation Proceeding which shall result in a material adverse change to the Property or the loss of access to, any parking serving or any portion of the Improvements on the Property promptly after Borrower receives notice of commencement or notice that such a Condemnation Proceeding will be commencing. Lender acknowledges that any Condemnation Proceeding for a road widening or utility is not considered material. Borrower promptly will deliver to Lender copies of all documents Borrower delivers or receives relating to the Casualty or the Condemnation Proceeding, as the case may be.

(b) With respect to a Casualty resulting in Insurance Proceeds in excess of the five percent (5%) of the applicable Individual Property's Allocated Loan Amount (but in no event more than $2,500,000.00 or less than $500,000.00) (as applicable, the "**Proceeds Threshold**") Borrower authorizes Lender, at Lender's option, to act on Borrower's behalf to collect, adjust and compromise any claims for loss, damage or destruction under the Policies on such terms as Lender determines in Lender's sole but reasonable discretion. With respect to Condemnation Awards in excess of the Proceeds Threshold for an Individual Property, Borrower authorizes Lender to act, at Lender's option, on Borrower's behalf in connection with such Condemnation Proceeding, in Lender's sole but reasonable discretion. Borrower will execute and deliver to Lender all documents requested by Lender and all documents as may be required by Law to confirm such authorizations. Nothing in this Section will be construed to limit or prevent Lender from joining with Borrower either as a co-defendant or as a co-plaintiff, at Lender's expense, in any Condemnation Proceeding with respect to Condemnation Proceedings relating to Condemnation Awards in excess of the Proceeds Threshold.

(c) If Lender elects not to act on Borrower's behalf (or is not authorized to act on Borrower's behalf) as provided in this Section, then Borrower promptly will file and prosecute all claims (including Lender's claims) relating to the Casualty and will prosecute or defend (including defense of Lender's interest) any Condemnation Proceeding. Borrower will have the authority to settle or compromise the claims or Condemnation Proceeding, as the case may be, provided that Lender shall have the right to approve in Lender's sole discretion any compromise or settlement that exceeds the Proceeds Threshold for the applicable Individual Property. Any check for Insurance Proceeds or Condemnation Awards, as the case may be (the "**Proceeds**") will be made payable to Lender and Borrower. Borrower will endorse the check to Lender immediately upon Lender presenting the check to Borrower for endorsement or if Borrower receives the check first, will endorse the check immediately upon receipt and forward it to Lender. If any Proceeds are paid to Borrower, Borrower will promptly deposit the Proceeds with Lender, to be applied or disbursed in accordance with the provisions of this Loan Agreement. Lender will be responsible for only the Proceeds actually received by Lender.

Section 6.3 Application of Proceeds. After deducting the costs incurred by Lender in collecting the Proceeds, Lender shall subject to Section 6.4 and Section 6.5 below (i) apply the Proceeds to restore the Improvements, provided that Lender will not be obligated to see to the proper application of the Proceeds and provided further that any amounts released for Restoration will not be deemed a payment on the Debt; or (ii) deliver the Proceeds to Borrower. During the continuance of an Event of Default, Lender may, in its sole discretion, apply the Proceeds as a credit against any portion of the Debt selected by Lender.

Section 6.4 Conditions to Availability of Proceeds for Restoration. Notwithstanding the preceding Section, but subject to Section 6.5, after a Casualty or a Condemnation (a "**Destruction Event**"), Lender will make the Proceeds (less any reasonable out-of-pocket third party costs incurred by Lender in collecting the Proceeds) available for Restoration in accordance with the conditions for disbursements set forth in the Section entitled "**Restoration**", provided that the following conditions are met:

(i) Borrower as of the date hereof or the transferee under a Permitted Transfer, if any, continues to be Borrower at the time of the Destruction Event and at all times thereafter until the Proceeds have been fully disbursed;

(ii) no Event of Default under the Loan Documents exists at the time of the Destruction Event;

(iii) with respect to the applicable Individual Property, all Leases with Major Tenants and with tenants under Leases aggregating sixty percent (60%) of the remaining square footage of such Individual Property in effect immediately prior to the Destruction Event and all Property Documents in effect immediately prior to the Destruction Event continue in full force and effect notwithstanding the Destruction Event, except as otherwise approved by Lender;

(iv) if the Destruction Event is a Condemnation, Borrower delivers to Lender evidence reasonably satisfactory to Lender that, with respect to the applicable Individual Property, the Improvements can be restored to an economically and architecturally viable unit;

(v) Borrower delivers to Lender evidence satisfactory to Lender that the Proceeds are sufficient to complete Restoration or if the Proceeds are insufficient to complete Restoration, Borrower either deposits with Lender funds ("**Additional Funds**") or provides a letter of credit or guaranty from Guarantor in the amount of the Additional Funds that when added to the Proceeds will be sufficient to complete Restoration;

(vi) if the Destruction Event is a Casualty, Borrower delivers to Lender a coverage position letter from the Insurer under each affected Policy that such Insurer has not denied liability under the Policy as to Borrower or the insured under the Policy;

(vii) Lender is satisfied that the proceeds of any rent loss insurance in effect together with other available gross revenues from the applicable Individual Property are sufficient to achieve a Debt Service Coverage with respect to the applicable Individual Property of not less than 1.15x for the 12-month period from the date of the Destruction Event; and

(viii) Lender is satisfied that Restoration will be completed on or before the date (the "**Restoration Completion Date**") that is the earliest of: (A) 6 months prior to the Maturity Date; (B) 18 months after the Destruction Event; (C) the earliest date required for completion of Restoration under any Lease or any Property Document; or (D) any date required by Law.

Section 6.5 Restoration.

(a) Notwithstanding Section 6.4, if the total Proceeds for any Destruction Event with respect to the applicable Individual Property are less than the Proceeds Threshold or Lender elects or is obligated by Law or under this Article to make the Proceeds available for Restoration, Lender will promptly disburse to Borrower the entire amount received by Lender and Borrower will commence Restoration promptly after the Destruction Event and complete Restoration not later than the Restoration Completion Date.

(b) If the Proceeds for any Destruction Event with respect to the applicable Individual Property exceed the Proceeds Threshold and Lender elects or is obligated by Law or under this Article to make the Proceeds available for Restoration, Lender will disburse the Proceeds and any Additional Funds (the "**Restoration Funds**") upon Borrower's request as Restoration progresses, generally in accordance with commercially reasonable construction lending practices for disbursing funds for construction costs, provided that the following conditions are met:

(i) Borrower commences Restoration promptly after the Destruction Event and completes Restoration on or before the Restoration Completion Date;

(ii) if Lender requests, Borrower delivers to Lender prior to commencing Restoration, for Lender's approval (not to be unreasonably withheld, delayed or conditioned), plans and specifications and a reasonably detailed budget for the Restoration;

(iii) Borrower delivers to Lender satisfactory evidence of the costs of Restoration incurred prior to the date of the request, and such other documents as Lender may request including mechanics' lien waivers and title insurance endorsements;

(iv) Borrower pays all costs of Restoration whether or not the Restoration Funds are sufficient and, if at any time during Restoration, Lender determines that the undisbursed balance of the Restoration Funds is insufficient to complete Restoration, Borrower deposits with Lender, as part of the Restoration Funds, an amount equal to the deficiency within 30 days of receiving notice of the deficiency from Lender, or provides a letter of credit or a guaranty for such amount; and

(v) there is no Event of Default under the Loan Documents at the time Borrower requests funds or at the time Lender disburses funds.

(c) If an Event of Default occurs at any time after the Destruction Event, then Lender will have no further obligation to make any remaining Proceeds available for Restoration during the continuance of such Event of Default and may apply any remaining Proceeds as a credit against any portion of the Debt selected by Lender in its sole discretion.

(d) Lender may elect at any time prior to commencement of Restoration, if such Restoration is in excess of $2,500,000.00, to retain at Borrower's expense an independent engineer or other environmental consultant to review the plans and specifications, to inspect the work as it progresses and to provide reports. If any matter included in a report by the engineer or consultant is unsatisfactory to Lender in its reasonable discretion, Lender may suspend disbursement of the Restoration Funds until the unsatisfactory matters contained in the report are resolved to Lender's reasonable satisfaction.

(e) If Borrower fails to commence and complete Restoration in accordance with the terms of this Article, then in addition to the Remedies, Lender may elect to restore the Improvements on Borrower's

behalf and reimburse itself out of the Restoration Funds for out-of-pocket third party costs and expenses incurred by Lender in restoring the Improvements, or Lender may apply the Restoration Funds as a credit against any portion of the Debt selected by Lender in its sole discretion.

(f) Lender may commingle the Restoration Funds with its general assets and will not be liable to pay any interest or other return on the Restoration Funds unless otherwise required by Law. Lender will not hold any Restoration Funds in trust. Lender may elect to deposit the Restoration Funds with a depositary satisfactory to Lender under a disbursement and security agreement satisfactory to Lender.

(g) Borrower will pay all of Lender's reasonable out-of-pocket third expenses incurred in connection with a Destruction Event or Restoration. If Borrower fails to do so, then in addition to the Remedies, Lender may from time to time reimburse itself out of the Restoration Funds.

(h) If any excess Proceeds remain after Restoration, Lender shall deliver the excess to Borrower.

ARTICLE VII

COMPLIANCE WITH LAW AND AGREEMENTS

Borrower hereby confirms that, as of the date hereof, the representations and warranties contained in this Article VII are true, correct and complete and covenants that until the Debt has been repaid in full, it shall take the actions or refrain from taking the actions as required by this Article VII and shall cause any representations and warranties that are expressly prospective in nature to be true, correct and complete on every day that the Debt is outstanding:

Section 7.1 Compliance with Law. Borrower, the Property and the use of the Property comply, and Borrower will do or cause to be done all things reasonably necessary to comply, with Law and with all agreements and conditions necessary to preserve and extend all rights, licenses, permits, privileges, franchises and concessions (including zoning variances, special exceptions and non-conforming uses) relating to the Property or Borrower, except where the failure to preserve and extend would not reasonably be expected to result in an adverse effect to the Property or to Borrower, including as a result of a change in the zoning laws. Borrower will notify Lender of the commencement of any investigation or Proceeding relating to a possible material violation of Law affecting Borrower or the Property or the use thereof promptly after Borrower receives written notice thereof and will deliver promptly to Lender copies of all documents Borrower receives or delivers in connection with the investigation or Proceeding.

Section 7.2 Compliance with Agreements. As of the date hereof, except as previously disclosed by Borrower to Lender in writing, Borrower has neither given nor received written notice alleging a default under any Property Document which has not been cured. As of the date hereof, to Borrower's knowledge, there are no defaults, events of defaults or events which, with the passage of time or the giving of notice, would constitute an event of default under the Property Documents which would reasonably be expected to result in an adverse effect to the Property or to Borrower. Borrower will pay and perform in all material respects all of its obligations under the Property Documents as and when required by the Property Documents subject to Borrower's right to contest any such payment. Borrower will use commercially reasonable efforts to cause all other parties to the Property Documents to pay and perform in all material respects their obligations under the Property Documents as and when required by the Property Documents. Borrower will not amend or waive any provisions of the Property Documents in a manner that would adversely affect the Property or Lender's rights and interests under the Loan Documents; exercise any options under the Property Documents in a manner that would adversely affect the Property or Lender's rights and interests under the Loan Documents; give any approval required or permitted under the Property Documents that would adversely affect the Property or Lender's rights and interests under the Loan Documents; cancel or surrender any of the Property Documents in a manner that would adversely affect the Property or Lender's rights and interests under the Loan Documents; or release or discharge or permit the release or discharge of any Person bound by any of the Property Documents in a manner that would adversely affect the Property or Lender's rights and interests under the Loan Documents, without, in each instance, Lender's prior approval, not to be unreasonably withheld, conditioned or delayed (excepting therefrom all service contracts or other agreements entered into in the normal course of business that are cancelable upon not more than 60 days' notice). Borrower promptly will deliver to Lender copies of any notices of default or of termination that Borrower receives or delivers relating to any Property Document.

Section 7.3 ERISA Compliance.

(a) Borrower is not and will not be an "employee benefit plan" as defined in Section 3(3) of the Employee Retirement Income Security Act of 1974 ("**ERISA**") that is subject to Title I of ERISA or a "plan" as defined in Section 4975(e)(1) of the Code that is subject to Section 4975 of the Code, and Borrower's assets are not and will not constitute "plan assets" of one or more such plans, within the meaning of Section 3(42) of ERISA, for purposes of Title I of ERISA or Section 4975 of the Code.

(b) Borrower is not and will continue not to be a "governmental plan" within the meaning of Section 3(32) of ERISA and transactions by or with Borrower are not and will not be subject to any Laws regulating investments of and fiduciary obligations with respect to governmental plans.

(c) Assuming that no portion of the Loan is funded or held with "plan assets" within the meaning of Section 3(42) of ERISA, Borrower will not engage in any transaction which would cause any obligation or any action under the Loan Documents, including Lender's exercise of the Remedies, to be a non-exempt prohibited transaction under ERISA.

Section 7.4 Anti-Terrorism.

(a) None of (i) Borrower, Guarantor, Indemnitor nor (ii) to Borrower's knowledge, any of their respective Affiliates is or will be during the term of the Loan in violation of any of the Anti-Terrorism Laws, including Executive Order No. 13224 on Terrorist Financing (effective September 24, 2001) (the "**Executive Order**"), the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 (Public Law 107-56), and the Bank Secrecy Act, 31 U.S.C. §5311 et seq.

(b) None of (i) Borrower, Guarantor, Indemnitor nor (ii) to Borrower's knowledge, any of their respective Affiliates, is or will be during the term of the Loan a Prohibited Person or is or will be during the term of the Loan in violation of any of the Laws relating to Prohibited Persons. A "**Prohibited Person**" is (A) a person designated as a "specially designated national and blocked person" on the most current list published by the U.S. Treasury Department Office of Foreign Assets Control at its official website http://www.treasury.gov/ofac/downloads/t11sdn.pdf or at any replacement website or other replacement official publication of such list, or any Person owned or controlled by or acting for or on behalf of such a person; (B) an agency of the government of a country, or an organization controlled by a country, or a person resident in a country that is subject to trade restrictions or a sanctions program under any of the economic sanctions of the United States administered by the United States Department of the Treasury's Office of Foreign Assets Control; or (C) a Person (including a country or government) with whom Lender is prohibited from dealing or otherwise engaging in any transaction by any Anti-Terrorism Laws.

(c) The Loan proceeds will not be used for any illegal purposes and no portion of the Property or Borrower has been acquired with funds derived from illegal activities.

(d) Borrower covenants and agrees to deliver to Lender any certification or other evidence requested from time to time by Lender in its reasonable discretion, confirming Borrower's compliance with this **Section 7.4**. The representations and warranties set forth in said subsections shall be deemed repeated and reaffirmed by Borrower as of each date that Borrower makes a payment to Lender under the Loan Documents or receives any payment from Lender.

ARTICLE VIII

LEASING

Section 8.1 Representations, Warranties and Covenants with Respect to Leases. Except as set forth in Borrower's disclosures to Lender in the certification of Rent Roll substantially in the form attached as Exhibit D hereto executed by Borrower and delivered to Lender in connection with the closing of the Loan including the Rent Roll attached thereto:

(a) To Borrower's knowledge, as of the date hereof, all of the Leases affecting the Property as of the date of this Loan Agreement (the "**Existing Leases**") are in full force and effect, and are not subject to matters that with the passage of time or giving of notice would constitute a default which would reasonably be expected to result in a material adverse effect on the Borrower or Property. Borrower has neither given nor received written notice alleging a default under any Existing Lease which has not been cured. To Borrower's knowledge, there are no existing defenses or offsets to the payment of Rent under the Existing Leases. There are no agreements between the parties to the Existing Leases, other than as expressly set forth in each Existing Lease and all of the Existing Leases are enforceable in accordance with their terms.

(b) As of the date hereof, each of the Tenants under the Existing Leases is in occupancy, paying Rent, open and conducting business in its respective leased premises and, to Borrower's knowledge is free from bankruptcy, reorganization or other Proceeding for the relief of debtors under any federal or state insolvency statute.

(c) Borrower has complied with all material obligations and satisfied all material conditions (including any co-tenancy requirements) under the Existing Leases which Borrower as landlord must have complied with or satisfied on or before the date of this Loan Agreement.

(d) Borrower has not collected Rents under the Leases, excluding security deposits, more than one month in advance.

(e) Borrower is the landlord under the Leases, has the authority to assign the Leases and the Rents and there is not and will not be any assignment, pledge or mortgage of the Assigned Property other than the Assignment and the Security Instrument, except with Lender's prior consent, which may be withheld in Lender's sole discretion.

(f) None of the tenants under the Existing Leases have an option to purchase the Property (including rights of first or last offer).

(g) As of the date hereof, Borrower has not materially discounted, compromised or discharged any of Tenants' obligations under the Leases.

(h) Borrower as landlord does not have any obligations under the Leases with respect to off-site improvements.

(i) Except as disclosed in the Existing Leases, none of the Leases limits the type or identity of tenant to whom the landlord is permitted to lease or limits the use to which another tenant may put its leased premises, except for limitations on use generally affecting all Tenants.

(j) Except as disclosed in the Existing Leases, none of the Tenants has the right to receive or to direct the use of Insurance Proceeds, except for proceeds of the Tenant's own insurance, or to receive or direct the use of Condemnation Awards, except for moving expenses and tenant fixtures costs.

(k) Borrower will perform the landlord's obligations under the Leases in all material respects and will enforce the terms of the Leases to be performed by the Tenants in all material respects.

Section 8.2 Covenants Regarding Future Leasing.

(a) Borrower will lease the Property in its reasonable discretion and may enter into new Leases and may amend, renew or extend Leases without Lender's prior consent if the following conditions are met:

(i) there is no Event of Default at the time the new Lease, amendment, renewal or extension is executed;

(ii) each new Lease, amendment, renewal, or extension is with a tenant that is not a Major Tenant or a tenant that provides daycare facilities or similar childcare services; and

(iii) Lender has not revoked Borrower's privilege of entering into new leases and amending, renewing or extending Leases without Lender's consent as provided in Section 8.2(b).

If the preceding conditions are not met, Borrower may not enter into any new Lease or any amendment, renewal or extension of a Lease without Lender's prior consent, not to be unreasonably conditioned, withheld or delayed.

(b) After 60-days' prior notice to Borrower, Lender may revoke Borrower's privilege to enter into new leases and to amend, renew and extend Leases without Lender's prior consent if the Debt Service Coverage for the Property is less than 1.15x.

(c) Borrower's privilege to enter into new leases and to amend, renew or extend Leases without Lender's prior consent automatically terminates during the continuance of an Event of Default.

(d) Borrower will deliver to Lender an original or certified copy of each new Lease, together with a reasonably detailed lease abstract, within (i) thirty (30) days of execution, with respect to a Lease with a Major Tenant, and (ii) fifteen (15) days after a request from Lender for any other Lease.

(e) With respect to any new Lease or modification of Lease requiring Lender's consent, Borrower shall deliver to Lender a written request for approval containing a bold face, conspicuous legend in 25 point font or more at the top of the first page thereof to the effect, "**PLEASE RESPOND TO THIS REQUEST FOR APPROVAL IN WRITING WITHIN TEN CALENDAR DAYS**". If Lender fails to respond to a request for Lender's approval within ten (10) calendar days of Lender's receipt of Borrower's request and all information reasonably required by Lender in order to adequately review such request, Borrower may deliver to Lender a second request for such approval, provided that such second request contains a bold face, conspicuous legend in 25 point font or more at the top of the first page thereof to the effect that "**IF YOU FAIL TO RESPOND TO THIS REQUEST FOR APPROVAL IN WRITING WITHIN FIVE (5) CALENDAR DAYS, YOUR APPROVAL SHALL BE DEEMED GIVEN,**" and Lender fails to respond to such request for approval five (5) calendar days after Lender has received from Borrower such second request, Lender shall be deemed to have given such approval.

Section 8.3 Termination, Cancellation or Surrender of Leases.

(a) Borrower may terminate or cancel any Lease or accept surrender of any leased premises prior to the scheduled expiration date of the Lease in its reasonable discretion and without Lender's prior consent, if the following conditions are met:

(i) there is no Event of Default at the time of termination, cancellation or surrender;

(ii) either (x) the term of the affected Lease will expire within six (6) months, (y) the tenant is in default under the affected Lease for more than sixty (60) days, or (z) Borrower has determined in Borrower's reasonable business judgment that it is economically beneficial to the Property to terminate or cancel the affected Lease and relet the space taking into account the time and costs associated with reletting the space;

(iii) the affected Lease is not with a Major Tenant;

(iv) Lender has not revoked Borrower's privilege to terminate or cancel Leases and accept surrender of leased premises as provided in Section 8.3(b); and

(v) the projected Debt Service Coverage for the Property for the following twelve (12) months shall not be less than 1.05x.

If the preceding conditions are not met, Borrower will not terminate or cancel any Lease or accept surrender of any leased premises prior to the scheduled expiration date of the Lease without Lender's prior consent, which consent shall not be unreasonably conditioned, withheld or delayed.

(b) Upon the occurrence of any of the following and after 60-days' prior notice to Borrower, Lender may revoke Borrower's privilege to terminate or cancel Leases and accept surrender of leased premises without Lender's prior consent if the Debt Service Coverage for the Property is less than 1.15x.

(c) Borrower's privilege to terminate or cancel Leases and accept surrender of leased premises without Lender's prior consent automatically terminates during the continuance of an Event of Default.

(d) If any Lease with a Major Tenant is terminated or cancelled or the leased premises surrendered, Borrower will pay to Lender within two (2) business days of receipt by Borrower any termination, cancellation or surrender fee (as applicable, a "**Termination Fee**") paid by the Tenant under such Major Lease to be held in an escrow account for up to twelve (12) months for the benefit of Borrower and controlled by Lender (the "**Leasing Escrow**"). Upon written request by Borrower and compliance by Borrower with Lender's customary disbursement conditions Lender shall disburse funds from the Leasing Escrow for expenses related to reletting or re-tenanting the space covered by such Lease, including, but not limited to, for tenant improvements and leasing commissions. If the space has been relet by the date that is twelve (12) months following the date that Borrower delivers the escrowed funds to Lender, any amounts that remain on deposit after disbursements for all applicable leasing costs shall be delivered to Borrower after disbursement of the applicable costs. At any time that there are funds in the Leasing Escrow, Borrower may instruct Lender to use such funds to repay the Loan, without any Prepayment Premium. If on the date that is twelve (12) months following the date that Borrower delivers the escrowed funds to Lender the space has not been relet, Lender may, at Lender's election, use such funds pay down the Loan, without any Prepayment Premium.

ARTICLE IX

ENVIRONMENTAL

Section 9.1 Environmental Representations and Warranties. Except as disclosed in the Environmental Report and to Borrower's knowledge as of the date of this Loan Agreement:

(a) no Environmental Activity has occurred or is occurring on the Property other than the use, storage, and disposal of Hazardous Materials which (i) is in the ordinary course of business consistent with the Permitted Use; (ii) is in compliance with all Environmental Laws and (iii) has not resulted in Material Environmental Contamination of the Property; and

(b) no Environmental Activity has occurred or is occurring on any property in the vicinity of the Property which has resulted in Material Environmental Contamination of the Property.

Section 9.2 Environmental Covenants.

(a) Borrower will not cause or knowingly permit any Material Environmental Contamination of the Property.

(b) Borrower will not cause (and shall use commercially reasonable efforts to ensure that no other party will cause) an Environmental Activity to occur on the Property other than the use, storage and disposal of Hazardous Materials which (i) is in the ordinary course of business consistent with the Permitted Use; (ii) is in compliance with all Environmental Laws; and (iii) does not create a risk of Material Environmental Contamination of the Property.

(c) Borrower will notify Lender promptly upon Borrower becoming aware of (i) any Material Environmental Contamination of the Property not disclosed in the Environmental Report or (ii) any Environmental Activity with respect to the Property that is not in accordance with the preceding subsection in all material respects (b) and is not disclosed in the Environmental Report. Borrower promptly will deliver to Lender copies of all documents delivered to or received by Borrower regarding the matters set forth in this subsection, including notices of Proceedings or investigations concerning any Material Environmental Contamination of the Property or Environmental Activity or concerning Borrower's status as a potentially responsible party (as defined in the Environmental Laws). Borrower's notification of Lender in accordance with the provisions of this subsection will not be deemed to excuse any default under the Loan Documents resulting from the violation of Environmental Laws or the Material Environmental Contamination of the Property or Environmental Activity that is the subject of the notice. If Borrower receives notice of a suspected violation of Environmental Laws in the vicinity of the Property that poses a risk of Material Environmental Contamination of the Property, Borrower will give Lender notice and copies of any documents received relating to such suspected violation.

(d) From time to time at Lender's reasonable request, Borrower will deliver to Lender any information known and documents reasonably available to Borrower relating to any Material Environmental Contamination or Environmental Activity.

(e) Lender may perform or engage an independent consultant to perform an assessment of the environmental condition of the Property and of Borrower's compliance with this Section on an annual basis, or at any other time if Lender has reasonable cause to believe that there is an Environmental Activity at the Property and the applicable Individual Property is not in material compliance with Environmental Laws, or after an Event of Default. In connection with the assessment: (i) upon reasonable prior notice to Borrower (and subject to the rights of tenants under Leases) and during reasonable business hours, Lender

or its consultant may enter and inspect the Property and perform tests of the air, soil, ground water and building materials; (ii) Borrower will cooperate and use commercially reasonable efforts to cause tenants and other occupants of the Property to cooperate with Lender or its consultant, subject in all cases to the terms of such tenants' Leases; (iii) Borrower will receive a copy of any final report prepared after the assessment, to be delivered to Borrower not more than ten (10) days after Borrower requests a copy and executes Lender's standard confidentiality and waiver of liability letter; (iv) Borrower will accept custody of and arrange for lawful disposal of any Hazardous Materials required to be disposed of as a result of the tests; (v) Lender will not have liability to Borrower with respect to the results of the assessment; and (vi) Borrower will first look to the consultants to reimburse Borrower for any damage resulting from such assessment before making a claim against Lender. Lender shall require its consultant to carry commercially insurance coverage with Borrower named as an additional insured on such policies. All access of Lender and its consultant shall be subject to the rights of Tenants under all applicable Leases. The consultant's assessment and reports will be at Borrower's expense (x) if the reports disclose any material adverse change in the environmental condition of the Property from that disclosed in the Environmental Report which was not previously reported to Lender; (y) if Lender engaged the consultant when Lender had reasonable cause to believe Borrower was not in compliance with the terms of this Article and, after written notice from Lender, Borrower failed to provide promptly reasonable evidence that Borrower is in compliance; or (z) if Lender engaged the consultant during the continuance of an Event of Default.

ARTICLE X

FINANCIAL REPORTING

Section 10.1 Financial Reporting.

(a) (i) On or prior to March 31st of each year Borrower shall submit to Lender a Property operating statement for the prior calendar year, (ii) after the expiration of any calendar quarter, upon written request of Lender or its servicer, within the later to occur of ten (10) days of such request or 30 days after such quarter end, Borrower shall submit to Lender a Property operating statement for the prior calendar quarter, which statements shall be certified as true and correct by Borrower (provided, however, if a monetary Event of Default occurred during the prior reporting period, audited Property operating statements may be required at Lender's option), (iii) on or prior to March 31st of each year Borrower shall submit to Lender a current rent roll, (iv) after the expiration of any calendar quarter, upon written request of Lender or its servicer, within ten (10) days of such request, Borrower shall submit to Lender a current rent roll, which rent rolls shall be certified as true and correct by Borrower and a copy of the current aged accounts receivable report, (v) on or prior to March 31st of each year, Borrower shall submit to Lender annual financial statements for Borrower and Guarantor, and (vi) after the expiration of any calendar quarter, upon written request of Lender or its servicer, within the later to occur of ten (10) days of such request or 45 days after such quarter end, Borrower shall submit to Lender quarterly financial statements for Guarantor, which statements shall be certified as true and correct by Borrower or the individuals for whom the statements are prepared (provided, however, if a monetary Event of Default occurred during the prior reporting period, audited financial statements may be required at Lender's option).

(b) The annual certification of rent roll referenced above shall be executed by Borrower, or the Manager of the Property, as agent of Borrower, in the form attached hereto in **Exhibit D**, without any material deviation to such form unless otherwise approved by Lender (provided, however, the disclosure of any exception on Schedule B thereof shall constitute a violation of this Agreement only if the substance of the exception itself constitutes a violation by Borrower of the provisions of the Loan Documents).

(c) Borrower will keep full and accurate Financial Books and Records for each Fiscal Year. Borrower will permit Lender or Lender's accountants or auditors to inspect or audit the Financial Books and Records from time to time at reasonable times and upon prior written notice. Borrower will maintain the Financial Books and Records for each Fiscal Year for not less than 3 years after the date Borrower delivers to Lender the financial certificates, statements and information to be delivered to Lender for the Fiscal Year. Financial Books and Records will be maintained at Borrower's address set forth in the section entitled "**Notices**", at the Individual Property or at any other location as may be approved by Lender.

Section 10.2 Annual Budget. Not less than 10 days prior to the end of each Fiscal Year, Borrower will deliver to Lender the following:

(a) An initial detailed budget (the "**Budget**") for the Property for the upcoming Fiscal Year, to include a net operating income statement and a capital expenditures statement including projected capital and tenant improvement costs; and

(b) A lease rollover schedule, and applicable assumptions for the Property, which shall include any material information relating leasing commissions, tenant improvement costs and other capital costs in the Property.

Borrower waives any defense or right of offset to the Obligations, and any claim or counterclaim against Lender, arising out of any discussions between Borrower and Lender regarding any Budget or revised Budget delivered to Lender, including any defense, right of offset, claim or counterclaim alleging in substance, that by virtue of such delivery, discussions or resolution, Lender has interfered with, influenced or controlled Borrower or the operations at the Property.

Section 10.3 Material Non-Public Information. Prior to delivering any information that may constitute material non-public information with respect to a company whose shares are publicly traded, Borrower shall endeavor to notify Lender in advance of any such proposed delivery, it being understood and agreed, however, that any breach of this provision by Borrower shall not constitute a default or Event of Default hereunder.

ARTICLE XI

EXPENSES AND DUTY TO DEFEND

Section 11.1 Payment of Expenses.

(a) Unless specifically stated to the contrary in the Loan Documents, Borrower is obligated to pay all reasonably-incurred, documented out-of-pocket fees and expenses (the "**Expenses**") that are (i) incurred by Lender in respect of the Loan, any Loan Document, the Property or Borrower; (ii) charged by Lender in consideration of processing any request by or on behalf of Borrower for an action or consent of Lender under the Loan Documents as set forth herein (or if not set forth herein, then as determined by Lender in its reasonable discretion); or (iii) are otherwise payable in connection with the Loan, the Property or Borrower, including attorneys' fees and expenses and any fees and expenses relating to (A) the preparation, execution, acknowledgment, delivery and recording or filing of the Loan Documents; (B) any Proceeding or other claim asserted against Lender or any Proceeding described in the Section entitled "**Lender's Right to Appear**"; (C) any inspection, assessment, survey and test permitted under the Loan Documents; (D) any Destruction Event; (E) the preservation of Lender's security and the exercise of any rights or remedies available at Law, in equity or otherwise, except if a court of competent jurisdiction determines in favor of Borrower in any Proceeding of Lender's exercise of rights and remedies; (F) administration of the Loan in amounts set forth in the Loan Documents; (G) the Leases and the Property Documents; and (H) any Proceeding in or for bankruptcy, insolvency, reorganization or other debtor relief or similar Proceeding relating to Borrower, the Property or any person liable under any guarantee, indemnity or other credit enhancement delivered in connection with the Loan.

(b) Borrower will pay the Expenses within ten (10) days of written demand by Lender. If Lender pays any of the Expenses, Borrower will reimburse Lender the amount paid by Lender within ten (10) days of written demand by Lender, together with interest on such amount at the Default Interest Rate from the date after payment of such Expenses is due through and including the date Borrower reimburses Lender. The Expenses together with any applicable interest, premiums or penalties constitute a portion of the Debt secured by the Security Instrument.

Section 11.2 Duty to Defend. If Lender or any of its trustees, officers, employees or Affiliates is a party in any Proceeding relating to the Property, Borrower or the Loan, Borrower will indemnify and hold harmless the party and will defend the party with attorneys and other professionals retained by Borrower and reasonably approved by Lender. During the continuance of an Event of Default Lender may elect to engage its own attorneys and other professionals, at Borrower's expense, to defend or to assist in the defense of the party. In all events, when Lender is a party in a Proceeding, with respect to the portion of the case applicable to Lender, case strategy will be determined by Lender if Lender so elects and no Proceeding relating to such portion of the Proceeding will be settled without Lender's prior approval which approval will not be unreasonably withheld, conditioned or delayed, unless an Event of Default is continuing in which case such approval will be in Lender's sole discretion.

ARTICLE XII

TRANSFERS, LIENS AND ENCUMBRANCES

Section 12.1 Prohibitions on Transfers, Liens and Encumbrances.

(a) Borrower acknowledges that in making the Loan, Lender is relying to a material extent on the business expertise and net worth of Borrower and Borrower's general partners, members or principals and on the continuing interest that each of them has, directly or indirectly, in the Property. Accordingly, except as specifically set forth in this Loan Agreement, Borrower (i) will not, and will not permit its partners, members or principals to, effect a Transfer, other than Permitted Transfers, without Lender's prior approval, which may be withheld in Lender's sole discretion and (ii) will keep the Property free from all liens and encumbrances other than the lien of the Security Instrument and the Permitted Exceptions. A "**Transfer**" is defined as any sale, grant, lease (other than bona fide third-party space leases with tenants entered into in accordance with the provisions hereof), conveyance, assignment or other transfer of, or any encumbrance or pledge against (excluding easements or similar grants of access to the Property made in the ordinary course and having no material adverse effect to the Property), the Property, any interest in the Property, any interest of Borrower's partners, members or principals in the Property, or any change in Borrower's composition or Change in Control of Borrower, in each instance whether voluntary or involuntary, direct or indirect, by operation of law or otherwise (including mergers affecting any constituent entity) and including the grant of an option or the execution of an agreement relating to any of the foregoing matters.

(b) Borrower represents, warrants and covenants that each Borrower Entity is a Delaware limited liability company and the respective direct and indirect owners and the percentage ownership interests set forth on **Schedule 2** attached hereto are true and correct as of the date hereof.

Section 12.2 Permitted Transfers.

(a) As used in this **Section 12.2**, the following shall constitute the "**Transfer Conditions**":

(i) With respect to the Transfer of 20% or more of the interests in any Borrower Entity (other than the Transfers to be consummated pursuant to that certain Contribution Agreement dated May 18, 2017, entered into by Guarantor, Phillips Edison Limited Partnership and certain Affiliates, which are not subject to the terms and provisions of Article XII), Lender receives prior notice;

(ii) There is no Event of Default under the Loan Documents and all of Borrower's payment obligations to Lender are satisfied through the date of the Transfer;

(iii) Borrower pays Lender's actual out-of-pocket third party costs (including reasonable legal fees and expenses);

(iv) The Transfer will not cause a violation of any of the covenants or representations contained in the Sections entitled "**ERISA Compliance**" or "**Special Purpose Entity Representations, Warranties and Covenants**";

(v) The Manager of the Property is a Qualified Manager;

(vi) With respect to the Transfer of 20% or more of the interests in any Borrower Entity, unless waived by Lender, the transferee (including any Affiliates of the transferee and any substitute guarantor or indemnitor) is domiciled in the United States and/or is a citizen of

the United States, is not a "specifically designated national and blocked person" on the OFAC List and otherwise is not in violation of any Anti-Terrorism Laws, and is free from bankruptcy or a similar insolvency proceeding; and

(vii) With respect to the Transfer of 20% or more of the interests in any Borrower Entity, unless waived by Lender prior to the Transfer, Lender shall have obtained (at Borrower's cost) Uniform Commercial Code search report satisfactory to Lender relating to the transferee.

(b) The following Transfers of any interest in any Borrower Entity shall be permitted Transfers (collectively "**Permitted Transfers**") without Lender's consent, subject to the terms and conditions of this **Section 12.2(b)** and **Section 12.2(c)**:

(i) The sole member of each Borrower Entity shall be permitted to make a sale, conveyance, transfer or other vesting of any direct or indirect interest in any Borrower Entity (other than a general partnership interest in the sole member of a Borrower Entity if the sole member of such Borrower Entity is a limited partnership) up to an aggregate of 49% of the total interests of any Borrower Entity without the prior consent of Lender, provided any such sale, conveyance, transfer or other vesting does not result in a Change of Control (as hereinafter defined) or management of any Borrower Entity. Copies of any and all documents evidencing any such sale, conveyance, transfer or other vesting must be provided to Lender within fifteen (15) days after the occurrence of said action including, without limitation, a statement detailing the action and a listing of reallocations and percentages of ownership interest in such Borrower Entity. Except as set forth in the first sentence of this Section (a) and below with respect to PECO Permitted Transfers (as hereinafter defined), no direct or indirect interests in (l) any Borrower Entity's interest in any Individual Property, or (2) any Borrower Entity, may be sold, transferred (either to third parties or to related entities) conveyed, or vested without the prior written consent of Lender (which Lender may withhold at its sole discretion) and subject in all events to the 49% aggregate limitation above; and the occurrence of any such event will constitute an Event of Default under the Loan Documents.

(ii) In addition to the above, and notwithstanding anything to the contrary contained in this Agreement, for so long as Phillips Edison Grocery Center Operating Partnership I, L.P., a Delaware limited partnership (the "**Operating Partnership**"), is the Indemnitor and each Borrower Entity hereunder collectively constitutes Borrower, the following Transfers (or series of Transfers) shall constitute Permitted Transfers (subject only to any conditions set forth below and the Transfer Conditions) and shall not require Lender's consent or the payment of a transfer fee in connection therewith (each, a "**Permitted PECO Transfer**"):

(A) the listing of preferred and/or common stock (the "**REIT Shares**") in Phillips Edison Grocery Center REIT I, Inc., a Maryland corporation ("**REIT**"), the sole member of, the General Partner, on the New York Stock Exchange or any other nationally recognized stock exchange (the "REIT Listing"), provided that (A) the REIT satisfies all of the listing requirements of the Securities and Exchange Commission at the time of and as a condition of the REIT Listing, including, but not limited to, the net worth requirements, and (B) the REIT Listing does not result in or cause a Change of Control;

(B) without limiting subsection (iv) below, the issuance, redemption, sale, pledge, conveyance, transfer or other disposition (each, is "**REIT Share Transfer**") of the REIT Shares so long as (A) at the time of the REIT Share Transfer, the REIT Shares are listed on the New York Stock Exchange or any other nationally recognized stock exchange, and (B) the REIT Share Transfer does not result in or cause a Change of Control;

(C) any issuance, redemption, sale, pledge, conveyance, transfer or other disposition of REIT Shares during the period prior to the REIT Listing (i.e., while the REIT is a public entity but a non-listed entity) which is made in accordance with the REIT's charter and other governing documents, including, but not limited to, the REIT's share repurchase program and/or dividend reinvestment program, provided that such activities, singularly or taken as a whole, do not result in or cause a Change of Control; and

(D) The Borrower shall reimburse the Lender all reasonable out-of-pocket expenses (including reasonable attorneys' fees) in conjunction with its review and processing of a proposed or completed Permitted Transfer (i.e., a Transfer in accordance with (a) and (b) above and (c) below), regardless of whether the Permitted Transfer is carried out. No transfer fee shall be payable in connection with a Permitted Transfer.

(iii) Any merger or consolidation of the REIT or Operating Partnership with any entity that is managed by, or is an affiliate of, the REIT so long as the REIT or the Operating Partnership is the surviving entity and such transaction does not result in or cause a Change of Control.

(iv) The Transfer of one hundred percent (100%) of the membership interests in Borrower to a wholly-owned subsidiary of Operating Partnership; provided that such transaction does not result in or cause a Change of Control.

(v) A one-time sale of the Property or of 100% of the direct or indirect membership interest in Borrower will be permitted, subject to the following conditions: (A) Lender's approval of the transferee which, together with the parent company that directly or indirectly owns said transferee, must have a net worth of at least $150,000,000.00 and must be an Institutional Investor or developer with a reputation and experience comparable to Borrower as of the date hereof; (ii) the transferee's express assumption of Borrower's obligations under the Loan Documents and the Property Documents; (iii) Lender's approval in its sole discretion of a substitute guarantor and substitute indemnitor, and delivery of substitute guaranty and indemnity instruments satisfactory to Lender; (iv) the Transfer Conditions are satisfied; (v) Lender's receipt of satisfactory evidence that immediately prior to the Transfer and at least twelve (12) months subsequent to the Transfer (which forward-looking analysis will include any underwriting adjustments necessary in Lender's discretion to properly reflect anticipated revenues and operating expenses for the subsequent period, including but not limited to estimated increases in real estate taxes resulting from any reassessment of the Property), the Property supports a loan to value ratio no greater that the loan to value ratio as of the date hereof, with value to be determined by the purchase price of the Property pursuant to an executed purchase and sale agreement with a bona fide unaffiliated third-party purchaser, and a Debt Service Coverage of not less than 3.55x; (vi) the Transfer will not violate Lender's individual or related borrower limits as established by Lender from time to time in its sole discretion; (vii) payment of a transfer and assumption fee of 0.5% of the outstanding principal balance of the Loan; and (viii) if required by Lender in the exercise of its reasonable discretion, Lender's receipt of a non-consolidation opinion in form and substance reasonably acceptable to Lender.

(c) (i) For purposes of this Section, a "**Change of Control**" shall occur when: (A) the Operating Partnership is no longer the sole member of Borrower and the limited partner and sole member of the general partner of Phillips Edison Institutional Joint Venture I, L.P., as applicable, (B) Phillips Edison Grocery Center OP GP I LLC ("**Operating Partnership General Partner**") is no longer the sole general partner of the Operating Partnership, (C) REIT is no longer the sole member of Operating Partnership General

Partnership, and/or REIT's direct limited partnership interest in the Operating Partnership and/or its indirect beneficial interest in Borrower falls below 51%, or (D) any Transfer of interests or series of Transfers of interests in the REIT, which results in more than 49% of the ownership interests of the REIT being held by any single Person or affiliated group of people or entities. In addition, for the avoidance of doubt, any removal or replacement of the external REIT management advisor shall constitute a Permitted PECO Transfer and shall not constitute a Change of Control provided that (two (2) or more of Jeff Edison, Devin Murphy, Mark Addy, Bob Myers Joe Schlosser, Ryan Moore and John Caulfield (or, after reasonable prior notice to Lender, replacement executives having a similar level of experience and seniority to any replaced executive), shall continue to be executives of the REIT or the Operating Partnership.

(ii) Neither any REIT Share Transfer nor any Transfer of any interest in the Operating Partnership shall relieve Borrower, Guarantor or Indemnitor of any of its obligations and liabilities under this Agreement or any of the other Loan Documents, including the Environmental Indemnity.

(iii) REIT shall register (and continue such registration) so that Lender automatically receives notifications whenever the REIT posts and files any documents with the U.S. Securities and Exchange Commission. Additionally, from time to time, upon written request of Lender, REIT shall furnish to Lender copies of (i) mailings by REIT to its shareholders, (ii) to the extent not confidential, reports furnished by REIT to rating agencies and relating to its outstanding commercial paper, and (iii) to the extent not confidential, information generally supplied by REIT in writing to security analysts.

(iv) Notwithstanding anything to the contrary herein, for such time as the REIT is publicly registered, publicly listed or publicly traded, the transfer provisions set forth herein (including the Transfer Conditions) shall not apply to any issuance, redemption, sale, pledge, conveyance, transfer or other disposition of any direct or indirect beneficial or legal ownership interests in any entity that is a shareholder of the REIT (it being understood that Borrower has no control over the ownership structure of any such entities). Further, so long as no Change of Control is effectuated, for such time as the REIT is publicly registered, publicly listed, or publicly traded, the transfer provisions set forth herein (including the Transfer Conditions) shall not apply to any issuance, conversion, redemption, sale, pledge, conveyance, transfer or other disposition of any direct or indirect beneficial or legal ownership interests in owners of limited partner interests in Indemnitor.

Section 12.3 Right to Contest Liens. Borrower, at its own expense, may contest the amount, validity or application, in whole or in part, of any mechanic's, materialmen's or environmental liens in which event Lender will refrain from exercising any of the Remedies and no Event of Default shall be deemed to have occurred, provided that the following conditions are met:

(i) Borrower delivers to Lender notice of the proposed contest not more than 30 days after the lien is filed;

(ii) the contest is by a Proceeding promptly initiated and conducted in good faith and with due diligence;

(iii) the Proceeding suspends enforcement or collection of the lien, imposition of criminal or civil penalties and sale or forfeiture of the Property and Lender will not be subject to any civil suit as a result of the contest (provided, the foregoing need not be satisfied if clause (vi) is satisfied);

(iv) the Proceeding is permitted under and is conducted in accordance with the Leases and the Property Documents;

(v) Borrower sets aside reserves or furnishes a bond or other security satisfactory to Lender, in either case in an amount sufficient to pay the claim giving rise to the lien, together with all interest and penalties, or Borrower pays the contested lien under protest (provided, the foregoing need not be satisfied if clause (iii) is satisfied); and

(vi) with respect to an environmental lien, Borrower is using best efforts to mitigate or prevent any deterioration of the Property resulting from the alleged violation of any Environmental Laws or the alleged Environmental Activity.

Section 12.4 Release Rights.

(a) During the Term of the Loan, if Borrower proposes to sell any Individual Property (as applicable, a "**Release Parcel**") to a bona fide unaffiliated third party purchaser (including, without limitation, pursuant to a right of first offer, a right of first refusal or similar right in favor of a Tenant), then as limited below, Borrower will be permitted to obtain a release (a "**Release**") of the Release Parcel subject to the following conditions and limitations for each Release:

(i) The Release is solely for the purpose of a transfer of the Release Parcel to bona fide unaffiliated third party purchase;

(ii) Not less than 30 days prior to the date of the Release, Borrower delivers to Lender (i) a notice setting forth (A) the date of the Release; (B) the name of the proposed transferee; and (C) any other information Borrower determines is reasonably necessary for Lender to analyze the terms of the Release, (ii) a non-refundable fee of $15,000 for each Release; and (iii) the Valuation Report;

(iii) There is no Event of Default under the Loan Documents on either the notice date or the date of the Release;

(iv) Borrower pays all of Lender's reasonable out of pocket fees and expenses relating to the Release, including third party reports, title costs and outside counsel fees, if applicable;

(v) Borrower delivers to Lender copies of the executed documents evidencing the transfer of the Release Parcel as provided in subsection (i) above and such other information relating to the transfer of the Release Parcel as is reasonably required by Lender;

(vi) The values of the remaining Individual Properties support an average loan to value ratio of not more than 5% in excess of the loan to value ratio of such remaining Individual Properties at Closing, as set forth on **Schedule 1** attached hereto ("**LTV Threshold**"). Borrower shall provide Lender a report (the "**Valuation Report**") with respect to the value of each of the Individual Properties (other than the Release Parcel). Lender shall be entitled to object to the values set forth in such Valuation Report within 10 business days after delivery thereof ("**Lender Review Period**"). If Lender objects to the values of any Individual Property in the Valuation Report, then during the Lender Review Period, Lender shall determine its valuation of such Individual Property or Individual Properties by relying upon prior appraisals and its internal valuation metrics without obtaining new appraisals (with Net Operating Income used in such internal valuation to be calculated in accordance with Net Operating Income), provided that if Lender, after such internal valuation, determines that the remaining Individual Properties exceed the LTV Threshold, Lender shall immediately provide Borrower notice of its determination in reasonable detail prior to the expiration of the Lender Review Period. Upon delivery of such notice either Borrower or Lender may elect to engage an appraiser, at the Borrower's expense, to make a final determination of the value. The parties shall endeavor to cause the appraisal to be completed not more than 10 Business Days from the expiration of the Lender Review Period. The Lender Review Period and the appraisal determination process, if needed, shall not be more than 30 days from the date the Valuation Report is initially delivered to Lender;

(vii) The aggregate Debt Service Coverage for the 12-month period following the Release based on projected Net Operating Income for the remaining Individual

Properties exclusive of the Release Parcel will be greater than 3.55x; provided that Borrower shall have the right to prepay an additional portion of the Loan to meet the required Debt Service Coverage;

(viii) Lender receives (A) 110% of the outstanding principal amount allocated to the Release Parcel (the "**Release Amount**") to be applied to the outstanding principal balance of the Loan; (B) accrued interest on the Release Amount and all other sums due on the Loan allocated to the Release Parcel; and (C) the Prepayment Premium (for purposes of determining such Prepayment Premium (I) the "Prepayment Date Principal" shall equal the principal amount being prepaid and (II) the "Note Payment" shall mean each of (x) the scheduled Debt Service Payments (determined as if the principal balance of the Loan was equal to the Release Amount) for the period from the date of the Release through the Maturity Date and (y) the Release Amount); in connection with such payment, the payment amount in excess of the applicable Allocated Loan Amount will be applied, pro-rata, to reduce the remaining Allocated Loan Amounts, Lender will reset the Debt Service Payments based thereon, and Lender will provide a new schedule of Allocated Loan Amounts (which shall be deemed to automatically replace **Schedule 1** hereof, provided, however, that Borrower shall execute any amendment or other instrument reasonably requested by Lender to evidence the reduction in the remaining Allocated Loan Amounts as provided herein);

(ix) Borrower and, if applicable, any Indemnitor and Guarantor, shall reaffirm their obligations under the Loan Documents and shall deliver to Lender such other documents, instruments, opinions and certificates related to the Release as Lender shall deem necessary, in its reasonable discretion; and

(x) If the aggregate loan to value ratio of the Property is greater than 40%, then Lender will not be required to release an Individual Property if Leases comprising more than 40% of the annual base rent of the Property exclusive of the Release Parcel would expire during any calendar year during the remainder of the Loan term. If the aggregate loan to value ratio of the Property is less than 40%, then this provision shall not apply.

(b) In connection with any Release, the following limitations will apply:

(i) No Release will be allowed during the first twelve (12) months of the Term;

(ii) The aggregate number of Releases allowed during the Term may not exceed eight (8). If Borrower Releases eight (8) properties the remaining eight (8) shall not include the following three (3) Individual Properties: Lakewood Plaza, Dean Taylor Crossing and Richmond Plaza;

(iii) No Release will be permitted which would cause the aggregate of the Release Amounts to exceed $87,500,000.00; and

(iv) In any twelve (12) month period, there shall be no more than two (2) Releases.

Section 12.5 Substitution.

(a) During the Term of the Loan, if Borrower proposes to sell a an Individual Property (as applicable, the "**Substituted Parcel**") to a bona fide unaffiliated third party purchaser, then as limited below, Borrower will be permitted to substitute (a "**Substitution**") a parcel (the "**Substitution New Parcel**")

and obtain a release from Lender's lien for the Substituted Parcel subject to the satisfaction of the following conditions and limitations, satisfaction to be determined by Lender in its reasonable discretion except as otherwise expressly stated:

(i) Lender receives not less than 45 days' prior written notice of the Substitution, such notice to include A) a full package of information concerning the Substitution New Parcel and B) the payment of a non-refundable fee of $20,000 for each Substitution

(ii) Borrower pays, within 10 days of notice by Lender, a deposit for the costs of any appraisal, engineering or environmental reports required in connection with the Substitution in an amount reasonably determined by Lender;

(iii) There is no Event of Default under the Loan Documents on either the notice date or the date of the Substitution;

(iv) Borrower pays all of Lender's reasonable out of pocket fees and expenses relating to the Substitution, including third party reports, title costs and outside counsel fees, if applicable;

(v) Prior to release of the Substituted Parcel, Lender receives evidence satisfactory to Lender that the parcel is being sold to a bona fide unaffiliated third party purchaser;

(vi) The quality of the Substitution New Parcel is comparable to or better than the Substituted Parcel;

(vii) The appraised value of the Substitution New Parcel (as determined by an appraisal reasonably satisfactory to Lender, paid for by Borrower and prepared by an appraiser appointed by Lender) is greater than (i) the appraised value allocated to the Substituted Parcel as set forth on Schedule 1, and (ii) the purchase price of the Substituted Parcel at the time of the Substitution;

(viii) The Debt Service Coverage for the 12-month period following the Substitution based on projected Net Operating Income for the Property exclusive of the Substituted Parcel but inclusive of the Substitution New Parcel will be greater than 3.55x;

(ix) The Substitution New Parcel conforms in all respects to Lender's underwriting standards and criteria as well as such other environmental, engineering, legal or title requirements, as Lender may determine in its reasonable discretion;

(x) Borrower, and if applicable, Indemnitor and Guarantor, will reaffirm their obligations under the Loan Documents and execute and deliver appropriate amendments to the Loan Documents satisfactory to Lender making the Substitution New Parcel part of the security for the Loan, Indemnitor executes an environmental indemnity (in form and substance substantially similar to the Environmental Indemnity) with respect to the Substitution New Parcel and Lender receives such title assurances and endorsements to its existing policies confirming the priority of

its lien on the Substitution New Parcel and extending the coverage of all insurance (including endorsements) offered under the existing policies to the Substitution New Parcel, consenting to the release of the Substituted Parcel, and otherwise confirming no adverse changes in title coverage or the amount thereof;

(xi) Borrower and the Substitution New Parcel satisfy in a timely fashion each of the closing conditions required at the time of the making of the Loan that would have been applicable if the Substitution New Parcel had been included in the original Property; and

(xii) Borrower satisfies such conditions as Lender may reasonably require to the Substitution including providing any consents or approvals which may be necessary pursuant to Laws or documents affecting the Substituted Parcel

(b) In connection with any Substitution, the following limitations will apply:

(i) No more than eight (8) Substitutions will be allowed during the Term;

(ii) After giving effect to the proposed Substitution, the aggregate amount of the appraised value of the Substituted Parcel and the appraised values of Substituted Parcels released in any prior Substitutions (based on the appraised value of such Substituted Parcels as of the date hereof) shall not exceed $87,500,000.00; and

(iii) In any twelve (12) month period, there shall be no more than two (2) Substitutions.

ARTICLE XIII

ADDITIONAL REPRESENTATIONS, WARRANTIES AND COVENANTS

Section 13.1 Further Assurances.

(a) Borrower will execute, acknowledge and deliver to Lender (or any other entity Lender designates) any additional or replacement documents (other than replacement Notes) and perform any additional actions that Lender determines are reasonably necessary to evidence, perfect or protect Lender's first lien on and prior security interest in the Property.

(b) During the continuance of an Event of Default, Borrower appoints Lender as Borrower's attorney-in-fact to perform, at Lender's election, any actions and to execute and record any of the additional or replacement documents (other than replacement Notes) referred to in this Section, in each instance only at Lender's election and only to the extent Borrower has failed to comply with the terms of this Section.

Section 13.2

(a) Within 10 Business Days of Lender's request, Borrower will deliver to Lender, or to any entity Lender designates, a certificate certifying, to Borrower's knowledge, (i) the original principal amount of the Note; (ii) the unpaid principal amount of the Note; (iii) the Fixed Interest Rate; (iv) the amount of the then current Debt Service Payments; (v) the Maturity Date; (vi) the date a Debt Service Payment was last made; (vii) that, except as may be disclosed in the statement, there are no defaults or events which, with the passage of time or the giving of notice, would constitute an Event of Default; and (viii) there are no offsets or defenses against any portion of the Obligations except as may be disclosed in the statement. Except during the continuance of an Event of Default, Lender shall not request a certificate under this subsection (a) more than once every twelve (12) months.

(b) If Lender requests, Borrower promptly will use commercially reasonable efforts to deliver to Lender or to any entity Lender designates a certificate from each party to any Property Document, certifying that the Property Document is in full force and effect with no defaults or events which, with the passage of time or the giving of notice, would constitute an event of default under the Property Document and that there are no defenses or offsets against the performance of its obligations under the Property Document. Notwithstanding the foregoing, Lender hereby acknowledges that any form or specific provision regarding estoppels in a Property Document or attached shall be satisfactory. Except during the continuance of an Event of Default, Lender shall not request a certificate under this subsection (b) more than once every twelve (12) months.

(c) If Lender requests, Borrower promptly will use commercially reasonable efforts to deliver to Lender, or to any entity Lender designates, a certificate from each tenant under a Lease then affecting the Property, certifying to any facts regarding the Lease as Lender may require, including that the Lease is in full force and effect with no defaults or events which, with the passage of time or the giving of notice, would constitute an event of default under the Lease by any party, that the rent has not been paid more than one month in advance and that the tenant claims no defense or offset against the performance of its obligations under the Lease. Notwithstanding the foregoing, Lender hereby acknowledges that any form of estoppel certificate set forth in a Lease shall be satisfactory. Except during the continuance of an Event of Default, Lender shall not request a certificate under this subsection (c) more than once every twelve (12) months.

Section 13.3 Special Purpose Entity Representations, Warranties and Covenants.

Each Borrower Entity covenants and agrees for itself as follows (the use of the term "Property" herein shall refer to the applicable Individual Property, and the use of the term "Borrower" herein shall refer to the applicable Borrower Entity):

(a) is formed solely for the purpose of owning and operating the Property and is not engaged and will not engage, either directly or indirectly, in any business other than the ownership, management, leasing, financing, refinancing, development and operation of the Property, and in the case of Ardrey Kell Station, LLC to be the sole shareholder of Ardrey Kell Owner Association, Inc. ("**AKOA**");

(b) other than AKOA, does not have and will not acquire or use any assets other than the Property and personal property incidental to the business of owning and operating the Property and activities incidental thereto; without limiting the foregoing, the Property shall be operated as a single property or project, generating substantially all of Borrower's gross income, it being the intent that the Property shall constitute "single asset real estate" for purposes of Section 362(d)(3) of the Bankruptcy Code;

(c) other than in connection with a Permitted Transfer, will not liquidate or dissolve (or suffer any liquidation or dissolution), or enter into any transaction of merger or consolidation, or acquire by purchase or otherwise all or substantially all the business or assets of, or any stock or other evidence of beneficial ownership of any entity;

(d) will not, nor will any partner, limited or general, member or shareholder thereof, as applicable, violate the material terms of its partnership certificate, partnership agreement, articles of incorporation, by-laws, operating agreement, articles of organization, or other formation agreement or document, as applicable;

(e) will observe all limited liability company, limited partnership or general partnership formalities that relate to the Borrower's separateness pursuant to its formation documents, operating agreement, bylaws or partnership agreement (as the case may be) or any other organizational filing or document governing the affairs of the Borrower;

(f) other than in connection with the Loan, has not and will not guarantee, pledge its assets for the benefit of, or otherwise become obligated for the obligations of any other Person or hold out its credit or assets as being available to satisfy the obligations of any other Person except for obligations for indemnification and other obligations of the Borrower pursuant to its operating agreement, bylaws or partnership agreement, as applicable;

(g) has not incurred and will not incur any debt, secured or unsecured, direct or contingent (including guaranteeing any obligation), other than (i) the Loan, (ii) any existing loans relating to the Property that are discharged or repaid from the proceeds of the Loan, (iii) trade debt incurred in the ordinary course of business not evidenced by a note and paid in the ordinary course of Borrower's business in connection with owning, operating and maintaining the Property, provided that such indebtedness is paid within ninety (90) days of when incurred, unless being validly contested, and (iv) any other indebtedness permitted by the Loan Documents;

(h) will be and will at all times hold itself out to the public as a legal entity separate and distinct from any other entity (including, without limitation, any affiliate, limited partner, general partner or member, as applicable, or any affiliate of any limited partner, general partner or member of Borrower, as applicable), will correct any known misunderstanding concerning its separate identity, and will not identify

any other entity (including, without limitation, any affiliate, limited partner, general partner or member, or any affiliate of any limited partner, general partner or member of Borrower, as applicable) as a division or part of Borrower;

(i) will maintain and account for all assets related to the Property in such a manner that it will not be costly or difficult to segregate, ascertain or identify its assets from those of any other Person who is not obligated to repay the Loan, subject to the management and operation of the Property by the Manager from and after the date hereof using a comingled account for receipt of Rents and subsequent distribution to a central account used to pay Operating Expenses, hold reserves and otherwise conduct the business of Borrower and certain Affiliates, and starting on the date which is not later than 120 days from the date of this Agreement, using one or two accounts for the receipt of Rents (which account or accounts shall not include Rents or other funds from any other properties other than the Property), prior to the subsequent distributions to a central account used to pay Operating Expenses, hold reserves and otherwise conduct the business of Borrower and certain Affiliates;

(j) will maintain its own separate, complete and accurate accounts, books, records and financial statements complying with GAAP, provided that the Borrower's assets may be included in consolidated financial statements of its Affiliates and Borrower may be part of a consolidated federal tax return to the extent required or permitted by applicable law, including as a result of Borrower being a "disregarded entity" so long as there is an appropriate notation indicating the separate existence of the Borrower and its assets and liabilities (for the avoidance of doubt, this Section 13.3(j) shall not require any Borrower to file its own separate tax return if such Borrower is not required under applicable law to file such tax return because it is treated as a disregarded entity under applicable law or otherwise);

(k) except as permitted or required by the Loan Documents, will pay its obligations and expenses from its own funds and assets; in each case to the extent sufficient cash flow from the Property is available to Borrower;

(l) will maintain its books, records, resolutions and agreements separate and apart from those of any other person;

(m) will not have any paid manager or director for the entity and to the extent Borrower has any employees, except as permitted or required by the Loan Documents, Borrower will pay the salaries of its own employees from its own funds and in the absence of such paid employees, Borrower will obtain all necessary services through third parties or independent contractors;

(n) will conduct and operate business in its own name or in the name of the Property, will allocate fairly and reasonably any overhead for shared office space and use separate stationery, invoices and checks;

(o) other than the management agreement, and insurance obtained from Silver Rock Insurance Inc. (Guarantor's captive insurance company) will not enter into or be a party to any transaction with any Affiliate, except in the ordinary course of business and upon terms and conditions that are intrinsically fair and no less favorable to the Borrower than those that would be available on an arms-length basis with third parties;

(p) will not make loans or advance credit to any person (including Affiliates) other than to tenants of the Property in the form of tenant allowances or tenant improvements or to co-borrowers in connection with the Loan;

(q) will not take any action which, under the terms of any formation document or other applicable organizational documents, requires the unanimous consent of all directors, partners or members, as applicable, without such required vote;

(r) will not engage in, seek or consent to any dissolution, winding up, liquidation, asset sale (other than as permitted by the Loan Documents), bankruptcy or insolvency filing, or material amendment to or modification (including without limitation to any amendments or modifications of Borrower's separateness covenants) of its partnership agreement, articles of incorporation, by-laws, operating agreement, articles of organization, or other formation agreement or document, as applicable, without the required written consent of Lender;

(s) will intend to operate its business with the goal of maintaining capital which is adequate for the normal obligations reasonably foreseeable in a business of its size and character and in light of its contemplated business operations to the extent funds are available from the Property; provided that the foregoing shall not require any direct or indirect member, partner or shareholder of Borrower to make any additional capital contributions to Borrower; and

(t) will have, or if the Borrower is a partnership, the general partner of Borrower will have, organizational documents that provide that, regardless of the solvency of the Borrower, that Lender is an intended third-party beneficiary of such organizational documents.

Borrower agrees the SPE Covenants are and will continue to be defined within Borrower's (and if Borrower is a partnership, within the general partner's) organizational documents. Each Borrower Entity (a) is and shall be qualified to do business in the state or commonwealth where its applicable Individual Property is located and (b) to the extent same is a single member limited liability company, is and will continue to be duly organized and in good standing under the laws of Delaware and maintains and will continue to maintain a springing member.

ARTICLE XIV

DEFAULTS AND REMEDIES

Section 14.1 Events of Default.

(a) The term "**Event of Default**" means the occurrence of any of the following events:

(i) if Borrower fails to pay any amount due, as and when required, under any Loan Document and the failure continues for a period of three (3) Business Days after notice from Lender;

(ii) if Borrower makes a general assignment for the benefit of creditors or admits in writing in a Proceeding its inability to pay its debts as they become due; or if Borrower or any other party (other than Lender) commences any Proceeding (A) relating to bankruptcy, insolvency, reorganization, conservatorship or relief of debtors, in each instance with respect to Borrower; (B) seeking to have an order for relief entered with respect to Borrower; (C) seeking attachment, distraint or execution of a judgment with respect to Borrower; (D) seeking to adjudicate Borrower as bankrupt or insolvent; (E) seeking reorganization, arrangement, adjustment, winding-up, liquidation, dissolution, composition or other relief with respect to Borrower or Borrower's debts; or (F) seeking appointment of a Receiver, trustee, custodian, conservator or other similar

official for Borrower or for all or any substantial part of Borrower's assets, provided that if the Proceeding is commenced by a party other than Borrower or any of Borrower's general partners or members, Borrower will have 90 days to have the Proceeding dismissed or discharged before an Event of Default occurs;

(iii) if Borrower is in default beyond any applicable grace and cure period under any other mortgage, deed of trust, deed to secure debt or other security agreement encumbering the Property whether junior or senior to the lien of the Security Instrument;

(iv) if there is a default beyond any applicable grace and cure period under any indemnity or guaranty in favor of Lender delivered to Lender in connection with the Loan or in connection with any loan cross-collateralized with the Loan;

(v) if an Event of Default occurs under any other Loan Document;

(vi) if a Transfer occurs except in accordance with the provisions of this Agreement;

(vii) if there is a default in the performance of any other provision of any Loan Document or if there is any inaccuracy or falsehood in any representation or warranty contained in any Loan Document or any indemnity or guaranty in favor of Lender delivered to Lender in connection with the Loan or in connection with any loan cross-collateralized with the Loan, which is not remedied within 30 days after Borrower receives notice thereof, provided that if the default, inaccuracy or falsehood is of a nature that it cannot be cured within the 30-day period and during that period Borrower commences to cure, and thereafter diligently continues to cure, the default, inaccuracy or falsehood, then the 30-day period will be extended for a reasonable period not to exceed 120 days after the notice to Borrower or

(viii) if Borrower violates, in more than a de minimis respect, any covenant contained within Section 13.3 entitled "Special Purpose Entity Representations, Warranties and Covenants" and such violation is not cured within three (3) Business Days after receipt of notice from Lender.

Section 14.2 Acceleration. If an Event of Default occurs and is continuing, Lender may declare all or any portion of the Debt immediately due and payable ("**Acceleration**") and exercise any of the other Remedies.

Section 14.3 Remedies. If an Event of Default occurs and is continuing, Lender or any Person designated by Lender may (but shall not be obligated to) take any action (separately, concurrently, cumulatively, and at any time and in any order) permitted under any Laws, without notice, demand, presentment, or protest (all of which are hereby waived), to protect and enforce Lender's rights under any Loan Document or Laws including the actions set forth in Section 7.2 of the Security Instrument. Without limitation of the foregoing, in no event shall New York State Real Property Actions and Proceedings Law §§1301 or 1371 (or any respective successor statute thereto) be interpreted (by the parties hereto or by any court in any jurisdiction, whether in the State of New York or elsewhere) to so restrict or prohibit any such actions by Lender.

ARTICLE XV

LIMITATION OF LIABILITY

Section 15.1 Limitation of Liability.

(a) Notwithstanding any provision in the Loan Documents to the contrary, except as set forth in subsections (b) and (c), if Lender seeks to enforce the collection of the Debt, Lender will foreclose the Security Instrument instead of instituting suit on the Note. If a lesser sum is realized from a foreclosure of the Security Instrument and sale of the Property than the then outstanding Debt, Lender will not institute any Proceeding against Borrower for or on account of the deficiency, except as set forth in subsections (b) and (c).

(b) The limitation of liability in subsection (a) will not affect or impair (i) the lien of the mortgages and deed of trusts or Lender's other rights and remedies under the Loan Documents, including Lender's right as mortgagee or secured party to commence an action to foreclose any lien or security interest Lender has under the Loan Documents; (ii) the validity of the Loan Documents or the obligations of Borrower thereunder; (iii) Lender's rights under any Loan Documents that are not expressly non-recourse; or (iv) Lender's right to present and collect on any letter of credit or other credit enhancement document held by Lender in connection with the Obligations.

(c) The following are excluded and excepted from the limitation of liability in subsection (a) and Lender may recover personally against Borrower for the following:

(i) all losses actually suffered and liabilities and expenses actually incurred by Lender (but excluding any consequential, special, punitive or exemplary damages or diminution in value) relating to any fraud, intentional misrepresentation or omission by Borrower in connection with (A) the performance of any of the conditions to Lender making the Loan; (B) any inducements to Lender to make the Loan; (C) the execution and delivery of the Loan Documents; (D) any certificates, representations or warranties given in connection with the Loan; or (E) Borrower's performance of the obligations under the Loan Documents;

(ii) distribution of Rents derived from the Property or amounts that are on deposit in one or more accounts used by or on behalf of Borrower relating to the operation of the Property to Borrower's members after an Event of Default under the Loan Documents which Event of Default is a basis of a proceeding by Lender to enforce the collection of the Loan;

(iii) the cost of remediation of any Environmental Activity (as defined in the Loan Documents) affecting the Property and any other losses actually suffered and liabilities and expenses actually incurred by Lender (but excluding any consequential, special, punitive or exemplary damages or diminution in value of the Property that was not caused by the acts or omissions of Borrower) relating to a default under any Article entitled "Environmental" contained in the Loan Documents;

(iv) misapplication or misappropriation of any security deposits collected by Borrower or letter of credit or advance rents held by Borrower, to the extent of the amount misapplied or misappropriated;

(v) any Termination Fee received by Borrower in connection with the termination, cancellation or surrender of the leased premises by a Major Tenant after an Event of Default under the Loan Documents which Event of Default is a basis of a proceeding by Lender to enforce the collection of the Loan, which is not paid to Lender (or an escrow agent selected by Lender) in accordance with the terms and conditions of this Agreement, to the extent of the portion of such Termination Fee received and not paid over to Lender to be held in accordance with this Agreement;

(vi) the replacement cost of any Fixtures and Personal Property removed from the Property after an Event of Default occurs other than in the ordinary course of repair and maintenance and which are not replaced by items of similar value and function;

(vii) all losses actually suffered and liabilities and expenses actually incurred by Lender (but excluding any consequential, special, punitive or exemplary damages or diminution in value) relating to any waste by Borrower; provided the failure of to restore, repair or maintain the Property shall not constitute waste if gross revenue, after payment of Debt Service on the Loan and all Operating Expenses, is not available to Borrower or is not sufficient to pay the same;

(viii) all mechanics' or similar liens relating to work performed on or materials delivered to the Property prior to Lender exercising its Remedies but only to the extent Lender had advanced funds to Borrower pay for the work or materials;

(ix) all losses suffered and liabilities and expenses incurred by Lender relating to any default by Borrower under any of the provisions of the Loan Documents relating to ERISA;

(x) all losses suffered and liabilities and expenses incurred by Lender relating to any default under any of the provisions of the Loan Documents relating to Anti-Terrorism Laws or money laundering;

(xi) all losses suffered and liabilities and expenses incurred by Lender relating to any default by Borrower under any of the provisions of the Loan Documents requiring Borrower to provide prior notice to Lender of any change in the Borrower's legal name, place of business or state of organization/formation;

(xii) misapplication or misappropriation of Proceeds to the extent of the amount misapplied or misappropriated;

(xiii) all losses actually suffered and liabilities and expenses actually incurred by Lender (but excluding any consequential, special, punitive or exemplary damages or diminution in value) relating to the failure to maintain, or to pay the Insurance Premiums for, any insurance required to be maintained under the Loan Documents, but solely to the extent the Property generated sufficient net cash flow to pay such Insurance Premiums; provided, however, that notwithstanding anything contained in the Loan Documents to the contrary, Borrower shall not have any liability under this clause if the reserves held by the Lender contains sufficient funds to pay such Insurance Premiums but Lender failed to pay such Insurance Premiums;

(xiv) all losses actually incurred by Lender (but excluding any consequential, special, punitive or exemplary damages or diminution in value) relating to Borrower

interference, disturbance contest, obstruction or hindrance Lender's exercise of any of its rights or remedies under any of the Loan Documents upon an Event of Default in bad faith;

(xv) all losses suffered and liabilities and expenses incurred by Lender relating to the Borrower's failure to pay Taxes and Assessments in accordance with the Loan Documents, but solely to the extent the Property generated sufficient net cash flow to pay such Taxes and Assessments after payment of Debt Service; provided, however, that notwithstanding anything contained in the Loan Documents to the contrary, Borrower shall not have any liability under this clause if the reserves held by the Lender contains sufficient funds to pay such Taxes and Assessments but Lender failed to pay same; and

(xvi) all losses actually suffered and liabilities and expenses actually incurred by Lender as a result of third party claims arising out of (i) the use and occupancy of the property located at 237 Grand Heights Dr., Cary, NC, commonly known Harrison Pointe Center, by Matthew Durand d/b/a Giggles Drop-In Childcare, its successors and assigns, as a daycare facility, and (ii) the use and occupancy of any other portion of the Property used as a daycare facility.

(d) Notwithstanding the foregoing, the limitation of liability subparagraph (a) above SHALL BECOME NULL AND VOID and shall be of no further force and effect and Lender may recover personally against Guarantor and Borrower, in the event of (i) a voluntary bankruptcy or insolvency proceeding of Borrower if such proceeding is not dismissed in accordance with the terms of the Loan Documents, (ii) an involuntary bankruptcy or insolvency proceeding of Borrower, in which Borrower colludes with creditors (other than Lender) in such bankruptcy or insolvency proceeding if such proceeding is not dismissed in accordance with the terms of the Loan Documents, (iii) a default by of any of the covenants or requirements contained in the Loan Agreement in the section entitled "Special Purpose Entity Representations, Warranties and Covenants" (the "**SPE Covenants**"), provided that liability for a breach of an SPE Covenant under this clause (iii) shall be limited to any losses or liabilities actually suffered by Lender (but excluding any consequential, special, punitive or exemplary damages or diminution in value) unless such breach is the basis in whole or in part for the substantive consolidation of Borrower in a bankruptcy action, or (iv) a transfer of the Property that is not permitted under the section of the Loan Agreement entitled "Permitted Transfers".

(e) Nothing under subparagraph (a) above will be deemed to be a waiver of any right which Lender may have under Section 506(a), 506(b), 1111(b) or any other provisions of the Bankruptcy Code or under any other Law relating to bankruptcy or insolvency to file a claim for the full amount of the Debt or to require that all collateral will continue to secure all of the Obligations in accordance with the Loan Documents.

(f) Notwithstanding anything to the contrary contained herein, no present or future, direct or indirect, shareholder, officer, director, employee, trustee, beneficiary, advisor, member, partner, principal, participant or agent of or in Borrower ("**Constituent Member**"), or of or in any Person that is or becomes a Constituent Member in Borrower (other than Guarantor under the Carveout Guaranty or Indemnitor under the Environmental Indemnity), shall have any personal liability, directly or indirectly, under or in connection with this Agreement, the Loan Documents, or any amendment or amendments to any of the foregoing made at any time or times, heretofore or hereafter, and each of the parties hereto, on behalf of itself and its successors and assigns, hereby waives any and all such personal liability. For purposes hereof, to the extent applicable, neither the negative capital account of any Constituent Member in Borrower, nor any obligation of any Constituent Member in Borrower to restore a negative capital account or to contribute or loan capital to Borrower or to any other Constituent Member in Borrower shall at any time be deemed to be the property or an asset of Borrower (or any such other Constituent Member) and neither Lender nor any of its successors

or assigns shall have any right to collect, enforce or proceed against with respect to any such negative capital account or obligation to restore, contribute or loan.

ARTICLE XVI

WAIVERS

Section 16.1 **INTENTIONALLY OMITTED.**

Section 16.2 **WAIVER OF NOTICE. BORROWER WAIVES THE RIGHT TO RECEIVE ANY NOTICE FROM LENDER WITH RESPECT TO THE LOAN DOCUMENTS EXCEPT FOR THOSE NOTICES THAT LENDER IS EXPRESSLY REQUIRED TO DELIVER PURSUANT TO THE LOAN DOCUMENTS.**

Section 16.3 **WAIVER OF MARSHALLING AND OTHER MATTERS. TO THE EXTENT PERMITTED BY LAW, BORROWER WAIVES THE BENEFIT OF ANY RIGHTS OF MARSHALLING OR ANY OTHER RIGHT TO DIRECT THE ORDER IN WHICH ANY OF THE PROPERTY WILL BE (i) SOLD; OR (ii) MADE AVAILABLE TO ANY ENTITY IF THE PROPERTY IS SOLD BY POWER OF SALE OR PURSUANT TO A JUDGMENT OF FORECLOSURE AND SALE IN EACH CASE TO THE EXTENT PERMITTED BY LAW. TO THE EXTENT PERMITTED BY LAW, BORROWER ALSO WAIVES THE BENEFIT OF ANY LAWS RELATING TO APPRAISEMENT, VALUATION, STAY, EXTENSION, REINSTATEMENT, MORATORIUM, HOMESTEAD AND EXEMPTION RIGHTS OR A SALE IN INVERSE ORDER OF ALIENATION.**

Section 16.4 **WAIVER OF TRIAL BY JURY. EACH OF BORROWER AND LENDER WAIVES TRIAL BY JURY IN ANY PROCEEDING BROUGHT BY OR AGAINST, OR COUNTERCLAIM OR CROSS-COMPLAINT ASSERTED BY OR AGAINST, LENDER OR BORROWER, AS APPLICABLE, OR RELATING TO THE LOAN, THE PROPERTY DOCUMENTS OR THE LEASES.**

Section 16.5 **WAIVER OF COUNTERCLAIM. BORROWER WAIVES THE RIGHT TO ASSERT A COUNTERCLAIM OR CROSS-COMPLAINT, OTHER THAN COMPULSORY OR MANDATORY COUNTERCLAIMS OR CROSS-COMPLAINTS OR COMPLAINTS BROUGHT IN GOOD FAITH, IN ANY PROCEEDING LENDER BRINGS AGAINST BORROWER RELATING TO THE LOAN, INCLUDING ANY PROCEEDING TO ENFORCE REMEDIES.**

Section 16.6 **WAIVER OF JUDICIAL NOTICE AND HEARING. TO THE EXTENT PERMITTED BY LAW, BORROWER WAIVES ANY RIGHT BORROWER MAY HAVE UNDER LAW TO NOTICE OR TO A JUDICIAL HEARING PRIOR TO THE EXERCISE OF ANY RIGHT OR REMEDY PROVIDED BY THE LOAN DOCUMENTS TO LENDER AND BORROWER WAIVES THE RIGHTS, IF ANY, TO SET ASIDE OR INVALIDATE ANY SALE DULY CONSUMMATED IN ACCORDANCE WITH THE PROVISIONS OF THE LOAN DOCUMENTS ON THE GROUND (IF SUCH BE THE CASE) THAT THE SALE WAS CONSUMMATED WITHOUT A PRIOR JUDICIAL HEARING.**

Section 16.7 **WAIVER OF SUBROGATION. BORROWER WAIVES ALL RIGHTS OF SUBROGATION TO LENDER'S RIGHTS OR CLAIMS RELATED TO OR AFFECTING THE PROPERTY OR ANY OTHER SECURITY FOR THE LOAN UNTIL THE LOAN IS PAID IN FULL AND ALL FUNDING OBLIGATIONS UNDER THE LOAN DOCUMENTS HAVE BEEN TERMINATED.**

Section 16.8 **GENERAL WAIVER. BORROWER ACKNOWLEDGES THAT (A) BORROWER ENTITIES, ARE KNOWLEDGEABLE BORROWERS OF COMMERCIAL FUNDS AND EXPERIENCED REAL ESTATE DEVELOPERS OR INVESTORS WHO UNDERSTAND FULLY THE EFFECT OF THE ABOVE PROVISIONS; (B) LENDER WOULD NOT MAKE THE LOAN WITHOUT THE PROVISIONS OF THIS ARTICLE; (C) THE LOAN IS A COMMERCIAL OR BUSINESS LOAN UNDER THE LAWS OF THE STATE OR COMMONWEALTH WHERE THE PROPERTY IS LOCATED, NEGOTIATED BY LENDER AND BORROWER AND THEIR RESPECTIVE ATTORNEYS AT ARMS LENGTH; AND (D) ALL WAIVERS BY BORROWER IN THIS ARTICLE HAVE BEEN MADE VOLUNTARILY, INTELLIGENTLY AND KNOWINGLY, AFTER BORROWER FIRST HAS BEEN INFORMED BY COUNSEL OF BORROWER'S OWN CHOOSING AS TO POSSIBLE ALTERNATIVE RIGHTS, AND HAVE BEEN MADE AS AN INTENTIONAL RELINQUISHMENT AND ABANDONMENT OF A KNOWN RIGHT AND PRIVILEGE. THE FOREGOING ACKNOWLEDGMENT IS MADE WITH THE INTENT THAT LENDER AND ANY SUBSEQUENT HOLDER OF THE NOTE OR OTHER LOAN DOCUMENTS WILL RELY ON THE ACKNOWLEDGMENT.**

ARTICLE XVII

NOTICES

Section 17.1 Notices. All acceptances, approvals, consents, demands, notices, requests, waivers and other communications (the "**Notices**") required or permitted to be given under the Loan Documents must be in writing and (a) delivered personally by a process server providing a sworn declaration evidencing the date of service, the individual served, and the address where the service was made; (b) sent by certified mail, return receipt requested; or (c) delivered by nationally recognized overnight delivery service that provides evidence of the date of delivery (for next morning delivery if sent by overnight delivery service), in all cases with charges prepaid, addressed to the appropriate party at its address listed below:

If to Lender	Teachers Insurance and Annuity Association of America 730 Third Avenue New York, New York 10017 Attention: Senior Director, Head of Loan Closing/ Asset Management Global Real Estate TIAA Authorization #AAA-7887 Investment ID #0008464
with a copy to:	Teachers Insurance and Annuity Association of America 730 Third Avenue New York, New York 10017 Attention: Associate General Counsel, Director Asset Management Law TIAA Authorization #AAA-7887 Investment ID #0008464
And	Commercial Loan Services 929 Gessner, Suite 1740 Houston, Texas 77024 Attention: Chief Legal Officer
And:	Seyfarth Shaw LLP 620 Eighth Avenue New York, New York 10018 Attn: Eric Sidman, Esq.
If to Borrower:	c/o Phillips Edison 11501 Northlake Dr. Cincinnati, Ohio 45249 Attention: Todd Pleiman
And:	c/o Phillips Edison 11501 Northlake Dr. Cincinnati, Ohio 45249 Attention: Chief Accounting Officer
And:	c/o Phillips Edison 11501 Northlake Dr. Cincinnati, Ohio 45249 Attention: General Counsel
with a copy to:	Latham & Watkins LLP 330 N. Wabash Street, Suite 2800 Chicago, Illinois 60611 Attn: Robert Buday

Lender and Borrower each may change from time to time the address to which Notices must be sent, by notice given in accordance with the provisions of this Section. All Notices given in accordance with the provisions of this Section will be deemed to have been received on the earliest of (i) actual receipt; (ii) Borrower's rejection of delivery; or (iii) 3 Business Days after having been deposited in any mail depository regularly maintained by the United States postal service, if sent by certified mail, or 1 Business Day after having been deposited with a nationally recognized overnight delivery service, if sent by overnight delivery or on the date of personal service, if served by a process server.

Section 17.2 Change in Borrower's Legal Name, Place of Business or State of Formation. Borrower will notify Lender in writing prior to any change in Borrower's legal name, place of business or state or commonwealth of organization, including as a result of, or in connection with, any Transfer, including any Permitted Transfer.

ARTICLE XVIII

MISCELLANEOUS

Section 18.1 Applicable Law. THE LOAN AGREEMENT IS GOVERNED BY AND WILL BE CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK APPLICABLE TO CONTRACTS MADE AND PERFORMED IN SUCH STATE (WITHOUT REGARD TO PRINCIPLES OF CONFLICT OF LAWS (OTHER THAN SECTION 5-1401 OF THE NEW YORK GENERAL OBLIGATIONS LAW) THAT WOULD REQUIRE THE APPLICATION OF THE LAWS OF ANOTHER JURISDICTION.

ANY LEGAL SUIT, ACTION OR PROCEEDING AGAINST LENDER OR BORROWER ARISING OUT OF OR RELATING TO THIS LOAN AGREEMENT, THE NOTE, THE SECURITY INSTRUMENT OR ANY OTHER LOAN DOCUMENTS MAY BE INSTITUTED IN ANY FEDERAL OR STATE COURT IN THE CITY OF NEW YORK COUNTY AND STATE OF NEW YORK, PURSUANT TO SECTION 5-1402 OF THE NEW YORK GENERAL OBLIGATIONS LAW OR, AS TO THE NOTE, SECURITY INSTRUMENT OR ASSIGNMENT, IN THE APPLICABLE FEDERAL OR STATE COURT IN THE COUNTY AND STATE IN WHICH THE APPLICABLE INDIVIDUAL PROPERTY IS LOCATED, AND BORROWER AND LENDER WAIVE ANY OBJECTIONS WHICH THEY MAY NOW OR HEREAFTER HAVE BASED ON VENUE AND/OR FORUM NON-CONVENIENS OF ANY SUCH SUIT, ACTION OR PROCEEDING, AND BORROWER AND LENDER HEREBY IRREVOCABLY SUBMIT TO THE JURISDICTION OF ANY SUCH COURT IN ANY SUIT, ACTION OR PROCEEDING.

Section 18.2 Usury Limitations. Borrower and Lender intend to comply with all Laws with respect to the charging and receiving of interest. Any amounts charged or received by Lender for the use or forbearance of the Principal to the extent permitted by Law, will be amortized and spread throughout the Term until payment in full so that the rate or amount of interest charged or received by Lender on account of the Principal does not exceed the Maximum Interest Rate. If any amount charged or received under the Loan Documents that is deemed to be interest is determined to be in excess of the amount permitted to be charged or received at the Maximum Interest Rate, the excess will be deemed to be a prepayment of Principal when paid, without premium, and any portion of the excess not capable of being so applied will be refunded to Borrower. If during the Term the Maximum Interest Rate, if any, is eliminated, then for the purposes of the Loan, there will be no Maximum Interest Rate.

Section 18.3 Lender's Discretion. Wherever under the Loan Documents any matter is required to be satisfactory to Lender, Lender has the right to approve or determine any matter or Lender has an election, Lender's approval, determination or election will be made in Lender's reasonable discretion unless expressly provided to the contrary.

Section 18.4 Unenforceable Provisions. If any provision in the Loan Documents is found to be illegal or unenforceable or would operate to invalidate any of the Loan Documents, then the provision will be deemed expunged and the Loan Documents will be construed as though the provision was not contained in the Loan Documents and the remainder of the Loan Documents will remain in full force and effect.

Section 18.5 Survival of Borrower's Obligations. Borrower's representations, warranties and covenants contained in the Loan Documents will survive (i) satisfaction of the Obligations; (ii) release of the lien of the Security Instrument; (iii) assignment or other transfer of all or any portion of Lender's interest in the Loan Documents or the Property; (iv) Lender's exercise of any of the Remedies or any of Lender's other rights under the Loan Documents; (v) a Transfer; (vi) amendments to the Loan Documents; and (vii) any other act or omission that might otherwise be construed as a release or discharge of Borrower, to the extent such representations, warranties and covenants relate to the period prior to repayment of the Debt.

Section 18.6 Relationship Between Borrower and Lender; No Third Party Beneficiaries.

(a) Lender is not a partner of or joint venturer with Borrower or any other Person as a result of the Loan or Lender's rights under the Loan Documents; the relationship between Lender and Borrower is strictly that of creditor and debtor. Each Loan Document is an agreement between the parties to that Loan Document for the mutual benefit of the parties and no entities other than the parties to that Loan Document will be a third party beneficiary or will have any claim against Lender or Borrower by virtue of the Loan Document. As between Lender and Borrower, any actions taken by Lender under the Loan Documents will be taken for Lender's protection only, and Lender has not and will not be deemed to have assumed any responsibility to Borrower or to any other Person by virtue of Lender's actions.

(b) All conditions to Lender's performance of its obligations under the Loan Documents are imposed solely for the benefit of Lender. No Person other than Lender will have standing to require satisfaction of the conditions in accordance with their provisions or will be entitled to assume that Lender will refuse to perform its obligations in the absence of strict compliance with any of the conditions.

Section 18.7 Partial Releases; Extensions; Waivers. Lender may: (i) release any part of the Property; provided such Property is still included in the definition of Operating Income or any Person obligated for any of the Obligations; (ii) extend the time for payment or performance of any of the Obligations or otherwise amend the provisions for payment or performance by agreement with any Person that is obligated for the Obligations or that has an interest in the Property; (iii) accept additional security for the payment and performance of the Obligations; and (iv) waive any Person's performance of an Obligation, release any Person now or in the future liable for the performance of the Obligation or waive the exercise of any Remedy or option. Lender may exercise any of the foregoing rights without notice, without regard to the amount of any consideration given, without affecting the priority of the Loan Documents, without releasing any Person not specifically released from its obligations under the Loan Documents, without releasing any guarantor(s) or surety(ies) of any of the Obligations, without effecting a novation of the Loan Documents and, with respect to a waiver, without waiving future performance of the Obligation or exercise of the Remedy waived.

Section 18.8 Service of Process. Borrower irrevocably consents to service of process by registered or certified mail, postage prepaid, return receipt requested, to Borrower at its address set forth in the Article entitled "**Notices**".

Section 18.9 Entire Agreement. Oral agreements or commitments between Borrower and Lender to lend money, to extend credit or to forbear from enforcing repayment of a debt, including promises to extend or renew the debt, are not enforceable. Any agreements between Borrower and Lender relating to the Loan are contained in the Loan Documents, which contain the complete and exclusive statement of the agreements between Borrower and Lender, except as Borrower and Lender may later agree in writing to amend the Loan Documents. The language of each Loan Document will be construed as a whole according to its fair meaning and will not be construed against the party by or for whom it was drafted.

Section 18.10 No Oral Amendment. The Loan Documents may not be amended, waived or terminated orally or by any act or omission made individually by Borrower or Lender but may be amended, waived or terminated only by a written document signed by the party against which enforcement of the amendment, waiver or termination is sought.

Section 18.11 Lost or Destroyed Note. If the Note is lost, mutilated, destroyed or stolen, Borrower will deliver to Lender a new, substitute note containing the same provisions as the Note, provided that Borrower is furnished with reasonably satisfactory evidence of the loss, mutilation, destruction or theft of the Note and a customary lost note indemnity from Lender.

Section 18.12 Time of the Essence. Time is of the essence with respect to Borrower's payment and performance of the Obligations and Lender's obligations under this Loan Agreement.

Section 18.13 Subrogation. If the Principal or any other amount advanced by Lender is used directly or indirectly to pay off, discharge or satisfy all or any part of an encumbrance affecting the Property, then Lender is subrogated to the encumbrance and to any security held by the holder of the encumbrance, all of which will continue in full force and effect in favor of Lender as additional security for the Obligations.

Section 18.14 Joint and Several Liability. If Borrower consists of more than one Person, the obligations and liabilities of each such Person under this Loan Agreement are joint and several.

Section 18.15 Successors and Assigns. The Loan Documents bind the parties to the Loan Documents and their respective successors, assigns, heirs, administrators, executors, agents and representatives and inure

to the benefit of Lender and its successors, assigns, heirs, administrators, executors, agents and representatives; provided that Lender shall not transfer, assign or otherwise convey the Loan or sell any participations in the Loan to any Person who directly or through its Affiliates has its primary business as an owner/operator of retail shopping centers; provided that any Institutional Investor who originates mortgage loans who also has an Affiliate that is an owner/operator of retail shopping centers shall not be prohibited from being a transferee of the Loan.

Section 18.16 Duplicates and Counterparts. Duplicate counterparts of any of the Loan Documents, other than the Note, may be executed and together will constitute a single original document.

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[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, Borrower and Lender have executed and delivered this Loan Agreement as of the date first set forth above.

BORROWER:

ARDREY KELL STATION LLC
a Delaware limited liability company

By: Phillips Edison Grocery Center Operating Partnership I, L.P.
a Delaware limited partnership, its sole member

By: Phillips Edison Grocery Center OP GP I LLC,
a Delaware limited liability company,
Its General Partner

By: */s/ Robert Myers*
Name: Robert Myers
Title: Vice President

CUSHING STATION LLC
a Delaware limited liability company

By: Phillips Edison Grocery Center Operating Partnership I, L.P.
a Delaware limited partnership, its sole member

By: Phillips Edison Grocery Center OP GP I LLC,
a Delaware limited liability company,
Its General Partner

By: */s/ Robert Myers*
Name: Robert Myers
Title: Vice President

DEAN TAYLOR STATION LLC
a Delaware limited liability company

By: Phillips Edison Grocery Center Operating Partnership I, L.P.
a Delaware limited partnership, its sole member

By: Phillips Edison Grocery Center OP GP I LLC,
a Delaware limited liability company,
Its General Partner

By: */s/ Robert Myers*
Name: Robert Myers
Title: Vice President

DEERWOOD LAKE STATION LLC
a Delaware limited liability company

By: Phillips Edison Grocery Center Operating Partnership I, L.P.
a Delaware limited partnership, its sole member

By: Phillips Edison Grocery Center OP GP I LLC,
a Delaware limited liability company,
Its General Partner

By: */s/ Robert Myers*
Name: Robert Myers
Title: Vice President

GOOLSBY POINTE STATION LLC
a Delaware limited liability company

By: Phillips Edison Grocery Center Operating Partnership I, L.P.
a Delaware limited partnership, its sole member

By: Phillips Edison Grocery Center OP GP I LLC,
a Delaware limited liability company,
Its General Partner

By: */s/ Robert Myers*
Name: Robert Myers
Title: Vice President

HAMILTON VILLAGE STATION LLC
a Delaware limited liability company

By: Phillips Edison Grocery Center Operating Partnership I, L.P.
a Delaware limited partnership, its sole member

By: Phillips Edison Grocery Center OP GP I LLC,
a Delaware limited liability company,
Its General Partner

By: */s/ Robert Myers*
Name: Robert Myers
Title: Vice President

HARRISON POINTE STATION LLC
a Delaware limited liability company

By: Phillips Edison Grocery Center Operating Partnership I, L.P.
a Delaware limited partnership, its sole member

By: Phillips Edison Grocery Center OP GP I LLC,
a Delaware limited liability company,
Its General Partner

By: */s/ Robert Myers*
Name: Robert Myers
Title: Vice President

LAKEWOOD STATION LLC
a Delaware limited liability company

By: Phillips Edison Grocery Center Operating Partnership I, L.P.
a Delaware limited partnership, its sole member

By: Phillips Edison Grocery Center OP GP I LLC,
a Delaware limited liability company,
Its General Partner

By: */s/ Robert Myers*
Name: Robert Myers
Title: Vice President

NORTHRIDGE STATION LLC
a Delaware limited liability company

By: Phillips Edison Institutional REIT LLC, a Delaware limited liability company
Its Sole Member

By: Phillips Edison Institutional Joint Venture I, L.P., a Delaware limited partnership
Its: Managing Member

By: PAI GP LLC, a Delaware limited liability company
Its: General Partner

By: Phillips Edison Grocery Center Operating Partnership I, L.P., a Delaware limited partnership
Its: Sole Member

By: Phillips Edison Grocery Center OP GP I LLC, a Delaware limited liability company
Its: General Partner

By: */s/ Robert Myers*
Name: Robert Myers
Title: Vice President

NORTHTOWNE STATION LLC
a Delaware limited liability company

By: Phillips Edison Institutional REIT LLC, a Delaware limited liability company
Its Sole Member

By: Phillips Edison Institutional Joint Venture I, L.P., a Delaware limited partnership
Its: Managing Member

By: PAI GP LLC, a Delaware limited liability company
Its: General Partner

By: Phillips Edison Grocery Center Operating Partnership I, L.P., a Delaware limited partnership
Its: Sole Member

By: Phillips Edison Grocery Center OP GP I LLC, a Delaware limited liability company
Its: General Partner

By: */s/ Robert Myers*
Name: Robert Myers
Title: Vice President

RED MAPLE STATION LLC
a Delaware limited liability company

By: Phillips Edison Grocery Center Operating Partnership I, L.P.
a Delaware limited partnership, its sole member

By: Phillips Edison Grocery Center OP GP I LLC,
a Delaware limited liability company,
Its General Partner

By: */s/ Robert Myers*
Name: Robert Myers
Title: Vice President

RICHMOND STATION LLC
a Delaware limited liability company

By: Phillips Edison Institutional REIT LLC, a Delaware limited liability company
Its Sole Member

By: Phillips Edison Institutional Joint Venture I, L.P., a Delaware limited partnership
Its: Managing Member

By: PAI GP LLC, a Delaware limited liability company
Its: General Partner

By: Phillips Edison Grocery Center Operating Partnership I, L.P., a Delaware limited partnership
Its: Sole Member

By: Phillips Edison Grocery Center OP GP I LLC, a Delaware limited liability company
Its: General Partner

By: */s/ Robert Myers*
Name: Robert Myers
Title: Vice President

SAVAGE STATION LLC
a Delaware limited liability company

By: Phillips Edison Grocery Center Operating Partnership I, L.P.
a Delaware limited partnership, its sole member

By: Phillips Edison Grocery Center OP GP I LLC,
a Delaware limited liability company,
Its General Partner

By: */s/ Robert Myers*
Name: Robert Myers
Title: Vice President

STERLING POINT STATION LLC
a Delaware limited liability company

By: Phillips Edison Grocery Center Operating Partnership I, L.P.
a Delaware limited partnership, its sole member

By: Phillips Edison Grocery Center OP GP I LLC,
a Delaware limited liability company,
Its General Partner

By: */s/ Robert Myers*
Name: Robert Myers
Title: Vice President

STOCKBRIDGE STATION LLC
a Delaware limited liability company

By: Phillips Edison Grocery Center Operating Partnership I, L.P.
a Delaware limited partnership, its sole member

By: Phillips Edison Grocery Center OP GP I LLC,
a Delaware limited liability company,
Its General Partner

By: */s/ Robert Myers*
Name: Robert Myers
Title: Vice President

STOCKBRIDGE STATION OUTPARCEL LLC
a Delaware limited liability company

By: Phillips Edison Grocery Center Operating Partnership I, L.P.
a Delaware limited partnership, its sole member

By: Phillips Edison Grocery Center OP GP I LLC,
a Delaware limited liability company,
Its General Partner

By: */s/ Robert Myers*
Name: Robert Myers
Title: Vice President

WEST CREEK STATION LLC
a Delaware limited liability company

By: Phillips Edison Grocery Center Operating Partnership I, L.P.
a Delaware limited partnership, its sole member

By: Phillips Edison Grocery Center OP GP I LLC,
a Delaware limited liability company,
Its General Partner

By: */s/ Robert Myers*
Name: Robert Myers
Title: Vice President

LENDER:

TEACHERS INSURANCE AND ANNUITY ASSOCIATION OF AMERICA,
a New York corporation

By: */s/ Diedre M. Davis*
Name: Diedre M. Davis
Title: Director

FORM OF

DEED OF TRUST, ASSIGNMENT OF LEASES AND RENTS, SECURITY AGREEMENT AND FIXTURE FILING

by

[_____], as Grantor,

to

FIRST AMERICAN TITLE INSURANCE CO., as Trustee,

for the benefit of

THE GUARDIAN LIFE INSURANCE COMPANY OF AMERICA, as Beneficiary

Location: [_____]

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THIS DEED OF TRUST, ASSIGNMENT OF LEASES AND RENTS, SECURITY AGREEMENT AND FIXTURE FILING (as amended, modified, extended, renewed, restated or supplemented from time to time, this "**Instrument**") is dated the ___ day of _____, 2017, to be effective on the ____ day of October, 2017, by [_____], a [_____] limited liability company, having its chief executive office and place of business at 11501 Northlake Drive, Cincinnati, Ohio 45249, as grantor ("**Borrower**"), to FIRST AMERICAN TITLE INSURANCE CO., having an address at 200 SW Market Street, Suite 250, Portland, OR 97201, as trustee, for the benefit of THE GUARDIAN LIFE INSURANCE COMPANY OF AMERICA, a New York corporation, having an office at 7 Hanover Square, New York, New York 10004, its successors and assigns, as beneficiary ("**Lender**").

RECITALS

A. Lender has made a loan to Borrower in the original principal amount of [_____] Dollars ($[_____]) (the "**Loan**"), which Loan is evidenced by a Promissory Note dated the date hereof made by Borrower and payable to Lender in the principal amount of the Loan (as amended, modified, extended, renewed, restated or supplemented from time to time, the "**Note**").

B. Borrower has entered into this Instrument to secure the payment of the Note and the payment and performance of all of the other Obligations (as defined in Annex A hereto).

C. For purposes of this Instrument, capitalized terms used herein and not otherwise defined shall have the respective meanings set forth in Annex A hereto, and the rules of construction set forth in Annex A shall govern the interpretation of this Instrument.

ARTICLE I - GRANTING PROVISIONS

Section 1.01 Grant. In consideration of the principal sum of the Note, and other good and valuable consideration, the receipt and sufficiency of which are acknowledged, Borrower hereby grants, bargains, sells, assigns, transfers, pledges, mortgages, warrants, and conveys to Trustee, for the benefit of Lender, all right, title, and interest of Borrower in, to, and under the following to the extent assignable (collectively, the "**Property**"):

(a) the Land;

(b) the Improvements;

(c) all easements, estates, and interests including hereditaments, servitudes, appurtenances, tenements, mineral and oil/gas rights, water rights, air rights, development power or rights, options, reversion and remainder rights, all land lying within the rights-of-way, roads, or streets, open or proposed, adjoining the Land to the center line thereof, and all sidewalks, alleys, and strips and gores of land adjacent to or used in connection with the Property, and any other rights owned by Borrower and relating to or usable in connection with or for access to the Property;

(d) all plans, specifications, surveys, studies, reports, Permits, agreements, contracts, instruments, books of account, insurance policies, and any other documents in each case relating to the ownership, use, development, construction, occupancy, leasing, maintenance, marketing, sale or operation of the Property;

(e) all of the fixtures and tangible Personal Property and substitutions and replacements thereof, but excluding all Personal Property owned by any Tenant;

(f) all proceeds (including conversion to cash or liquidation claims) of (i) insurance for or relating to the Property (whether or not such insurance is required hereunder), including any Rent Loss Insurance; and (ii) all Awards;

(g) all tax refunds, including interest thereon, tax rebates, tax credits, and tax abatements, and the right to receive the same, which may be payable or available with respect to the Property (except, in each case, for income taxes and franchise taxes);

(h) all Leases, including all guaranties thereof;

(i) all Rents and all proceeds from the cancellation, termination, surrender, sale, transfer or other disposition of the Leases;

(j) all names under or by which the Property may at any time be operated or known, and all rights to carry on business under any such names or any variant thereof, and all trademarks, trade names, patents pending and goodwill associated with the Property, other than any names, trademarks, trade names, patents containing "Phillips Edison" or any derivation thereof;

(k) all permits, licenses, franchises, authorizations, warranties, guaranties, and indemnities (including, without limitation, those for construction, workmanship, materials, and performance) that exist, or may hereafter exist, from, by, or against any contractor, subcontractor, manufacturer, supplier, laborer, or other service provider relating to the Property; and

(l) all of Borrower's other rights and privileges heretofore or hereafter otherwise arising in connection with or pertaining to the Property, including (i) all water and/or sewer capacity, all water, sewer and/or other utility deposits or prepaid fees, and/or all water and/or sewer and/or other utility tap rights or other utility rights; (ii) all advance payments of insurance premiums made by Borrower with respect to the Property; (iii) the right, in the name and on behalf of Borrower, to appear in and defend any Proceeding brought with respect to the Property and to commence any Proceeding to protect the interest of Borrower in the Property; (iv) any right or privilege of Borrower under any loan commitment, lease, contract, declaration of covenants, restrictions and easements or like instrument, developer's agreement, or other agreement with any third party pertaining to the ownership, use, development, construction, occupancy, leasing, maintenance, marketing, sale or operation of the Property; and (v) to the extent not otherwise described above in this granting clause, all accounts, documents, inventory, equipment, fixtures, general intangibles (including, without limitation, all trade names and contract rights), as-extracted collateral, timber to be cut, chattel paper, commercial tort claims, deposit accounts, instruments, letter of credit rights and investment property (as such terms are defined in the UCC) related to the Property, and all proceeds thereof.

TO HAVE AND TO HOLD the Property unto Trustee, and its successors and assigns forever, subject to the provisions, terms and conditions of this Instrument, IN TRUST, WITH POWER OF SALE, to secure payment and performance of the Obligations in the time and manner set forth in the Loan Documents.

PROVIDED, HOWEVER, if Borrower shall (i) pay the Debt as provided for in the Loan Documents and the Cross Defaulted Borrowers shall have paid the debt as provided for in the Cross Defaulted Loan Documents, (ii) comply with the conditions precedent to a Release (as described in Section 10.01 hereof), or (iii) if a Substitution occurs (in accordance with Section 10.02 hereof) in which the Property is the Outgoing Property, then in each case the obligations of Borrower hereunder and the Property hereby granted shall cease, terminate and be void and this Instrument shall terminate and be of no further force and effect (except as specifically stated in the Loan Documents to survive) and Lender will record or provide such other instruments evidencing termination of all liens on the Property in customary form in the Property State.

ARTICLE II - ASSIGNMENT OF RENTS AND LEASES; SECURITY AGREEMENT

Section 2.01 Assignment of Rents and Leases. Borrower hereby assigns to Lender all of Borrower's right, title and interest in and to the Leases and the Rents. Borrower agrees to execute and deliver to Lender such additional instruments, in form and substance satis-factory to Lender in its reasonable discretion, as may hereafter be necessary from time to time to further evidence and confirm such assignment. The assignment made in this Section 2.01 constitutes an absolute, present and irrevocable assignment and shall be fully operative in accordance with its terms without any further action by the parties hereto. It is expressly understood, however, that Borrower may collect the Rents until the occurrence of an Event of Default under this Instrument. Upon the occurrence and during the continuance of an Event of Default, Lender may collect the Rents and exercise any and all of its other rights and remedies as specified in the Assignment of Leases. In the event of any conflict or inconsistency between the provisions of the Assignment of Leases and the provisions of this Section 2.01, the provisions of the Assignment of Leases shall control.

Section 2.02 Security Agreement. Borrower hereby grants to Lender a security interest in, to and under all of Borrower’s right, title and interest in, to and under each and every item of the Personal Property, whether now owned or hereafter acquired or arising, and all proceeds and products thereof, to secure the Obligations, and this Instrument shall constitute a security agreement between Borrower and Lender with respect to the Personal Property. Borrower agrees to file (or pay for the costs of Lender to file) in the appropriate offices in the jurisdictions as Lender may require, financing or continuation statements meeting the requirements of the UCC, to perfect the security interests hereby granted including, without limitation, a financing statement naming Borrower as debtor and Lender as secured party that describes the collateral covered thereby as “all assets of Borrower, whether now owned or existing, or hereafter acquired or arising and all proceeds and products thereof”. Upon the occurrence of an Event of Default, the remedies of Lender as secured party shall be, at the option of Lender, (a) those hereinafter set forth in this Instrument, it being the understanding of the parties that upon the occurrence of an Event of Default, Lender may proceed as to both real property and Personal Property in accordance with the rights and remedies granted herein with respect to real property; (b) those contained in the UCC; (c) those prescribed by other Laws; or (d) any combination of the foregoing. All substitutions for, replacements of, and additions to the Personal Property, and the proceeds thereof, shall immediately be subject to the security interest hereinabove granted, and Borrower agrees to maintain the Personal Property free and clear of all liens, charges, encumbrances and security interests, other than Permitted Encumbrances. This Instrument constitutes a financing statement filed as a fixture filing, and for such purpose (i) the name of the debtor is the name of Borrower; (ii) the name of the secured party is the name of Lender; and (iii) the collateral covered hereby includes goods that are or are to become fixtures related to the Land described in Exhibit A attached hereto. This Instrument is to be filed for record in the real estate records of the city or county where the Land is located and Borrower is the record owner of the Land.

ARTICLE III - REPRESENTATIONS AND WARRANTIES

Borrower hereby represents and warrants to Lender as follows:

Section 3.01 Title. Borrower owns the Land and Improvements in fee simple and has good and marketable title to the Property, free and clear of all liens, charges, encumbrances and security interests, except the Permitted Encumbrances.

Section 3.02 Legal Status and Authority. Borrower (a) is duly organized, validly existing, and in good standing under the Laws of the Organization State and, if the Property State is not the Organization State, is qualified to transact business and is in good standing under the Laws of the Property State; and (b) has all necessary approvals, governmental and otherwise, and full power and authority to own the Property and carry on its business.

Section 3.03 Consents; No Contravention. The execution, delivery and performance of the Loan Documents and the borrowing evidenced by the Note (a) have received all necessary approvals and consents; (b) will not violate, conflict with, breach, or constitute (with notice or lapse of time, or both) a default under (i) any Law; (ii) the governing instrument of Borrower; or (iii) any indenture, agreement, or other instrument to which Borrower is a party or by which it or any of the Property is bound or affected; (c) will not result in the creation or imposition of any lien, charge, or encumbrance upon the Property except the liens granted in this Instrument and the other Loan Documents; and (d) will not require any consent, authorization or license from, or any filing with, any Governmental Authority (except for the recordation of this Instrument, the Assignment of Leases, the Cross Collateralizing Security Documents and UCC filings).

Section 3.04 Proceedings. As of the date hereof there is no Proceeding pending or, to the knowledge of Borrower, threatened or contemplated against, or affecting, Borrower or the Property.

Section 3.05 Status of Property.

(a) Flood Hazard Area. Except as disclosed on the survey of the Property certified to the Lender, the Land and Improvements are not located in a Special Flood Hazards Area or, if located within any such area, as of the date hereof Borrower has and will maintain the insurance prescribed in Section 4.06 below.

(b) Permits; Compliance with Laws. Borrower has all necessary Permits including those required for the Permitted Use and for the lawful operation of the Property as currently operated and as contemplated herein and for the lawful conduct of its business, all of which Permits are currently in full force and effect, are not subject to ongoing Proceedings for revocation, suspension, forfeiture, or modification, and, to Borrower's knowledge, are not subject to revocation, suspension, forfeiture, or modification. Except as disclosed in the property condition report, the zoning report, and the environmental report delivered to or received by Lender, to Borrower's knowledge, the Property and its use and occupancy are in compliance with all Laws, and Borrower has received no notice of any violation or potential violation of the Laws which has not been remedied or satisfied.

(c) Utilities. The Property is served by all utilities (including water and sewer) required for the Permitted Use.

(d) Roads and Streets. Public roads and streets necessary to serve the Property for the Permitted Use have been completed, are serviceable, are open, and to Borrower's knowledge have been dedicated to and accepted by the appropriate Governmental Authorities. As of the date hereof, Borrower and all other occupants of the Property have access to such public roads and streets.

(e) Damage. As of the date hereof, except as disclosed in the property condition report obtained by Lender, the Property is free from any Damage, other than de minimis Damage.

(f) Payment for Improvements. As of the date hereof, all costs and expenses for labor, materials, supplies, and equipment used in the construction of the Improvements which are due and owing have been paid in full and there are no liens on the Property with respect thereto except for the Permitted Encumbrances.

(g) Furniture, Fixtures and Equipment. Borrower owns or leases and as of the date hereof has paid in full all amounts due and owing for all furnishings, fixtures, and equipment (other than Tenants' property) used in connection with the operation of the Property, free of all security interests, liens, or encumbrances except the Permitted Encumbrances.

(h) Separate Tax Lot. The Property is assessed for real estate tax purposes as one or more wholly independent tax lot(s), separate from any adjoining land or improvements, and no other land or improvements are assessed and taxed together with the Property, and no other land or improvements are necessary for the operation of the Property.

Section 3.06 Tax Status of Borrower. Borrower is not a Foreign Person for U.S. federal income tax purposes. If Borrower is a Disregarded Entity, the owner of Borrower (which owner is not a Disregarded Entity) is not a Foreign Person for U.S. federal income tax purposes.

Section 3.07 Bankruptcy and Equivalent Value. As of the date hereof, no Bankruptcy Proceeding has been instituted by or against any Borrower Party. Borrower has received reasonably equivalent value for granting this Instrument.

Section 3.08 Disclosure. As of the date hereof, Borrower has not failed to disclose any fact known to Borrower that could cause any representation or warranty made herein to be materially misleading. To Borrower's knowledge, as of the date hereof, there has been no adverse change in any condition, fact, circumstance, or event that would make any such information materially inaccurate, incomplete or otherwise misleading.

Section 3.09 Illegal Activities and Criminal Proceedings.

(a) Illegal Activities. No portion of the Property has been or will be purchased, improved, fixtured, equipped or furnished with proceeds of any illegal activity and, to Borrower's knowledge, there are no illegal activities at, on or under the Property.

(b) Criminal Proceedings. To Borrower's knowledge, no Borrower Party has been charged, indicted or convicted in any Proceeding, or is currently under threat of charge, indictment or conviction in any Proceeding, for any felony or crime punishable by imprisonment, including but not limited to the Racketeer Influenced and Corruption Organizations Act, 18 U.S.C. §§ 1961-1968 ("**RICO**").

Section 3.10 Anti-Terrorism Laws.

(a) OFAC Lists.

(i) Borrower is not, and to Borrower's knowledge, each other Borrower Party is not a Prohibited Person; and

(ii) Borrower does not knowingly conduct any business with or engage in any transaction or dealing with any Prohibited Person.

(b) Other Anti-Terrorism Laws. Borrower, and to the knowledge of Borrower, each other Borrower Party, is in compliance with all Anti-Terrorism Laws. To the extent (if any) that Borrower is required to do so, it has established policies and procedures reasonably designed to prevent and detect money laundering and to prevent other violations of the Anti-Terrorism Laws.

Section 3.11 ERISA. Borrower represents and warrants to Lender that (a) Borrower is not (i) a Plan, (ii) a Governmental Plan, or (iii) an entity the assets of which constitute "plan assets" of any Plan within the meaning of 29 C.F.R. Section 2510.3-101, as modified by Section 3(42) of ERISA; (b) neither Borrower nor any of its ERISA Affiliates maintains a Plan subject to Title IV of ERISA or the minimum funding requirements of Section 303 of ERISA or contributes to, or has any obligation to contribute to, or liability under, any active or terminated Plan subject to Title IV of ERISA or the minimum funding requirements of Section 303 of ERISA; and (c) Borrower is not subject to state Laws regulating investments and fiduciary obligations with respect to Governmental Plans.

Section 3.12 Ground Leases. The Ground Leases are the only ground leases affecting the Property.

ARTICLE IV - COVENANTS AND AGREEMENTS

Borrower covenants and agrees with Lender as follows:

Section 4.01 Payment of Obligations. Subject to the provisions, terms and conditions set forth in the Loan Documents, including, without limitation all notice and cure periods, Borrower shall timely pay and cause to be performed the Obligations.

Section 4.02 Continuation of Existence. Borrower shall not (a) dissolve, terminate, or otherwise dispose of, directly, indirectly or by operation of Law, all or substantially all of its assets, except in connection with a Permitted Transfer; (b) reorganize or change its legal structure without Lender's prior written consent, except as otherwise expressly permitted in this Instrument in connection with a Permitted Transfer or otherwise; (c) change its name, address, or the name under which Borrower conducts its business without promptly notifying Lender; or (d) do anything to cause the representations in Section 3.02 to become untrue.

Section 4.03 Assessments.

(a) Obligation to Pay Assessments. Borrower shall pay when due all Assessments and in all events prior to the date any fine, penalty, interest or charge for nonpayment may be imposed. Unless Borrower is making Deposits in accordance with Section 4.10, Borrower shall provide Lender with receipts evidencing such payments (except for ground rents, maintenance charges, and utility charges) within thirty (30) days after their due date.

(b) Right to Contest. Borrower may, prior to delinquency and at its sole expense, contest any Assessment, but this shall not change or extend Borrower's obligation to pay the Assessment as required above unless (i) Borrower gives Lender prior written notice of its contest of an Assessment; (ii) Borrower demonstrates to Lender's reasonable satisfaction that (1) the Property will not be sold to satisfy the Assessment prior to the final determination of the Proceeding; (2) Borrower has taken any action that is required or permitted to accomplish a stay of any such sale; and (3) if Borrower is not required to pay the contested amount at part of the contest, then if requested by Lender Borrower has either at its election (x) furnished a bond or surety (satisfactory to Lender in form and amount) sufficient to prevent a sale of the Property; or (y) deposited one hundred fifty percent (150%) of the full amount necessary to pay any unpaid portion of the Assessments with Lender; and (iii) such Proceeding shall be permitted under any other instrument to which Borrower or the Property is subject (whether superior or inferior to this Instrument).

(c) Transaction Taxes. Borrower shall pay all Transaction Taxes when assessed. If Borrower fails to pay the Transaction Taxes after demand by Lender, Lender may (but is not obligated to) pay such Transaction Taxes and Borrower shall reimburse Lender within five (5) Business Days after written notice for any amount so paid with interest at the Default Rate.

(d) Taxes on Loan Documents, Etc. If any change effective after the date hereof in a Law requires (i) the deduction from the value of real property for the purpose of taxation of any lien or encumbrance thereon; (ii) the imposition of taxes on mortgages or deeds of trust, or debts secured by mortgages or deeds of trust, for federal, state or local purposes or changes the manner of the collection of any such existing taxes; and/or (iii) the imposition of a tax, either directly or indirectly, on any of the Loan Documents or the Obligations, Borrower shall, if permitted by Law, pay the additional tax, if any, resulting from such change in Law within the statutory period or within twenty (20) days after demand by Lender, whichever is less; provided, however, that if, in the opinion of Lender, Borrower is not permitted by Law to pay such taxes, Lender shall have the option to declare the Obligations immediately due and payable (without any Prepayment Premium) upon one hundred twenty (120) days' notice to Borrower. This Section 4.03(d) shall not apply to any taxes imposed on or with respect to Lender that are (A) imposed on or measured by net income (however denominated) or franchise taxes or (B) attributable to Lender's failure to deliver to Borrower such documentation prescribed by applicable Law or reasonably requested by Borrower as would reduce or eliminate the amount of such taxes imposed on or with respect to Lender (to the extent Lender is legally entitled to deliver such documentation to Borrower).

Section 4.04 Defense of Title, Proceedings and Rights under Loan Documents. Borrower shall forever warrant, defend and preserve Borrower's title to the Property, the validity, enforceability and priority of this Instrument and the lien or security interest created hereby, and any rights of Lender and/or Trustee under the Loan Documents against the claims of all Persons, and shall promptly notify Lender and Trustee of any such claims. Lender and/or Trustee (whether or not named as a party to such Proceedings) is authorized and empowered (but shall not be obligated) to take such additional steps as it may deem necessary or proper for the defense of any such Proceeding or the protection of the lien, security interest, validity, enforceability, or priority of this Instrument, title to the Property, or any rights of Lender and/or Trustee under the Loan Documents, including the employment of counsel, the prosecution and/or defense of such Proceedings, the compromise, release, or discharge of such adverse claims, the purchase of any tax title, the removal of any such liens and security interests, and any other actions Lender and/or Trustee deems necessary to protect its or their interests. During the continuance of an Event of Default, Borrower authorizes Lender and/or Trustee to take any actions required to be taken by Borrower, or permitted to be taken by Lender and/or Trustee, in the Loan Documents in the name and on behalf of Borrower. Borrower shall reimburse Lender and Trustee within five (5) Business Days after written notice for all payments and expenses (including Attorneys' Fees) made or incurred by Lender and/or Trustee in connection with the foregoing and Lender's or Trustee's exercise of its or their rights under the Loan Documents. All such payments and expenses of Lender and/or Trustee, until reimbursed by Borrower, shall be part of the Obligations, bear interest from the date on which due at the Default Rate, and shall be secured by this Instrument.

Section 4.05 Compliance With Laws and Operation and Maintenance of Property.

(a) Maintenance, Use, of Property. Subject to ordinary wear and tear and the rights and obligations of Tenants under Leases, (i) Borrower will operate and maintain the Property in good order, repair, and operating condition, and (ii) Borrower will promptly make all necessary repairs, replacements, additions, and improvements necessary to maintain the Property in substantially the same condition as of the date hereof. Borrower will not abandon the Property. Borrower is currently using, and will continue to use, the Property for the Permitted Use, and will not use the Property or permit the Property to be used for any other use.

(b) Alterations. Except as otherwise permitted in this Section 4.05(b), Borrower shall not, without first obtaining Lender's approval, commence, nor allow to be commenced, any construction, alteration or modification of the Improvements or any new construction on the Land.

(i) Notwithstanding the foregoing Lender shall not unreasonably withhold, delay or condition its consent to any non-structural construction on or non-structural alterations to, the Property, which in the aggregate do not exceed $700,000 in any calendar year (prorated for any partial year during the term of the Loan).

(ii) Lender's approval shall not be required for (A) any non-structural construction on, or non-structural alterations to, the Property aggregating less than $700,000 per calendar year (prorated for any partial year during the term of the Loan); and (B) ordinary and customary maintenance and repair of the Property, including, without limitation, alterations to the Property that require capital expenditures such as repairs and maintenance to the parking lot or roof of the buildings on the Property and updating of the façade of the buildings on the Property, that do not reduce the net rentable area or value of the Property more than a de minimis amount and that do not render the Property in violation of any requirement of the Loan Documents; and (C) alterations or tenant improvements made pursuant to the provisions of any Lease existing on the date hereof that has been approved by Lender or any new Lease or amendment

to Lease approved by Lender or which does not, by the terms of the Loan Documents, require Lender's prior written consent.

(iii) If Lender's approval is required for any new construction on, or alteration to, the Property during the term of the Loan, Borrower requests Lender's approval in writing, and such written request is neither approved nor denied within ten (10) Business Days following Lender's receipt of such request (together with plans and specifications, the budget for the work, the construction contract, and such other documentation as Lender may reasonably request), Lender's approval shall be deemed given; provided that Borrower's request for Lender's approval bore the following legend typed in bold, capital letters at the top: "**IF LENDER SHALL FAIL TO EITHER APPROVE OR DENY BORROWER'S REQUEST FOR LENDER'S APPROVAL OF NEW CONSTRUCTION ON, OR ALTERATION TO, THE PROPERTY AND THE DOCUMENTATION THEREFOR WITHIN TEN (10) BUSINESS DAYS AFTER LENDER'S RECEIPT THEREOF, LENDER SHALL BE DEEMED TO HAVE APPROVED SUCH NEW CONSTRUCTION ON, OR ALTERATION TO, THE PROPERTY**"; and provided, further that, the deemed approval provision in this sentence shall not apply in the event the documentation for the new construction on, or alteration to, the Property, or the request therefore does not comply with the provisions of this paragraph.

(c) Personal Property. Borrower will keep the Property fully equipped and will replace all worn out or obsolete Personal Property in a commercially reasonable manner with comparable fixtures or Personal Property, unless such Personal Property is no longer necessary for the operation of the Property. Unless such Personal Property is no longer necessary for the operation of the Property, Borrower will not, without Lender's prior written consent, remove any Personal Property covered by this Instrument unless the same is replaced by Borrower in a commercially reasonable manner with a comparable article (i) owned by Borrower free and clear of any lien or security interest (other than the Permitted Encumbrances); or (ii) leased by Borrower if the replaced Personal Property was leased at the time of execution of this Instrument (or if otherwise consented to in writing by Lender).

(d) Compliance with Laws. Borrower shall comply with and shall cause the Property to be maintained, used, and operated in compliance with all (i) Laws; (ii) orders, rules, and regulations of any regulatory, licensing, accrediting, insurance underwriting or rating organization, or other body exercising similar functions; (iii) duties or obligations of any kind imposed under any Permitted Encumbrance or by covenant, condition, agreement, or easement, public or private; and (iv) policies of insurance at any time in force with respect to the Property. If Proceedings are initiated or Borrower receives notice that Borrower or the Property is not in compliance with any of the foregoing, Borrower will promptly send Lender notice and a copy of notice of such Proceedings or violation.

(e) Rezonings, Encumbrances Etc. Borrower shall not, without Lender's prior written consent: (i) initiate or actively support any zoning reclassification of the Property or variance under existing zoning ordinances; (ii) modify or supplement any of the Permitted Encumbrances; (iii) impose any restrictive covenants or encumbrances upon the Property other than Permitted Encumbrances; (iv) execute or file any subdivision plat affecting the Property; (v) consent to the annexation of the Property to any municipality; and (vi) permit the Property to be used by the public or by any Person in a way that might make a claim of adverse possession or any implied dedication or easement possible. With respect to Lender's approval for utility easements under subsection (ii) above, if Borrower requests Lender's approval in writing, and such written request is neither approved nor denied within five (5) Business Days following Lender's receipt (together with the a copy of such utility easement), Lender's approval shall be deemed given; provided that Borrower's request for Lender's approval shall bear the following legend typed in bold, capital letters at the top: "**IF LENDER SHALL FAIL TO EITHER APPROVE OR DENY BORROWER'S REQUEST FOR LENDER'S APPROVAL OF THE ENCLOSED UTILITY**

EASEMENT WITHIN FIVE (5) BUSINESS DAYS AFTER LENDER'S RECEIPT THEREOF, LENDER SHALL BE DEEMED TO HAVE APPROVED SUCH UTILITY EASEMENT".

Section 4.06 Insurance.

(a) Property Insurance. Borrower shall keep the Property insured for the benefit of Borrower and Lender (with Lender named as mortgagee/loss payee) by (i) an "all risk" property insurance policy with an agreed amount endorsement for Full Replacement Cost without any coinsurance provisions or penalties, or the broadest form of coverage available, in an amount sufficient to prevent Lender from ever becoming a coinsurer under the policy or Laws, and with a deductible not to exceed One Hundred Thousand Dollars ($100,000.00); (ii) a policy or endorsement insuring against both alien and domestic acts of terrorism in accordance with Terrorism Risk Insurance Act, without co-insurance for damage to the Property, or loss of Rents, caused by acts of terrorism; (iii) a policy or endorsement insuring against claims applicable to the presence of Mold, if required by Lender; (iv) a policy or endorsement providing Rent Loss Insurance covering a period of not less than twelve (12) months of gross rent following the date of the Damage; (v) a policy or endorsement insuring against damage by flood if the Property is located in a Special Flood Hazard Area in an amount equal to the amount of the full replacement costs of the Improvements without depreciation; (vi) a policy or endorsement covering against Damage from (1) sprinkler system leakage and (2) boilers, boiler tanks, HVAC and other building systems and equipment, pressure vessels, auxiliary piping, and similar apparatus, in an amount required by Lender; and (vii) during the period of any construction, repair, restoration, or replacement of the Property, a standard builder's risk policy with extended coverage in an amount at least equal to the Full Replacement Cost, and worker's compensation, in statutory amounts. Full Replacement Cost will be determined, at Borrower's expense, periodically upon policy expiration or renewal by the insurance company or an appraiser, engineer, architect, or contractor approved by said company and Lender.

(b) Liability Insurance. Borrower shall maintain commercial general liability insurance with per occurrence limits of $1,000,000, a products/completed operations limit of $2,000,000, and a general aggregate limit of $2,000,000, with an excess/umbrella liability policy of not less than $5,000,000 per occurrence and annual aggregate covering Borrower, with Lender named as an additional insured, against claims for bodily injury or death or property damage occurring in, upon, or about the Property or any street, drive, sidewalk, curb, or passageway adjacent thereto. In addition to any other requirements, such commercial general liability and excess/umbrella liability insurance shall provide insurance against acts of terrorism and against claims applicable to the presence of Mold, or such coverages shall be provided by separate policies or endorsements. The insurance policies shall also include operations and blanket contractual liability coverage which insures contractual liability under the indemnification set forth in Section 8.01 below (but such coverage or the amount thereof shall in no way limit such indemnification).

(c) Additional or Changed Insurance Requirements. Upon not less than sixty (60) days' advance notice to Borrower, Lender shall have the right to require that Borrower carry such additional or different types, amounts or limits of insurance as Lender may reasonably require to the extent that: (i) that such coverage is then available, (ii) owners and/or operators of retail properties of comparable quality to the Property and located in the market in which the Property is located are generally obtaining such coverage; (iii) lenders financing such retail properties are generally requiring such coverage, whether as a condition to new financing or pursuant to documents governing existing loans; or (iv) Borrower or Principal is obtaining such coverage on any other properties owned or operated by Borrower or Principal in the market in which the Property is located.

(d) Policy Requirements. All insurance required under this Section 4.06 shall be fully paid for, nonassessable, and the policies shall contain such provisions, endorsements, and expiration dates as Lender shall reasonably require. The policies shall be issued by insurance companies authorized to do business in the Property State and must be rated "A" or better by A.M. Best (or if a rating by A.M. Best is no longer available, a similar rating from a similar or successor service) and have a Financial Size Category of "X" or higher. Companies with A.M. Best ratings of "B" or "C" with reinsurance endorsements are not acceptable. In addition, all policies shall (i) in the case of insurance required by Section 4.06(a), include a standard mortgagee clause, without contribution, in the name of Lender (and that of its subsidiaries', Affiliates', successors' and assigns'), (ii) provide that they shall not be canceled, amended, or materially altered (including reduction in the scope or limits of coverage) without at least thirty (30) days' prior written notice to Lender except in the event of cancellation for non-payment of premium, in which case only ten (10) days' prior written notice will be given to Lender, and (iii) include a waiver of subrogation clause substantially equivalent to the following: "The Company may require from the Insured an assignment of all rights of recovery against any party for loss to the extent that payment therefor is made by the Company, but the Company shall not acquire any rights of recovery which the Insured has expressly waived prior to loss, nor shall such waiver affect the Insured's rights under this policy".

(e) Evidence of Insurance. Borrower shall deliver to Lender (i) original (upon request) or certified copies of all policies (and renewals) required under this Section 4.06; and (ii) receipts evidencing payment of all premiums on such policies at least fifteen (15) days prior to their expiration. If original and renewal policies are unavailable or if coverage is under a blanket policy, Borrower shall deliver duplicate originals (upon request), or, if unavailable, original ACORD 27 and ACORD 25-S certificates (or equivalent certificates) evidencing that such policies are in full force and effect together with certified copies of the original policies. If coverage is under a blanket policy, such policy shall make specific reference to the Property and list all locations and insurable values of the properties included in the blanket policy. In the event that such policies of insurance and evidence of the payment of the premiums therefor are not delivered to Lender, confirming that there will be no gaps in coverage or underinsurance as required by this Instrument, Borrower hereby expressly authorizes Lender to obtain, without notice to, or demand

upon, Borrower and without releasing Borrower from any of Borrower's obligations hereunder, replacement insurance policies in such amounts, on such terms, and from such insurance agencies or companies as are suitable to Lender in Lender's sole discretion, which replacement insurance, in Lender's sole discretion, may protect only Lender's interest in the Property and may, but need not, protect Borrower's interest in the Property. If Lender obtains such replacement insurance policies, Lender shall invoice Borrower for the amount of all fees, costs, and expenses related thereto, including any premiums paid by Lender, and Borrower shall remit payment to Lender for such amount within five (5) Business Days of receiving such invoice. Nothing contained herein shall in any way obligate Lender to obtain or maintain such replacement insurance policies, and Lender shall not incur any liability for obtaining, maintaining, failing to obtain, or failing to maintain any such replacement insurance policies, nor shall Lender incur any liability for any of the contents, form, or legal sufficiency of any such policies, the solvency of any agencies or companies issuing such policies, or the payment or defense of any Proceedings related thereto**.** Except to the extent prohibited by Law, Lender may furnish to any insurance agency or company any information concerning the Loan or Borrower, and any information contained in, or extracted from, any policy of insurance delivered to Lender hereunder.

(f) Waiver of Subrogation. A waiver of subrogation required by Section 4.06(d) hereof shall be obtained by Borrower from its insurers and, consequently, Borrower for itself, and on behalf of its insurers, hereby waives and releases any and all right to claim or recover against Lender, its officers, employees, agents and representatives, for any Damage to Borrower, other Persons, the Property, Borrower's property or the property of other Persons from any cause required to be insured against by the provisions of this Instrument or otherwise insured against by Borrower.

(g) Additional Insurance Requirements. Borrower shall not carry separate or additional insurance concurrent in form or contributing in the event of loss with that required under this Section 4.06 unless endorsed in favor of Lender in accordance with this Section 4.06 and approved by Lender in all respects. In the event of foreclosure of this Instrument or other transfer of title or assignment of the Property in extinguishment, in whole or in part, of the Obligations, all right, title, and interest of Borrower in and to all policies of insurance then in force regarding the Property and all proceeds payable thereunder and unearned premiums thereon shall immediately vest in the purchaser or other transferee of the Property. No approval by Lender of any insurer shall be construed to be a representation, certification, or warranty of its solvency. No approval by Lender as to the amount, type, or form of any insurance shall be construed to be a representation, certification, or warranty of its sufficiency. Borrower shall comply with all insurance requirements and shall not cause or permit any condition to exist which would be prohibited by any insurance requirement or would invalidate the insurance coverage on the Property.

(h) Payment of Lender's Costs and Expenses. Borrower shall pay all costs and expenses, including Attorneys' Fees, incurred by Lender in connection with Lender's review and approval of Borrower's insurance and of the insurance to be provided by each Ground Lessee as provided below (regardless of whether such insurance is ultimately purchased by Ground Lessee, Tenant, Borrower or Lender).

(i) Ground Lessee Insurance Obligations. In addition to the foregoing, and notwithstanding anything herein to the contrary (including Section 4.06(g) hereof) Borrower shall cause each Ground Lessee to maintain the insurance required to be maintained by such Ground Lessee pursuant to its Ground Lease. Notwithstanding the foregoing, in the event that any Ground Lessee fails to maintain the insurance that it is required to carry under its Ground Lease, or fails to name Lender as a loss payee thereunder, or undertakes to self-insure, Borrower shall provide notice to such Ground Lessee of such failure. If such Ground Lessee shall fail to obtain such insurance or name Lender as loss payee prior to the lapse of existing insurance which complies with the provisions of this Section 4.06(i), then Borrower shall acquire and maintain insurance covering the demised premises under such Ground Lease that is substantially equivalent to the insurance that such Ground Lessee is required to carry under its Ground Lease and which names Lender as loss payee. Borrower shall promptly provide Lender with notice of any Ground Lessee's failure to carry appropriate insurance and shall provide evidence, reasonably satisfactory to Lender, that Borrower has acquired sufficient, substitute insurance which names Lender as a loss payee. Borrower shall carry such insurance until Lender is provided with evidence, reasonably satisfactory to Lender, that such Ground Lessee has obtained the insurance required to be maintained under its Ground Lease. In the event that such policies of insurance and evidence of the payment of the premiums therefor are not delivered to Lender, confirming that there will be no gaps in coverage or underinsurance to what is required by this Instrument, Borrower hereby expressly authorizes Lender to obtain, without notice to, or demand upon, Borrower and without releasing Borrower from any of Borrower's obligations hereunder, replacement insurance policies in such amounts, on such terms, and from such insurance agencies or companies as are suitable to Lender in Lender's sole discretion, which replacement insurance, in Lender's sole discretion, may protect only Lender's interest in the Property and may, but need not, protect Borrower's interest in the Property. If Lender obtains such replacement insurance policies, Lender shall invoice Borrower for the amount of all fees, costs, and expenses related thereto, including any premiums paid by Lender, and Borrower shall remit payment to Lender for such amount within five (5) Business Days of receiving such invoice. Nothing contained herein shall in any way obligate Lender to obtain or maintain such replacement insurance policies, and Lender shall not incur any liability for obtaining, maintaining, failing to obtain, or failing to maintain any such replacement insurance policies, nor shall Lender incur any liability for any of the contents, form, or legal sufficiency of any such policies, the solvency of any agencies or companies issuing such policies, or the payment or defense of any Proceedings related thereto**.** Except to the extent prohibited by Law, Lender may furnish to any insurance agency or company any information concerning the Loan or Borrower, and any information contained in, or extracted from, any policy of insurance delivered to Lender hereunder.

Section 4.07 Damage and Destruction of Property.

(a) Notification of Lender, Etc. In the event of any Damage other than *de minimus* Damage, (i) Borrower shall promptly notify Lender, generally describing the extent of the Damage, and shall take all necessary steps to preserve any undamaged part of the Property; and (ii) Borrower shall comply with other reasonable requirements established by Lender to preserve the security under this Instrument. Borrower expressly assumes all risk of loss from any Damage, whether or not insurable or insured against.

(b) Proof of Loss and Settlement of Claims. If any Damage occurs and some or all of it is covered by insurance, then Lender may, but is not obligated to, make proof of loss if not made by Borrower within fifteen (15) days after the date of the Damage, and Lender is authorized and empowered by Borrower to settle, adjust, or compromise any claims for the Damage. Notwithstanding the foregoing, Borrower shall have the right to settle, adjust or compromise any claim for Damage if the total amount of such claim is less than Two Hundred Fifty Thousand Dollars ($250,000) (the "**Damage Threshold**"); provided that Borrower promptly uses the full amount of such insurance proceeds for Restoration of the Damage and provides evidence thereof to Lender in a manner acceptable to Lender.

(c) Lender to Hold Insurance Proceeds. Except as expressly provided in Section 4.07(b) above, all insurance proceeds payable on account of any Damage in excess of the Damage Threshold shall be delivered to and held by Lender, to be applied in accordance with this Section 4.07, and each insurance company is authorized and directed to make payment directly to Lender. Except as expressly provided in Section 4.07(b) above, Borrower shall have no right to such proceeds or to direct the use of the same. If Borrower receives any insurance proceeds for the Damage in excess of the Damage Threshold, Borrower shall promptly deliver the proceeds to Lender, except as expressly provided in Section 4.07(b) above. Any insurance proceeds held by Lender shall be held without the payment of interest thereon. Notwithstanding anything in this Instrument or at Law or in equity to the contrary, none of the insurance proceeds paid to Lender shall be deemed trust funds, and Lender may dispose of these proceeds as provided in this Section 4.07.

(d) Obligation to Undertake Restoration. Upon the occurrence of any Damage, Borrower shall diligently repair or restore the damaged Improvements in accordance with this Section 4.07, regardless of the amount of Net Proceeds made available to pay for such Restoration and regardless of whether Borrower was required by this Instrument to insure against such Damage. If Borrower was required to maintain insurance by this Instrument and failed to do so, such failure shall not relieve Borrower of its obligation to undertake Restoration necessitated by any Damage that would have been covered by such insurance.

(e) Lender's Right to Condition Use of Proceeds. In the event the insurance casualty proceeds are less than the Damage Threshold, all insurance proceeds shall be delivered to Borrower and Borrower shall commence to restore the Property to the same or better condition as that existing prior to such Damage and shall diligently prosecute such Restoration to completion. In the event the insurance casualty proceeds equal or exceed the Damage Threshold, all insurance proceeds shall be delivered to, and held and disbursed towards Restoration by Lender subject to the following terms and conditions being satisfied at the time of the Damage and at all applicable times during the Restoration:

(i) no Events of Default have occurred and be continuing;

(ii) Lender shall have made a reasonable determination that the time needed to complete the Restoration will (A) not result in its completion occurring during the last three hundred sixty-

five (365) days of the term of the Loan, and (b) not exceed twelve (12) months from the date of the damage or destruction;

(iii) Lender has determined in its reasonable discretion that the LTV will not exceed fifty-five percent (55%) upon completion of the Restoration; provided, however, that if the LTV exceeds fifty-five percent (55%) upon completion of the Restoration as determined by Lender in its reasonable discretion, then rather than having the casualty insurance proceeds applied to reduce the Debt, Borrower may elect in its sole discretion to (x) cause a Release of the Property pursuant to the terms and conditions of Section 10.01 (without prepayment penalty or premium) with the casualty insurance proceeds applied to the amounts due with respect to such Release, (y) cause a Substitution of the Property pursuant to the terms and conditions of Section 10.02 (without prepayment penalty or premium) with the casualty insurance proceeds applied to the amounts due with respect to such Substitution (if required) with any excess distributed to Borrower, or (z) repay a portion of the Loan (without prepayment penalty or premium) in the amount necessary for the LTV not to exceed fifty-five percent (55%) upon completion of the Restoration as determined by Lender in its reasonable discretion, provided that Borrower shall not be obligated to make such election (in which case the condition in this clause (iii) to the use of casualty insurance proceeds shall be deemed not satisfied);

(iv) the DSCR based on Leases which are not terminable by reason of the casualty is at least 2.00 to 1.00 as reasonably determined by Lender; provided that if the DSCR is less than 2.00 to 1.00, then rather than having the casualty insurance proceeds applied to reduce the Debt, Borrower may elect in its sole discretion to (x) cause a Release of the Property pursuant to the terms and conditions of Section 10.01 (without prepayment penalty or premium) with the casualty insurance proceeds applied to the amounts due with respect to such Release, (y) cause a Substitution of the Property pursuant to the terms and conditions of Section 10.02 (without prepayment penalty or premium) with the casualty insurance proceeds applied to the amounts due with respect to such Substitution (if required) with any excess distributed to Borrower, or (z) repay a portion of the Loan (without prepayment penalty or premium) in the amount necessary for the DSCR of the Property to be at least 2.00 to 1.00 upon completion of the Restoration, provided that Borrower shall not be obligated to make such election (in which case the condition in this clause (iv) to the use of casualty insurance proceeds shall be deemed not satisfied);

(v) the insurance proceeds received, and being held by Lender, plus such other funds which Borrower deposits with Lender, are sufficient, in Lender’s reasonable opinion, to restore the Property in accordance with plans and specifications approved by Lender; and if at any time Lender determines in its good faith judgment that an upward revision of the total remaining cost of Restoration, and as a result Lender does not have available a sufficient amount of remaining insurance proceeds to pay the remaining cost of Restoration, Borrower shall pay to Lender such additional amounts as are necessary to cover the amount by which such upward revision exceeds the remaining proceeds;

(vi) disbursement of the insurance proceeds shall be in accordance with typical construction loan disbursement procedures established by Lender, as Lender shall, in its sole opinion, deem necessary, appropriate or desirable;

(vii) Borrower shall have in place and provide to Lender a policy or policies of builder’s risk insurance in an amount not less than the full insurable value of the Property insuring against

such risks (including without limitation fire and extended coverage, collapse of the improvements on the Property and earthquake coverage, if applicable, to agreed limits) as Lender may request, and any other insurance as Lender may reasonably request, in form and substance and from companies reasonably acceptable to Lender;

(viii) the work shall be performed under the supervision of an architect or engineer approved in writing by Lender (such architect or engineer being referred to hereinafter as the "Architect") and, before Borrower commences any work other than temporary work to protect property or prevent interference with business, Lender shall have approved in writing the construction contract and plans and specifications for such work; provided that if Borrower requests Lender's approval in writing, and such written request is neither approved nor denied within fifteen (15) Business Days following Lender's receipt (together with the a copy of such plans and specifications), Lender's approval shall be deemed given; provided that Borrower's request for Lender's approval shall bear the following legend typed in bold, capital letters at the top: "**IF LENDER SHALL FAIL TO EITHER APPROVE OR DENY BORROWER'S REQUEST FOR LENDER'S APPROVAL OF THE ENCLOSED PLANS AND SPECIFICATION WITHIN FIFTEEN (15) BUSINESS DAYS AFTER LENDER'S RECEIPT THEREOF, LENDER SHALL BE DEEMED TO HAVE APPROVED SUCH UTILITY EASEMENT**".

(ix) Lender receives each request for payment on seven (7) days' prior written notice accompanied by a certificate signed by the Architect stating that: (1) the work completed to date has been performed in compliance with the approved plans and specifications; (2) the sum requested is necessary to reimburse Borrower for payments by Borrower to, or is due to, the contractor, subcontractors, materialmen, laborers, engineers, architects or other persons rendering services or materials for the work (giving a brief description of such services, materials and related costs and to whom same is payable) and, when added to all sums previously disbursed by Lender, does not exceed the value of the work performed to the date of such certificate; and (3) the amount of the remaining proceeds held by Lender (in addition to any amounts paid by Borrower pursuant to this Section 4.07) shall be sufficient to pay for the work in full upon completion of the same (giving in such reasonable detail as Lender may require an estimate of the cost of such completion);

(x) each request for disbursement by Lender shall be accompanied by a lien waiver satisfactory to Lender covering that part of the work for which payment or reimbursement was requested in the immediately preceding request for payment and, if required by Lender and available at commercially reasonable rates, an endorsement to Lender's title policy insuring or a title commitment showing that no liens have been filed in connection with the work performed to date;

(xi) Lender receives, at Lender's option, a satisfactory completion bond covering the work;

(xii) the Restoration work is performed in accordance with, and the Property is at all times in compliance with all Laws affecting the Property and/or such work;

(xiii) Borrower commences Restoration within sixty (60) days of the occurrence of the Damage, as such period may be extended for so long as Borrower is diligently pursuing the issuance of any Permits necessary to complete such Restoration, and diligently pursues the completion of the Restoration of the Property subject to typical force majeure events, up to in all events a maximum of ninety (90) days after the occurrence of the Damage;

(xiv) Lender receives the final request for payment after completion of the work accompanied by a final lien waiver or waivers and a copy of any such certificate or certificates as shall be required by law to render occupancy of the improvements legal; and

(xvi) Lender shall have the right to hire its own consultants (e.g., architect and/or engineer or other), to act on its behalf, in any capacity, and Borrower shall pay such consultants' fees.

(f) Lender's Discretion. In the event that at any time any of the terms and conditions set forth in subparagraph (e) above are not satisfied and remain unsatisfied for a period of thirty (30) days following written notice thereof to Borrower, then Lender shall have the option, in its sole discretion, of paying or applying all or any part of the insurance proceeds: (i) to any indebtedness secured by the Loan Documents and in such order as Lender may determine; or (ii) to the Restoration.

(g) Administrative Fee. Lender shall receive an administrative fee equal to Two Hundred Fifty and 00/100 Dollars ($250.00) for each disbursement of insurance proceeds made by it and Borrower shall reimburse Lender for all costs incurred by Lender in connection with the foregoing including, but not limited to, consultants' fees, attorney's fees, and the fees and expenses of any construction loan administrator or servicer retained by Lender to administer the disbursement of insurance proceeds under this Section 4.07.

(h) Intentionally Omitted.

(i) Additional Security. Borrower shall execute, deliver, file and/or record, at its expense, such instruments as Lender requires to confirm and/or perfect Lender's security interest in insurance proceeds and other rights granted pursuant to Section 1.01(f) hereof. Upon the occurrence and during the continuance of an Event of Default, Lender may exercise all of its rights and remedies as a secured party under the UCC with respect to such Net Proceeds, Rent Loss Proceeds and other rights described above.

Section 4.08 Condemnation.

(a) Notification of Lender, Etc. Borrower will promptly notify Lender of any Taking. Borrower shall, at its expense, (i) diligently prosecute all Proceedings in connection with such Taking, (ii) deliver to Lender copies of all papers served in connection therewith; and (iii) consult and cooperate with Lender in the handling of such Proceedings. No settlement of such Proceedings shall be made by Borrower without Lender's prior written consent. Lender may (but shall not be obligated to do so) commence, appear in and prosecute in its own name any Proceeding or make any compromise or settlement in connection with any Taking, and Borrower will sign and deliver all instruments requested by Lender to permit this participation.

(b) Payment of Award to Lender. Any Award is hereby assigned, and shall be paid, to Lender. Borrower authorizes Lender to collect and receive all Awards, to give receipts for them, to accept them in the amount received without question or appeal, and/or to appeal any judgment, decree or order with respect to an Award. Borrower will sign and deliver all instruments requested by Lender to permit these actions.

(c) Application of Award. Lender may apply any Award in any order it determines (i) to reimburse Lender for all costs related to collection of the Award; and (ii) at Lender's option, to (1) payment (without any Prepayment Premium) of all or part of the Obligations, whether or not then due and payable, in the order determined by Lender (provided that if any Obligations remain outstanding after this payment, the unpaid Obligations shall continue in full force and effect and Borrower shall not be excused in the payment thereof); or (2) the Restoration. If all or any portion of the Award is applied to the Obligations, unless Lender agrees otherwise, all regular installments of principal and interest payable under the Note shall continue to be due and payable as provided therein until the Obligations have been paid in full. If Borrower receives any Award, Borrower shall promptly deliver such Award to Lender. Notwithstanding anything in this Instrument or at Law or in equity to the contrary, none of the Award paid to Lender shall be deemed trust funds and Lender may dispose of these proceeds as provided in this Section 4.08.

(d) Payment of Obligations. Notwithstanding any Taking, Borrower shall continue to pay and perform the Obligations as provided in the Loan Documents. Any reduction in the Obligations due to application of the Award shall take effect only upon Lender's actual receipt and application of the Award to the Obligations. If the Property shall have been foreclosed, sold pursuant to any power of sale granted hereunder, or transferred by deed-in-lieu of foreclosure prior to Lender's actual receipt of the Award, Lender may apply the Award received to the extent of any deficiency upon such sale and the incurrence of costs by Lender in connection with such sale.

(e) Material Condemnation. If more than twenty-five percent (25%) of the income producing square footage of the Property is taken as a result of a Proceeding for a Taking or a Taking results in a decrease by twenty-five percent (25%) or more of the Net Operating Income of the Property, then Lender upon written notice to Borrower may require Borrower to cause a Release of the Property pursuant to the terms and conditions of Section 10.01 or a Substitution of the Property pursuant to the terms and conditions of Section 10.02, within ninety (90) days after receipt of such notice with Borrower making the determination of whether to effectuate a Release or Substitution and with the condemnation proceeds applied to the amounts due with respect to the Release or if required the Substitution, in each case with any prepayment made not being subject to any prepayment penalty or premium and any unused condemnation proceeds being distributed to Borrower. Borrower's failure to cause such Release or Substitution within such ninety (90) day period shall constitute an Event of Default.

Section 4.09 Certain Liens and Liabilities. Borrower shall pay, bond, or otherwise discharge all liens, security interests, encumbrances and charges (a) of mechanics, material men, laborers and other Persons for all materials supplied and work performed in respect of the Property; (b) of judgment creditors; and (c) created as a result of Borrower's consensual acts and not otherwise provided in clauses (a) - (b), which in each case, if unpaid, might result in, or permit the creation of, a lien, security interest, encumbrance or charge on the Property other than the Permitted Encumbrances, subject to the same right to contest the same as provided in Section 4.03(b) for Assessments. Borrower shall, at its sole expense, do everything necessary to preserve the lien and security interest created by this Instrument and its priority. Nothing in the Loan Documents shall be deemed or construed as constituting the consent or request by Lender or Trustee, express or implied, to any contractor, subcontractor, laborer, mechanic or materialman for the performance of any labor or the furnishing of any material for any improvement, construction, alteration, or repair of the Property. Borrower further agrees that neither Lender nor Trustee stands in any fiduciary relationship to Borrower. Any contributions made, directly or indirectly, to Borrower by or on behalf of any of its partners, members, principals or any party related to such parties shall be subordinate and inferior to the rights of Lender under the Loan Documents.

Section 4.10 Tax and Insurance Deposits. Borrower shall deliver to Lender all tax bills, bond and assessment statements, statements of insurance premiums, and statements for any other Impositions after receipt by Borrower. Borrower shall promptly notify Lender of any changes to the amounts, schedules and instructions for payment of the Impositions. Borrower shall make monthly Deposits to Lender in an amount sufficient to pay the Impositions at least thirty (30) days before they are due. Lender shall estimate the amount of the Deposits until ascertainable. If Lender determines that the Deposits are insufficient, Borrower shall promptly deposit any deficiency determined by Lender within five (5) Business Days after notice from Lender. Borrower authorizes Lender or its agent to obtain the bills for Assessments directly from the appropriate Governmental Authority. All Deposits are pledged to Lender and shall constitute additional security for the Obligations. The Deposits shall be held by Lender without interest (except to the extent required by Law) and may be commingled with other funds. If (a) Event of Default shall have occurred and be continuing at the time of payment, (b) Borrower has delivered bills or invoices to Lender for the Impositions in sufficient time to pay them when due; and (c) the Deposits are sufficient to pay the Impositions or Borrower has deposited the necessary additional amount, then Lender shall pay the Impositions prior to their due date. Any Deposits remaining after payment of the Impositions shall, at Lender's option, be credited against the Deposits required for the following year or paid to Borrower. If an Event of Default occurs, the Deposits may, at Lender's option, be applied to the Obligations in any order of priority, without relieving Borrower of its obligation to pay the Impositions when they become due. Any application to principal shall be deemed a prepayment subject to the applicable Prepayment Premium. Borrower shall not claim any credit against the principal and interest due under the Note for the Deposits. Upon an assignment or other transfer of this Instrument pursuant to Section 9.05 of this Instrument, Lender shall pay over the Deposits in its possession to the assignee or transferee and then it shall be completely released from all liability with respect to the Deposits, other than as a result of Lender gross negligence or willful misconduct with respect to the Deposits. Borrower shall look solely to the assignee or transferee with respect thereto. This provision shall apply to every transfer of the Deposits to a new assignee or transferee. Subject to Article V, a transfer of title to the Land shall automatically transfer to the new owner the beneficial interest in the Deposits. Upon full payment of the Debt, or, at Lender's option, at any prior time, the balance of the Deposits in Lender's possession shall be paid over to the record owner of the Land and no other party shall have any right or claim to the Deposits. Lender may transfer all its rights and duties under this Section 4.10 to such servicer or financial institution as Lender may periodically designate pursuant to Section 9.05 of this Instrument and Borrower agrees to make the Deposits to such servicer or institution.

Section 4.11 ERISA.

(a) Borrower understands and acknowledges that, as of the date hereof, the source of funds from which Lender is extending the Loan will include one or more of the following accounts: (i) an "insurance company general account," as that term is defined in Prohibited Transaction Class Exemption 95-60 (60 Fed. Reg. 35925 (Jul. 12, 1995)), as to which Lender meets the conditions for relief in Sections I and IV thereof; (ii) pooled and single client insurance company separate accounts, which are subject to the provisions of ERISA; and (iii) one or more insurance company separate accounts maintained solely in connection with fixed contractual obligations of the insurance company, under which the amounts payable or credited to the plan are not affected in any manner by the investment performance of the separate account.

(b) Borrower covenants and agrees that it shall not engage in any transaction which would cause any obligation or action, taken or to be taken, to be a non-exempt (under a statutory or administrative class exemption) prohibited transaction under ERISA and which would result in a material liability to Borrower.

(c) Borrower shall deliver to Lender such certifications and/or other evidence periodically requested by Lender, in its reasonable discretion, to verify the representations and warranties in Section 3.11 and the covenants in Section 4.11(b) above. Notwithstanding anything in the Loan Documents to the contrary, no sale, assignment, or transfer of any direct or indirect right, title, or interest in Borrower or the Property (including creation of a junior lien, encumbrance or leasehold interest) shall be permitted which would, in Lender's opinion, cause an ERISA Violation. At least fifteen (15) days before consummation of any of the foregoing, Borrower shall obtain from the proposed transferee or lienholder (i) a certification to Lender that the representations and warranties of Section 3.11 will be true after consummation; and (ii) an agreement to comply with this Section 4.11.

(d) The obligations of Borrower under this Section 4.11 shall survive repayment and performance of the other Obligations and any transfer of title to the Property or any portion thereof by foreclosure sale hereunder or by deed in lieu of such foreclosure.

Section 4.12 Environmental Indemnity. Subject to the provisions, terms and conditions set forth therein, Borrower shall comply with all of the terms, covenants and conditions of the Environmental Indemnity, and as of the date hereof hereby re-makes all covenants, representations and warranties made by it in the Environmental Indemnity, which are incorporated in this Instrument by reference as if fully set forth herein. Certain obligations of Borrower under the Environmental Indemnity shall survive repayment and performance of the Debt and any transfer of title to the Property or any portion thereof by foreclosure sale hereunder or by deed in lieu of such foreclosure.

Section 4.13 Intentionally Omitted.

Section 4.14 Inspection. Upon prior written notice, and subject in all respects to the rights of Tenants under the Leases, Borrower shall allow Lender and any Person who is not a Specified Prohibited Transferee, designated by Lender to enter upon the Property and conduct tests or inspect the Property at all reasonable times. Borrower shall reasonably assist Lender and such Person in effecting said inspection.

Section 4.15 Records, Reports, and Audits.

(a) Maintenance of Books and Records; Required Reports. Borrower shall maintain complete and accurate books and records with respect to all operations of, or transactions involving, the Property. Annually, on or prior to March 31st of each calendar year, Borrower shall furnish to Lender (i) financial statements, prepared in accordance with generally accepted accounting principles, consistently applied, for the immediately preceding calendar year for Borrower and each of the Principals (including a schedule of all related obligations and contingent liabilities for the Principals), financial statements to include a net operating income statement and a capital expenditures statement; (ii) unless Borrower is making Deposits in accordance with Section 4.10, copies of paid tax receipts for the Property; (iii) a net operating income budget showing projected income and expense and capital expenditures for the next twelve (12) month fiscal budget period; and (iv) subject to any applicable confidentiality restrictions contained in the applicable Leases, any sales figures reported to Borrower by all retail Tenants of the Property for the prior calendar year. On or prior to March 31st of each calendar year and within ten (10) days after request from Lender for any other calendar quarter thereafter, Borrower shall furnish to Lender a current rent roll for the Property.

(b) Intentionally Omitted.

(c) Delivery of Reports. All of the reports, statements, and items required under this Section 4.15 (i) shall be certified as being true, correct, and accurate by the delivering party; (ii) if an Event of Default occurred during the calendar year to which such reports pertain, at Lender's option, the operating statement and financing statements shall be audited by a certified public accountant acceptable to Lender at Borrower's expense; and (iii) shall be on substantially the same form as previously delivered to Lender; and (iv) shall be delivered on or before the due date thereof. If any report, statement, or item is not received by Lender on its due date, Borrower shall pay to Lender, to compensate Lender for the administrative expense likely to be incurred by Lender as a result of such delinquent report, statement or item, a late fee of Five Hundred and No/100 Dollars ($500.00) for each such delinquent report, statement or item for each month or partial month beyond the due date thereof that Lender has not received same; provided that no such fee shall apply to the first month of delinquency for the first report delivered later than the applicable due date. Borrower hereby acknowledges that such late fee is applicable to each reporting document that is delinquent and is not a single charge for all reporting documents that are delinquent at the same time. Borrower shall (i) provide Lender with such additional financial, management, or other information regarding Borrower, the Principals, or the Property as Lender may reasonably request; and (ii) deliver all

items required by this Section 4.15 in an electronic format (i.e. on CD-ROM or external hard drive) or by electronic transmission.

(d) Right to Examine Records. Upon written notice, Borrower shall allow Lender or any Person designated by Lender to examine, audit, and make copies of all such books and records and all supporting data at the place where these items are located at all reasonable times after reasonable advance notice; provided that no notice shall be required after any Event of Default. Borrower shall reasonably assist Lender in effecting such examination. Upon five (5) days' prior notice, Lender may inspect and make copies of the income tax returns of Borrower, its general partner(s) (if Borrower is a partnership) or its manager or member (if Borrower is a limited liability company) for the purpose of verifying any items referenced in this Section 4.15.

Section 4.16 Borrower's Certificates. Within ten (10) Business Days after Lender's request, Borrower shall furnish a written certification to Lender and any Investor as to (a) the amount of the Debt outstanding; (b) the interest rate, terms of payment, and maturity date of the Note; (c) the date to which payments have been paid under the Note; (d) whether any offsets or defenses exist against the Obligations and a detailed description of any listed; (e) whether all Leases are in full force and effect and have not been modified (or if modified, setting forth all modifications); (f) the date to which the Rents have been paid; (g) whether, to the knowledge of Borrower, any defaults exist under any of the Leases with Major Tenants; (h) the security deposit held by Borrower under each Lease and that such amount is the amount required under such Lease; (i) whether there are any Events of Default and a detailed description of any listed events; (j) whether the Loan Documents are in full force and effect; and (k) any other matters reasonably requested by Lender related to the Leases, the Obligations, the Property, or the Loan Documents. In addition, concurrently with delivery of such written certification to Lender, Borrower shall deliver to Lender an aged account receivable report showing any monetary defaults by Tenants under the Leases certified by Borrower as true and accurate in all material respects. Except during the continuance of an Event of Default, Lender shall not request a certificate under this Section 4.16 more than once every twelve (12) months.

Section 4.17 Criminal Proceedings. Borrower shall deliver to Lender such certifications and/or other evidence periodically requested by Lender, in its reasonable discretion, to verify the representations and warranties in Section 3.09(b).

Section 4.18 Additional Security. The taking of additional security, execution of partial releases, or extension of the time for the payment obligations of Borrower shall not diminish the effect and lien of this Instrument and shall not affect the liability or obligations of any maker or guarantor. During the continuance of an Event of Default, Lender and/or Trustee may enforce the Loan Documents or any other security in such order and manner as Lender may determine in its discretion.

Section 4.19 Further Acts. Borrower shall take all necessary actions to keep valid and effective the lien and rights of Lender and Trustee under the Loan Documents. Promptly upon request by Lender or Trustee, and at Borrower's expense, Borrower shall execute additional instruments and take such actions as Lender and/or Trustee reasonably believes are necessary to (a) maintain or grant Lender and Trustee a first-priority, perfected lien on the Property; (b) grant to Lender and Trustee, to the fullest extent permitted by Law, the right to foreclose on, or transfer title to, the Property non-judicially; and (c) correct any error in the Loan Documents.

Section 4.20 Compliance With Anti-Terrorism Laws.

(a) Conducting Business with Certain Persons. Borrower hereby covenants and agrees that it will not knowingly conduct business with or engage in any transaction or dealing with any Prohibited Person.

(b) Compliance with Anti-Terrorism Laws. Borrower hereby covenants and agrees that it, as well as the Principals, will comply at all times with the requirements of the Anti-Terrorism Laws. Borrower hereby covenants and agrees that, to the extent (if any) required to do so, it, as well as the Principals, will maintain established policies and procedures reasonably designed to prevent and detect money laundering and to prevent other violations of the Anti-Terrorism Laws, including those relating to not knowingly conducting any business or engaging in any transaction or dealing with any Prohibited Person.

(c) Notice of OFAC Violation. Borrower hereby covenants and agrees that, in the event of an OFAC Violation, Borrower will promptly (i) give notice to Lender of such OFAC Violation; and (ii) comply with all Laws applicable to such OFAC Violation (regardless of whether the Prohibited Person is located within the jurisdiction of the United States of America), including the Anti-Terrorism Laws, and Borrower hereby authorizes and consents to Lender's taking any and all steps Lender deems necessary, in its sole discretion, to comply with all Laws applicable to any such OFAC Violation, including the requirements of the Anti-Terrorism Laws (including the "freezing" and/or "blocking" of assets).

(d) Confirmation of OFAC Information. Upon Lender's request in its reasonable discretion from time to time during the term of the Loan, Borrower agrees to deliver a certification confirming that the representations and warranties set forth in Section 3.10 above remain true and correct as of the date of such certificate and confirming Borrower's and the Principals' compliance with this Section 4.20.

Section 4.21 Expenses and Advances.

(a) In addition to any payments specified in the Loan Documents, Borrower shall pay, on demand, all fees, charges, costs, expenses, and disbursements incurred by Lender, Borrower and/or Trustee in connection with the following:

(i) any amendment to, or consent, approval or waiver required or requested by Borrower under this Instrument or any of the other Loan Documents (whether or not any such amendment, consent, approval or waiver is entered into or granted);

(ii) defending or participating in any Proceeding arising from actions by third parties and brought against or involving Lender with respect to: (1) the Property; (2) any event, act, condition, or circumstance in connection with the Property; or (3) the relationship between or among, Lender, Trustee, Borrower and Principals in connection with this Instrument or any of the other Loan Documents or any of the transactions contemplated by this Instrument or any of the other Loan Documents;

(iii) the administration or enforcement of, or preservation of rights or remedies under this Instrument or any of the other Loan Documents, including or in connection with any sale, Transfer, lease, or other encumbrance of the Property or any interest therein, any transfer of any of the Obligations, Proceedings, and/or the foreclosure, sale or transfer by deed-in-lieu of foreclosure of the Property pursuant to this Instrument or any of the other Loan Documents; and

(iv) the occurrence of an Insolvency Event or if any Bankruptcy Proceeding is instituted by or against Borrower, any of the Principals, Principal General Partner, REIT or any other REIT Subsidiary (other than by Lender), provided, however, that in the case of any other REIT Subsidiary, the Insolvency Event or Bankruptcy Proceedings with respect to such REIT Subsidiary results in a substantive consolidation with Borrower.

(b) During the continuance of an Event of Default, or at such other time that Lender determines that there exists an imminent threat of injury to persons or property or Lender's security, if Borrower fails to pay any amounts or perform any actions required under the Loan Documents, then Lender or Trustee may (but shall not be obligated to) advance sums to pay such amounts or perform such actions. During the continuance of an Event of Default, or at such other time that Lender determines that there exists an imminent threat of injury to persons or property or Lender's security, Lender and Trustee shall have the right to enter upon and take possession of the Property to prevent or remedy any such failure and the right to take such actions in Borrower's name. No advance or performance by Lender shall be deemed to have cured a Default. All (i) sums advanced by or payable to Lender or Trustee pursuant to this Section 4.21 or under Laws; or (ii) except as expressly provided in the Loan Documents, payments due under the Loan Documents which are not paid in full when due, shall: (1) be deemed demand obligations; (2) bear interest from the due date at the Default Rate until paid if not paid within five (5) Business Days after written notice; (3) be part of, together with such interest, the Obligations; and (4) be secured by the Loan Documents. Lender or Trustee, upon making any such advance, shall also be subrogated to the rights of the Person receiving such advance.

Section 4.22 Subrogation. If any proceeds of the Note were used to extinguish, extend or renew any indebtedness on the Property, then, to the extent of the funds so used, (a) Lender and Trustee shall be subrogated to all rights, claims, liens, titles and interests existing on the Property held by the holder of such indebtedness; and (b) these rights, claims, liens, titles and interests are not waived but rather (i) shall continue in full force and effect in favor of Lender and Trustee; and (ii) are merged with the lien and security interest created by the Loan Documents as cumulative security for the payment and performance of the Obligations.

Section 4.23 Permits. Borrower shall obtain and at all times shall keep in full force and effect and shall use commercially reasonable efforts to cause all occupants of the Property to keep in full force and effect all Permits necessary or desirable for the lawful use, occupancy and operation of the Property for the Permitted Use and the conduct of Borrower's business and the businesses of all occupants of the Property. From and after the date hereof, Borrower shall use commercially reasonable efforts to obtain and deliver to Lender copies the certificates of occupancy with respect to the premises leased by all Major Tenants. Borrower shall comply at all times with all of the terms and conditions of the Permits applicable to the Property or Borrower and shall promptly notify Lender of any violation of or noncompliance with any such Permit of which Borrower may become aware. Upon the occurrence and during the continuance of an Event of Default, Lender may exercise all of its rights and remedies as a secured party under the UCC with respect to such Permits.

Section 4.24 Parking. At all times Borrower will maintain or cause to be maintained sufficient paved, on-site parking spaces to comply with the terms of all Leases and all applicable zoning regulations.

Section 4.25 Property Management and Leasing.

(a) At all times Borrower will cause the Property to be managed (i) in accordance with all Laws; (ii) by a property management company reasonably satisfactory to Lender, it being understood that Phillips Edison Property Manager, Principal, REIT and any REIT Subsidiary are each satisfactory to Lender, so long as they are Affiliates of Borrower; and (c) pursuant to a written property management agreement approved by Lender in writing (such approval not to be unreasonably withheld, conditioned or delayed), which may include the Leasing Agreement (as approved, the "**Property Management Agreement**"). The Property Management Agreement shall be terminable at will by Borrower upon thirty (30) days prior written notice and shall be subject and subordinate to the lien and terms of this Instrument and the other Loan Documents by execution of a subordination of management agreement on Lender's then standard form with such changes as agreed between Lender and Borrower. In no event shall the property manager be removed or replaced (other than in connection with a Property Management Transfer) or the terms of the Property Management Agreement be modified or amended without the prior written consent of Lender, which consent shall not be unreasonably withheld, conditioned or delayed. Upon the occurrence of an Event of Default, Lender shall have the right to direct Borrower to terminate (and Borrower shall so terminate or cause to be terminated) the Property Management Agreement upon thirty (30) days' notice. In the event that the property manager provides cause for termination as the result of gross negligence, willful misconduct, fraud, breach of fiduciary duty, bankruptcy, criminal liability or civil liability, Lender shall have the right to direct Borrower to immediately terminate (and Borrower shall so immediately terminate or cause to be immediately terminated) such Property Management Agreement.

(b) At all times during the term of the Loan, the Property shall be leased (i) in accordance with all Laws; (ii) by Phillips Edison Property Manager, Principal, REIT, any REIT Subsidiary or a leasing agent reasonably satisfactory to Lender; and (iii) pursuant to a written leasing agreement that is either (x) approved by Lender, such approval not to be unreasonably withheld, conditioned or delayed, or (y) included as part of the Property Management Agreement approved by Lender in accordance with Section 4.25(a) above (as approved, the "**Leasing Agreement**"). The Leasing Agreement shall be subject and subordinate to the lien and terms of this Instrument and the other Loan Documents by execution of a subordination of leasing agreement on Lender's then standard form with such changes as agreed between Borrower and Lender. In no event shall the leasing agent be removed or replaced or the terms of the Leasing Agreement be modified or amended without the prior written consent of Lender, which consent shall not be unreasonably withheld, conditioned or delayed. Upon the occurrence of an Event of Default, Lender shall have the right to direct Borrower to terminate (and Borrower shall so terminate or cause to be terminated) the Leasing Agreement upon thirty (30) days' notice. In the event that the leasing agent provides cause for termination as the result of gross negligence, willful misconduct, fraud, breach of fiduciary duty, bankruptcy, criminal liability or civil liability, Lender shall have the right to direct Borrower to immediately terminate (and Borrower shall so immediately terminate or cause to be immediately terminated) such Leasing Agreement.

ARTICLE V - SALE, TRANSFER, OR ENCUMBRANCE OF THE PROPERTY; LEASES OF THE PROPERTY

Section 5.01 Due-on-Sale or Encumbrance. Except as otherwise provided in this Article V, Lender may accelerate the Obligations and the entire Obligations (including a Prepayment Premium calculated by using the Alternate Prepayment Premium) shall become immediately due and payable, if any of the following shall occur, whether occurring in a single transaction or in a series of transactions (each and collectively, a "**Prohibited Transfer**"):

(a) a direct or indirect sale, conveyance, assignment, transfer or disposal of, divesting of title to, mortgage, pledge or encumbrance of or grant of a security interest or other lien on, or grant of any easement or right-of-way (each and collectively, a "**Transfer**") with respect to all or any portion of the Property or any interest in the Property, in any manner whatsoever, whether voluntary or involuntary, except (i) for Permitted Encumbrances, (ii) any Transfer as a result of any Taking of the Property or any portion thereof, (iii) liens, security interests, encumbrances and charges that Borrower pays, bonds or otherwise discharges, or is contesting, in accordance with the Loan Documents, and (ii) as otherwise permitted by this Section 5.01;

(b) any merger or consolidation of, or any Transfer or dissolution involving all or substantially all of the assets of, (i) Borrower; (ii) any Principal; or (iii) REIT, where Borrower, Principal or REIT is not the surviving company or acquirer of such assets;

(c) if Borrower is a corporation, any Transfer of more than forty-nine percent (49%) of the voting shares in such corporation;

(d) if Borrower is a partnership, any Transfer of a general partnership interest or of more than forty-nine percent (49%) of voting limited partnership interests in Borrower or the conversion of any Person holding any general partnership interest in Borrower to a corporation, limited partnership interest, limited liability company or any other type of entity with limited liability;

(e) if Borrower is a limited liability company, any Transfer of the membership interest of any managing member of Borrower or of the sole member of Borrower, if any, or of more than forty-nine percent (49%) of the non-managing membership interests of Borrower to any Person that is not wholly-owned by Principal;

(f) if Borrower is a trust, any resignation, removal or substitution of the trustee or any Transfer of more than forty-nine percent (49%) of the beneficial interests of Borrower;

(g) any other Transfer of more than forty-nine percent (49%) of the voting interests in Borrower; or

(h) any other event resulting in a Change of Control of Borrower or any Principal.

Except as otherwise permitted by Section 5.02 direct or indirect interests or management Control in (i) the Property, (ii) Borrower, (iii) any member of Borrower, and/or (iv) any Person that has Control of Borrower, may be not Transferred without Lender's approval and the occurrence of any such event will constitute an Event of Default.

Notwithstanding the foregoing, any Transfers under the Loan Documents or under the Cross Defaulted Loan Documents that would result in more borrowers under the Loan or the Cross Defaulted Loans than originally contemplated during the term of the Loan and the Cross Defaulted Loans shall be strictly prohibited.

Notwithstanding the foregoing if the death of or the removal from Control of Borrower of any natural person who has a direct or indirect ownership, beneficial or voting interest in Borrower or who is a general partner, managing member, sole member, manager or trustee of Borrower or is otherwise in Control of Borrower would cause a Prohibited Transfer, then the provisions of this Section 5.01 shall not apply to such Transfer; provided, however, that if such natural person is a general partner, managing member, sole member, manager or trustee of Borrower or is otherwise in Control of Borrower, then any successor to such natural person must be reasonably satisfactory to Lender.

Section 5.02 Permitted Transfers.

(a) Permitted Transfers. For so long as Phillips Edison Grocery Center Operating Partnership I, L.P. is the Principal under the Loan and [_____] LLC is Borrower under the Loan, the following shall not constitute Prohibited Transfers (and by virtue thereof shall be permitted hereunder without Lender's approval):

(i) the listing of REIT Shares on an Exchange (the "**REIT Listing**"); provided that (A) REIT satisfies all of the listing requirements of the SEC at the time of and as a condition of the REIT Listing, including, but not limited to, the net worth requirements, and (B) the REIT Listing does not result in or cause a Change of Control;

(ii) without limiting subparagraph (iii) of this Section 5.02(a), Transfers, issuances or redemptions of any REIT Shares (each, a "**REIT Share Transfer**"); provided that (A) at the time of such REIT Share Transfer, the REIT Shares are listed on an Exchange, and (B) the REIT Share Transfer does not result in or cause a Change of Control;

(iii) any REIT Share Transfers, issuances or redemptions during the period prior to the REIT Listing (i.e., while REIT is a public entity but a non-listed entity) that are made in accordance with REIT's charter and other governing documents, including, but not limited to, REIT's share repurchase

program and/or dividend reinvestment program; provided that (A) such activities, singularly or taken as a whole, do not result in or cause a Change of Control; and (B) prior to such REIT Share Transfers, issuances or redemptions, Borrower shall have delivered to Lender a copy of REIT's charter and governing documents;

(iv) Transfers, issuances, conversions or redemptions of interests in Principal to limited partners in Principal; provided that such Transfers do not result in or cause a Change of Control;

(v) Transfers of indirect interests in Principal and REIT; provided that such Transfers do not result in or cause a Change of Control;

(vi) any merger or consolidation of REIT or Principal with any Person that is an Affiliate of REIT; provided that (A) REIT or Principal is the surviving entity; (B) such transaction does not result in or cause a Change of Control; and (C) the General Transfer Requirements are satisfied;

(vii) any Transfer of interests in Phillips Edison Property Manager to REIT (the "**Property Management Transfer**"); provided that (A) Phillips Edison Property Manager is Controlled by REIT, a REIT Subsidiary or Principal; (B) such transaction does not result in or cause a Change of Control; and (C) the General Transfer Requirements are satisfied;

(viii) any replacement of Phillips Edison Property Manager with Principal or an entity Controlled by Principal; provided that, at the time of the Transfer, there shall not exist an Event of Default;

(ix) any removal or replacement of REIT Manager; provided that (A) (1) Jeffrey S. Edison, or (2) two (2) or more of Devin Murphy, Mark Addy, Robert F. Myers, Joseph Schlosser, Ryan Moore and John Caulfield (or replacement executives having a similar level of experience and seniority to any replaced executive as determined by Lender in its reasonable discretion), shall continue to be executives of REIT or Principal; and (3) the General Transfer Requirements are satisfied;

(x) any Transfer, issuance or redemption of any direct or indirect beneficial or legal ownership interests in any Public REIT Shareholder (it being understood that Borrower has no control over the ownership structure of any Public REIT Shareholder); and

(xi) the Transfer of one hundred percent (100%) of the membership interests in Borrower to a wholly-owned subsidiary of Principal; provided that (A) such transaction does not result in or cause a Change of Control; and (B) the General Transfer Requirements are satisfied.

(b) No Release; Information.

(i) Neither any REIT Share Transfer nor any Transfer of interests of any of the limited partners in Principal shall relieve Borrower or Principal of any of its respective obligations and liabilities under any of the Loan Documents, including the Limited Guaranty or the Environmental Indemnity; and

(ii) Borrower shall cause REIT to cause Lender to automatically receive notifications whenever REIT posts and files any documents with the SEC. Additionally, from time to time, upon written request of Lender, Borrower shall cause REIT to furnish to Lender copies of (A) mailings by REIT to its shareholders, (B) to the extent not confidential, reports furnished by REIT to rating agencies and relating to its outstanding commercial paper, and (C) to the extent not confidential, information generally supplied by REIT in writing to security analysts.

(c) One-Time Right to Transfer Property. Notwithstanding the above, (1) Borrower shall have a one- time right to sell its entire interest in the Property and assign all of its rights and obligations under the Loan Documents and the Cross Collateralizing Security Documents encumbering the Property to a third party; or (2) all of the membership interests in Borrower may be transferred directly or indirectly to a third party (such third party described in clauses (1) or (2) being the "**Transferee**" and any such sale, assignment or transfer described in clauses (1) or (2) being the "**One- Time Right to Transfer**"); provided that:

(i) at the time of the One-Time Right to Transfer, there shall not exist an Event of Default;

(ii) the closing of the One-Time Right to Transfer will not occur unless and until the satisfaction of the conditions to the closing of (A) the sales of the other Cross Defaulted Properties and the assignments of all of the other Cross Defaulted Borrowers' rights and obligations under the Cross Defaulted Loan Documents to a third party or its affiliates; or (B) the transfers directly or indirectly of all of the membership interests in the other Cross Defaulted Borrowers to a third party, in either case, pursuant to provisions in such loan documents substantially similar to this Section 5.02(c). For avoidance of doubt, the One-Time Right to Transfer may not be exercised unless and until the one-time right to transfer provision included in each of the Cross Defaulted Loan Documents is also exercised;

(iii) Transferee and the principal(s) of Transferee ("**Transferee's Principal(s)**") expressly assume all of the obligations of Borrower and Principal(s) under and pursuant to the Note, this Instrument, the Environmental Indemnity, the Limited Guaranty and all other Loan Documents on such terms and conditions and pursuant to such documentation as is acceptable to Lender, in its sole discretion, including, without limitation, the representations, warranties and covenants set forth therein and any amendments deemed necessary by Lender in its reasonable discretion as a result of the structure of the Transferee;

(iv) Lender shall have given its approval to Transferee's and Transferee's Principal(s)' credit history, reputation, legal organization, financial strength and experience in the ownership, operation and management of grocery anchored retail properties similar to the Property and other Cross Defaulted Properties in the areas where the Property and other Cross Defaulted Properties are located;

(v) Lender, at its option, receives a then current phase I environmental report with respect to the Property in form and substance satisfactory to Lender from a consultant approved by Lender;

(vi) Lender shall have received a transfer premium equal to six-tenths of one percent (0.6%) of the principal amount outstanding under the Note as of the date of the One-Time Right to Transfer;

(vii) Borrower shall pay all costs incurred by Lender in connection with the One-Time Right to Transfer, including, without limitation, Attorneys' Fees, and the cost of an endorsement to Lender's title insurance policy, insuring the continuing first priority of Lender's lien;

(viii) Lender receives a legal opinion reasonably acceptable to it from counsel for Transferee and Transferee's Principal(s) addressing (A) the due organization and authorization of Transferee and Transferee's Principal(s); (B) the continued enforceability of the Loan Documents and any ancillary transaction documents against them; and (C) such other matters reasonably required by Lender given the context of the transaction;

(ix) the DSCR for all Cross Defaulted Properties shall be no less than 2.00 to 1.00;

(x) the Debt Yield for all Cross Defaulted Properties shall be equal to or greater than twelve percent (12.0%);

(xi) at the time of the closing of the One-Time Right to Transfer, the LTV shall be no greater than fifty-five percent (55%); and

(xii) within five (5) Business Days of Lender's request therefor Borrower shall provide Lender with Borrower's proposed calculation of Net Operating Income, certified by an appropriate authorized officer or authorized signatory of Borrower, together with all relevant supporting detail reasonably required to determine the same. Lender shall then perform Lender's own independent calculation of Net Operating Income, which shall be the definitive determination of Net Operating Income absent manifest error.

Section 5.03 Principals.

(a) If any Principal is a natural person and dies or is removed from Control while the Note is outstanding then, not later than five (5) months following the death or removal of such Principal, Borrower shall provide to Lender for its approval (which approval shall not be unreasonably withheld or delayed, it being understood and agreed that the estate of such deceased Principal is not acceptable to Lender), a substitute Principal or Principals and documentation to verify that such substitute Principal or Principals are in Control of Borrower. If approved by Lender, the substitute Principal or Principals shall execute and deliver to Lender, within thirty (30) days after Lender approves in writing the substitute Principal or Principals, a limited guaranty and an environmental indemnity agreement identical (except as to the name of the obligor thereunder and similar conforming changes) in form and substance to the Limited Guaranty and the Environmental Indemnity, respectively, executed by the Principal who died or was removed from Control.

(b) Borrower shall pay all costs and expenses, including Attorneys' Fees, incurred by Lender in connection with any approval by Lender under this Section 5.03 and the preparation and execution of any documentation required under this Section 5.03.

Section 5.04 Leases.

(a) Subordination of Leases. Unless otherwise approved in writing by Lender, all Leases entered into after the date hereof shall be absolutely subordinate to the lien of this Instrument, but may contain a provision reasonably satisfactory to Lender that, in the event of the exercise of the private power of sale or a judicial foreclosure hereunder, such Lease, at the sole and exclusive option of the purchaser at such sale, shall not be terminated and the Tenant thereunder shall attorn to such purchaser and, if requested to do so, shall enter into a new Lease for the balance of the term then remaining upon the same terms and conditions.

(b) Obligations of Borrower as to Leases. Borrower: (i) shall observe and perform all the obligations imposed upon the lessor under the Leases in all material respects; (ii) shall enforce all of the terms, covenants and conditions contained in the Leases upon the part of lessee thereunder to be observed or performed in all material respects; (iii) shall not collect any of the Rents more than one (1) month in advance; (iv) shall not execute any other assignment of lessor's interest in the Leases or the Rents; (v) subject to the rights set forth in Section 5.04(c) below, shall not, without the prior written consent of Lender, surrender or terminate or consent to the cancellation, surrender or termination of any Lease or any part thereof, now existing or hereafter made, or consent to the release of any party thereto, except in the ordinary course of operating the Property; (vi) shall not convey or transfer or suffer or permit a conveyance or transfer of the Property or of any interest therein so as to effect a merger of the estates and rights of, or a termination or material diminution of the obligations of, any lessee thereunder; (vii) shall not consent to any assignment of or subletting under the Leases not in accordance with their terms or in the ordinary course of operating the Property; (viii) shall execute and deliver at the request of Lender all such further assurances, confirmations and assignments as Lender shall from time to time reasonably require in order to maintain or grant Lender and Trustee a first-priority assignment of all Leases and Rents; and (ix) shall notify Lender of any event of default of any Major Tenant or Borrower for which notice is given or any circumstance or other event arising under a Lease that would entitle or permit Borrower or any Major Tenant to cancel the Lease, abate any rent payable thereunder, or pursue any "self-help" remedy thereunder.

(c) New Leases, Amendment, Modification, Etc., of Leases.

(i) Except as otherwise expressly set forth in this Section 5.04, Borrower shall not enter into any Lease for any portion of the Property without the prior written consent of Lender, which shall not be unreasonably withheld or delayed. As a condition to granting such consent, Lender may require an estoppel certificate from the Tenant, and if such Lease does not include subordination, non-disturbance and attornment language acceptable to Lender, a subordination, non-disturbance and attornment agreement ("**SNDA**") among Lender, Borrower, and the Tenant, which SNDA shall subject and subordinate such Lease to the lien and terms of this Instrument, the other Loan Documents and any Cross Collateralizing Security Documents encumbering the Property and shall further subordinate the Tenant's rights to casualty and condemnation proceeds. Such tenant estoppel certificate and such SNDA shall be based on the forms attached to such Tenant's Lease, or if no forms are attached to such Tenant's Lease, then on Lender's then standard forms or such Tenant's standard forms with such changes as Lender shall reasonably request. Without limiting the generality of the foregoing, each Lease entered into after

the date hereof shall contain a provision, where applicable, stating that (i) the Tenant uses, generates, stores and disposes of no Hazardous Materials, except those customarily and currently used in Tenant's normal business operations, and that in any event all such Hazardous Materials will only be used in the leased premises in compliance with all Environmental Requirements; and (ii) Lender and Lender's environmental consultant may conduct periodic inspections at the expense of Borrower to verify that such use, storage, generation, treatment, disposal or release is in compliance with all Environmental Requirements.

(ii) Borrower shall not, without Lender's prior written approval (not to be unreasonably withheld or delayed), amend, modify, extend, renew or supplement any Lease or consent to any sublease except for: (A) subleases, amendments or modifications memorializing options or rights contained in Leases previously approved by Lender or (B) Leases not requiring Lender's approval. A Lease shall require Lender's approval for purposes of clause (B) if either the initial Lease so required Lender approval hereunder, or such Lease as so amended, modified, extended, renewed or supplemented would have required Lender's approval hereunder as a new Lease.

(iii) Notwithstanding the foregoing, Lender's approval shall not be required for any new Lease or amendment or modification of an existing Lease provided (i) no Event of Default has occurred and is continuing, and (ii) the Lease or Lease as amended or modified (A) is not with a Major Tenant, (B) is on market terms, (C) represents a bona-fide arm's length transaction with a third party not Affiliated with Borrower, (D) does not contain tenant purchase options, above-market tenant improvement allowances, above-market concessions or offsets, (E) is for a term not longer than twenty (20) years (including any renewal options), and (F) is either (1) written on Borrower's standard form Lease which has been approved by Lender with changes negotiated in good faith by Borrower that are customary market changes made by similar owners in the ordinary course of business or (2) written on the Tenant's form Lease but containing provisions for limitations on landlord's liability and subordination and attornment of the Lease in favor of Lender. As used herein, the term "**Major Tenant**" means any Tenant of the Property and their Affiliates then leasing or subleasing space pursuant to one or more Leases at the Property aggregating more than 15,000 rentable square feet of the Property's net rentable area.

(iv) Borrower shall provide Lender with a copy of any new Leases, amendments and modifications for Leases with a Tenant within thirty (30) days of execution, and within fifteen (15) days after a request from Lender for any other Lease or amendment. If Lender's approval is required for any new Lease or any amendment or modification of an existing Lease and Borrower requests Lender's approval in writing, and such written request is neither approved nor denied within ten (10) Business Days following Lender's receipt (together with the Lease and/or the amendment or modification of an existing Lease (as applicable), a comparison of the proposed, unexecuted new Lease to Borrower's standard form Lease previously approved by Lender (as applicable), Tenant financials, if appropriate, and such other documentation which Lender may reasonably request), Lender's approval shall be deemed given; provided that Borrower's request for Lender's approval shall bear the following legend typed in bold, capital letters at the top: "**IF LENDER SHALL FAIL TO EITHER APPROVE OR DENY BORROWER'S REQUEST FOR LENDER'S APPROVAL OF THE ENCLOSED NEW LEASE OR AMENDMENT OR MODIFICATION OF A LEASE WITHIN TEN (10) BUSINESS DAYS AFTER LENDER'S RECEIPT THEREOF, LENDER SHALL BE DEEMED TO HAVE APPROVED SUCH NEW LEASE OR AMENDMENT OR MODIFICATION**"; and provided, further that, the deemed approval provision in this sentence shall not apply in the event the new Lease or the amendment or modification of an existing Lease, or the request for such new Lease or amendment or modification of an existing Lease does not comply with the provisions of this subparagraph.

ARTICLE VI - DEFAULTS AND REMEDIES

Section 6.01 Events of Default. Each of the following shall be an "**Event of Default**":

(a) if Borrower fails to make any payment of principal or interest when due under the Note (excluding the payment due on the Maturity Date) or fails to make any Deposits if and when required under the Loan Documents, and such failure continues uncured for ten (10) days after the applicable due date, without any requirement for notice thereof from Lender;

(b) if Borrower fails to make any payment of principal or interest when due under the Note on the Maturity Date or fails to make any other payment when due on the Maturity Date under the Note, this Instrument or the other Loan Documents;

(c) if Borrower fails to make any other payment when due under the Note, this Instrument or the other Loan Documents (except as specified in Section 6.01(a) or Section 6.01(b)), and such failure continues for ten (10) days after written notice thereof from Lender;

(d) if any representation or warranty made in connection with the Loan or the Obligations in the Loan Documents shall be false or misleading in any material respect at the time when made, provided, however, that if (A) such misrepresentation was not intentional, and (B) the condition causing the representation or warranty to be false is susceptible of being cured, the same shall be an Event of Default hereunder only if the same is not cured within thirty (30) days after written notice to Borrower from Lender;

(e) if Borrower shall, without Lender's prior written consent, take any action that, in accordance with the terms of the Loan Documents, expressly requires Lender's consent, including, without limitation, in connection with the provisions of Article V, without first obtaining Lender's prior written consent (or deemed consent);

(f) if a Prohibited Transfer occurs;

(g) if an "Event of Default" described in any other provision of this Instrument occurs;

(h) if Borrower fails to comply with the provisions of Section 5.03;

(i) if an Insolvency Event occurs;

(j) if any Bankruptcy Proceeding is instituted by (other than by Lender) or against Borrower, any of the Principals, Principal General Partner, REIT or any other REIT Subsidiary, and, if instituted against such Person, is allowed, consented to, or not dismissed within the earlier to occur of (i) ninety (90) days after such institution; or (ii) the filing of an order for relief, provided that in the case of any other REIT Subsidiary, the bankruptcy of such REIT Subsidiary results in a substantive consolidation with Borrower;

(k) [Intentionally Omitted];

(l) if Borrower shall fail at any time to obtain, maintain, renew, or keep in force the insurance policies required by Section 4.06 hereof or any of the other Loan Documents;

(m) if an event of default, subject to all notice and cure rights, by Borrower under any other mortgage, deed of trust, or security agreement covering any part of the Property, whether it be superior

or junior in lien to this Instrument or under any other loan or indebtedness has occurred and is continuing, whether secured or unsecured, or if an event of default shall occur under any loan secured by a pledge of a direct or indirect ownership interest in Borrower other than a pledge of (y) direct or indirect ownership interests by limited partners in Principal or (z) direct or indirect interests by Public REIT Shareholders in REIT;

(n) if any claim of priority (except based upon a Permitted Encumbrance) to the Loan Documents by title, lien, or otherwise shall be upheld by any court of competent jurisdiction or shall be consented to by Borrower;

(o) the occurrence of any RICO Violation;

(p) the occurrence of any ERISA Violation;

(q) the occurrence of any OFAC Violation;

(r) if any report, statement or item required under Section 4.15 is not received by Lender after the expiration of (i) thirty (30) days after written notice from Lender (the "**First Notice**"); and (ii) ten (10) days after delivery of a second written notice from Lender (the "**Second Notice**"), which Second Notice shall not be delivered before the date that is thirty (30) days after delivery of the First Notice;

(s) the occurrence of any event or circumstance identified as an "Event of Default" under any Loan Document other than this Instrument, under any Cross Collateralizing Security Document, or under any of the other Cross Defaulted Loan Documents; and

(t) except for the occurrence of the events listed in the other clauses of this Section 6.01, if Borrower fails to perform or comply with any other provision contained in this Instrument or in any of the other Loan Documents and such failure is not cured within thirty (30) days after written notice thereof by Lender (the "**Grace Period**"); provided, however, that the Grace Period may be extended for up to an additional sixty (60) days (for a total of ninety (90) days from the date of Default) if (i) Borrower promptly commences and diligently pursues the cure of such Default and delivers (within the Grace Period) to Lender a written request for more time; and (ii) Lender determines in good faith that (1) such Default cannot be cured within the Grace Period but can be cured within ninety (90) days after the Default; (2) no lien or security interest created by the Loan Documents will be impaired prior to completion of such cure; and (3) Lender's immediate exercise of any remedies provided hereunder or by Law is not necessary for the protection or preservation of the Property or Lender's or Trustee's security interest.

Section 6.02 Remedies. If an Event of Default occurs and is continuing, Lender, or any Person designated by Lender or Lender acting by or through Trustee, may (but shall not be obligated to) take any action (separately, concurrently, cumulatively, and at any time and in any order) permitted under any Laws, without notice, demand, presentment, or protest (all of which are hereby waived), to protect and enforce Lender's or Trustee's rights under the Loan Documents or Laws including the following actions:

(a) accelerate and declare the entire unpaid Obligations immediately due and payable, except for Events of Defaults under Section 6.01(i) or (j) which shall automatically make the Obligations immediately due and payable;

(b) judicially or otherwise, (i) completely foreclose this Instrument; or (ii) partially foreclose this Instrument for any portion of the Obligations due and the lien and security interest created by this Instrument shall continue unimpaired and without loss of priority as to the remaining Obligations not yet due;

(c) sell for cash or upon credit the Property and all right, title and interest of Borrower therein and rights of redemption thereof, pursuant to power of sale, to the extent permitted by Law, Borrower hereby waiving all such rights of redemption upon the occurrence of an Event of Default;

(d) subject to the limitations in Article VII, recover judgment on the Note either before, during or after any Proceedings for the enforcement of the Loan Documents and without any requirement of any action being taken to (i) realize on the Property; or (ii) otherwise enforce the Loan Documents;

(e) seek specific performance of any provisions in the Loan Documents;

(f) apply for the appointment of a receiver, custodian, trustee, liquidator, or conservator of the Property without (i) notice to any Person; (ii) regard for (1) the adequacy of the security for the Obligations; or (2) the solvency of Borrower or any Person liable for the payment of the Obligations; and Borrower and any Person so liable waives or shall be deemed to have waived the foregoing and any other objections to the fullest extent permitted by Law and consents or shall be deemed to have consented to such appointment;

(g) with or without entering upon the Property, (i) exclude Borrower and any Person from the Property without liability to Borrower for trespass, damages, or otherwise; (ii) take possession of, and Borrower shall surrender within five (5) Business Days after written notice, all books, records, and accounts relating to the Property; (iii) give notice to Tenants or any Person, make demand for, collect, receive, sue for, and recover in its own name all Rents and cash collateral derived from the Property; (iv) use, operate, manage, preserve, control, and otherwise deal with every aspect of the Property, including (1) conducting its business; (2) insuring it; (3) making all repairs, renewals, replacements, alterations, additions, and improvements to or on it; (4) completing the construction of any Improvements in manner and form as Lender deems advisable; and (5) executing, modifying, enforcing, and terminating new and existing Leases on such terms as Lender deems advisable and evicting any Tenants in default; (v) apply the receipts from the Property to payment of the Obligations, in any order or priority determined by Lender, after first deducting all costs, expenses, and liabilities incurred by Lender or Trustee in connection with the foregoing operations and all amounts needed to pay the Impositions and other expenses of the Property, as well as just and reasonable compensation for the services of Lender, Trustee, and their attorneys, agents, and employees; and/or (vi) in every case in connection with the foregoing, exercise all rights and powers of Borrower, Lender, or Trustee with respect to the Property, either in Borrower's name or otherwise;

(h) release any portion of the Property for such consideration, if any, as Lender may require without, as to the remainder of the Property, impairing or affecting the lien or priority of this Instrument

or improving the position of any subordinate lienholder with respect thereto, except to the extent that the Obligations shall have been actually reduced, and Lender may accept by assignment, pledge, or otherwise any other property in place thereof as Lender may require without being accountable for so doing to any other lienholder;

(i) apply any Deposits to the following items in any order and in Lender's sole discretion: (i) the Obligations; (ii) costs incurred by Lender in administering or enforcing its rights under this Instrument; (iii) advances made by Lender under the Loan Documents; or (iv) the Impositions; or

(j) take all actions permitted under the UCC of the Property State including (i) the right to take possession of Personal Property and take such actions as Lender or Trustee deems advisable for the care, protection and preservation of the Personal Property; and (ii) request Borrower at its expense to assemble the Personal Property and make it available to Lender or Trustee at a convenient place acceptable to Lender or Trustee. Any notice of sale, disposition or other intended action by Lender or Trustee with respect to the Personal Property sent to Borrower at least ten (10) Business Days prior to such action shall constitute commercially reasonable notice to Borrower.

If Lender or Trustee exercises any of its rights under Section 6.02(g), Lender and Trustee shall not (1) be deemed to have entered upon or taken possession of the Property except upon the exercise of its option to do so and physically taking possession of the Property; (2) be deemed a beneficiary or mortgagee in possession by reason of such entry or taking possession; or (3) be liable (x) to account for any action taken pursuant to such exercise other than for Rents actually received by Lender or Trustee except for Losses caused by Lender's or Trustee's willful misconduct or gross negligence and not covered by Borrower's insurance; (y) for any Loss sustained by Borrower resulting from any failure to lease the Property; or (z) any other act or omission of Lender or Trustee except for Losses caused by Lender's or Trustee's willful misconduct or gross negligence and not covered by Borrower's insurance. During the continuance of an Event of Default, Borrower hereby consents to, ratifies, and confirms the exercise by Lender and Trustee of its or their rights under this Instrument and appoints Lender and Trustee as its attorney-in-fact for such purposes.

Section 6.03 Expenses. All costs, expenses, or other amounts paid or incurred by Lender or Trustee in the exercise of its or their rights under the Loan Documents, including, without limitation, Attorneys' Fees (together with interest thereon at the applicable interest rate specified in the Note, which shall be the Default Rate unless prohibited by Law, in the event such cost, expense or other amount incurred by Lender or Trustee is not paid within five (5) days of written demand therefor) shall be (a) part of the Obligations; (b) secured by this Instrument; and (c) allowed and included as part of the Obligations in any foreclosure, decree for sale, power of sale, or other judgment or decree enforcing Lender's and/or Trustee's rights under the Loan Documents.

Section 6.04 Rights Pertaining to Sales. To the extent permitted under (and in accordance with) any Laws, the following provisions shall, as Lender or Trustee may determine in its or their sole discretion, apply to any sales of the Property under this Article VI, whether by judicial Proceeding, judgment, decree, power of sale, foreclosure or otherwise: (a) Lender or Trustee may conduct a single sale of the Property or multiple sales of any part of the Property in separate tracts or in any other manner as Lender deems in its best interest and Borrower waives any right to require otherwise; (b) if Lender elects more than one sale of the Property, Lender may at its option cause the same to be conducted simultaneously or successively, on the same day or on such different days or times and in such order as Lender may deem to be in its best interest, no such sale shall terminate or otherwise affect the lien of this Instrument on any part of the Property not then sold, and Borrower shall pay the costs and expenses of each such sale; (c) any sale may be postponed or adjourned by public announcement at the time and place appointed for such sale or for such postponed or adjourned sale without further notice or such sale may occur, without further notice, at the time fixed by the last postponement or a new notice of sale may be given; and (d) Lender may acquire the Property and, in lieu of paying cash, may pay by crediting against the Obligations the amount of its bid, after deducting therefrom any sums which Lender or Trustee is authorized to deduct under the provisions of the Loan Documents. After any such sale, Trustee shall deliver to the purchaser at such sale the trustee's deed conveying the property so sold, but without any covenant or warranty, express or implied in customary form. Any Person, including Borrower or Lender, may purchase at such sale.

Section 6.05 Application of Proceeds. Any proceeds received from any sale or disposition under this Article VI or otherwise, together with any other sums held by Lender or Trustee, shall, except as expressly provided by Law or this Instrument, be applied in the order determined by Lender to: (a) payment of all costs and expenses of any enforcement Proceeding, or foreclosure sale, transfer of title by power of sale (including the expenses of the Trustee), or otherwise (including interest thereon at the applicable interest rate specified in the Note, which shall be the Default Rate unless prohibited by Law, in the event such cost or expense incurred by Lender or Trustee is not paid within five (5) days of written demand therefor); (b) all Assessments, unless the Property was sold subject to such Assessments; (c) payment of the Obligations in such order as Lender may elect; (d) payment of any other sums secured or required to be paid by Borrower; and (e) payment of the surplus, if any, to Borrower. Borrower and Lender intend and agree that during any period of time between any foreclosure judgment that may be obtained and the actual foreclosure sale that the foreclosure judgment will not extinguish the Loan Documents or any rights contained therein including the obligation of Borrower to pay all costs and to pay interest at the applicable interest rate specified in the Note, which shall be the Default Rate unless prohibited by Law.

Section 6.06 Additional Provisions as to Remedies. No failure, refusal, waiver, or delay by Lender or Trustee to exercise any rights under the Loan Documents upon any Event of Default shall impair Lender's or Trustee's rights or be construed as a waiver of, or acquiescence to, such or any subsequent Default or Event of Default. No recovery of any judgment by Lender or Trustee and no levy of an execution upon the Property or any other property of Borrower shall affect the lien and security interest created by this Instrument and such liens, rights, powers, and remedies shall continue unimpaired as before until this Instrument is terminated in accordance with Section 1.01. Lender or Trustee may resort to any security given by this Instrument or any other security now given or hereafter existing to secure the Obligations, in whole or in part, in such portions and in such order as Lender or Trustee may deem advisable, and no such action shall be construed as a waiver of any of the liens, rights, or benefits granted hereunder. Acceptance of any payment after any Event of Default shall not be deemed a waiver or a cure of such Event of Default and such acceptance shall be deemed an acceptance on account only. If Lender or Trustee has started enforcement of any right by foreclosure, sale, entry, or otherwise and such Proceeding shall be discontinued, abandoned, or determined adversely for any reason, then Borrower, Lender and Trustee shall be restored to their former positions and rights under the Loan Documents with respect to the Property, subject to the lien and security interest hereof.

Section 6.07 Waiver of Rights and Defenses. To the fullest extent Borrower may do so by Law, Borrower (a) will not at any time insist on, plead, claim, or take the benefit of any Law now or later enacted providing for any appraisement, valuation, stay, extension, moratorium, redemption, or any statute of limitations; (b) for itself, its successors and assigns, and for any Person ever claiming an interest in the Property (other than Lender), to the extent permitted by Law, waives and releases all rights of redemption, reinstatement, valuation, appraisement, notice of intention to mature or declare due the whole of the Obligations, all rights to a marshaling of the assets of Borrower, including the Property, or to a sale in inverse order of alienation, in the event of foreclosure (or extinguishment by transfer of title by power of sale) of the liens and security interests created under the Loan Documents; and (c) shall not be relieved of its obligation to pay the Obligations as required in the Loan Documents nor shall the lien or priority of the Loan Documents be impaired by any agreement renewing, extending, or modifying the time of payment or the provisions of the Loan Documents (including a modification of any interest rate), unless expressly released, discharged, or modified by such agreement. Regardless of consideration and without any notice to or consent by the holder of any subordinate lien, security interest, encumbrance, right, title, or interest in or to the Property, (i) Lender may release any Person liable for payment of the Obligations or any portion thereof or any part of the security held for the Obligations; or (ii) Lender and Borrower may modify any of the provisions of the Loan Documents without impairing or affecting the Loan Documents or the lien, security interest, or the priority of the modified Loan Documents as security for the Obligations over any such subordinate lien, security interest, encumbrance, right, title, or interest.

ARTICLE VII - LIMITATION ON PERSONAL LIABILITY

Section 7.01 Limited Recourse Liability. Lender will not hold Borrower personally liable for repayment of the Obligations or any other sums due under the Loan Documents, or for any deficiency established after judicial foreclosure or a trustee's sale, except to the extent of Borrower's interest in the Property and all other collateral given as security for the Loan; provided, however, that:

(a) the foregoing limitation of liability shall not affect Borrower's liability under the Environmental Indemnity;

(b) Borrower shall be subject to full personal liability to the extent of any and all actual Losses of any kind whatsoever (but excluding consequential, special, punitive or exemplary damages and diminution of the value of the Property that was not caused by the acts or omissions of any Borrower Party, except to the extent that such consequential, special, punitive or exemplary damages are required to be paid by Lender to a third party), incurred or suffered by Lender and its successors and assigns as a result of any of the following:

(i) Borrower's misapplication or misappropriation of Tenant security deposits, Rents paid more than thirty (30) days in advance, insurance proceeds, Awards or other sums received in connection with the Property (to the extent of the amount misapplied or misappropriated);

(ii) Borrower's failure to apply Rents to the Obligations or to the normal operating expenses of the Property in violation of the Loan Documents or Law, to the extent of rents wrongfully applied; provided that, prior to the occurrence of an Event of Default of which Borrower has knowledge, Borrower shall be entitled to make distributions to its partners, shareholders, members or other owners in the ordinary course of business until such Rents are applied in violation of the Loan Documents or Law;

(iii) Borrower's failure to deliver to Lender or its assignee(s), at its or their request and following foreclosure of the Property, any tangible Personal Property, including Leases, books, records and files relating to the leasing, use, enjoyment, occupancy, operation or maintenance of the Property in Borrower's possession that are not confidential or proprietary, or any Personal Property taken from the Property by or on behalf of Borrower and not replaced with Personal Property of substantially the same utility and of the same or greater value;

(iv) any willful misconduct, material misrepresentation or theft by any Borrower Party in connection with the Loan or the Property;

(v) Borrower's failure to pay when due any Impositions with respect to the Property, or to maintain terrorism insurance with respect to the Property if required, in each case to the extent the cash flow of the Property is sufficient to pay such Impositions and other premiums; provided, however, Borrower shall not have any liability under this clause (v) if the Deposits held by Lender contain sufficient funds to pay such Impositions and other premiums;

(vi) the costs and expenses (including, without limitation, Attorneys' Fees) incurred by Lender in enforcing its rights and remedies under this Article VII;

(vii) any act of intentional waste committed by any Borrower Party; provided the failure to restore, repair, or maintain the Property shall not constitute intentional waste if the cash flow of the Property is insufficient to pay the same;

(viii) Borrower or any Borrower Party contests, delays or otherwise hinders any action taken by Lender in connection with the appointment of a receiver for the Property or the foreclosure of the liens, mortgages or other security interests created by the Loan Documents or the Cross Collateralizing Security Documents encumbering the Property; and

(ix) if Borrower is a single member limited liability company, the bankruptcy or insolvency of the sole member of Borrower which causes Borrower to cease to exist.

(c) the foregoing limitation of liability shall not apply and the Loan will be fully recourse to Borrower in the event:

(i) of any fraud or act of arson by any Borrower Party related to the Property or the Loan;

(ii) of a Prohibited Transfer;

(iii) that Borrower, Principal, Principal General Partner, REIT or any other REIT Subsidiary commences a voluntary Bankruptcy Proceeding; provided, however, that in the case of any other REIT Subsidiary, the bankruptcy of such REIT Subsidiary results in a substantive consolidation with Borrower;

(iv) that (1) any Affiliate of Borrower or of any Principal (except any Public REIT Shareholders) becomes a creditor of Borrower or of any Principal in any involuntary Bankruptcy Proceeding; or (2) an involuntary Bankruptcy Proceeding is commenced against Borrower, Principal, Principal General Partner, REIT, or, if the bankruptcy of such REIT Subsidiary results in a substantive consolidation with Borrower, any other REIT Subsidiary by an Affiliate of Borrower or of any Principal (except any Public REIT Shareholders), and in any event such Bankruptcy Proceeding is not dismissed within ninety (90) days of filing; or

that the Property or any part thereof becomes an asset in a voluntary Bankruptcy Proceeding that is not dismissed within ninety (90) days of filing.

Notwithstanding anything to the contrary contained herein, no present or future, direct or indirect, shareholder, officer, director, employee, trustee, beneficiary, advisor, member, partner, principal, participant or agent of or in Borrower ("**Constituent Member**"), or of or in any Person that is or becomes a Constituent Member in Borrower (other than Principal and Principal General Partner under the Limited Guaranty and Environmental Indemnity), shall have any personal liability, directly or indirectly, under or in connection with this Instrument, the Loan Documents, and each of the parties hereto, on behalf of itself and its successors and assigns, hereby waives any and all such personal liability, provided, however, that the foregoing shall not release any individual from any tort claims actually committed by such individual. For purposes hereof, to the extent applicable, neither the negative capital account of any Constituent Member in Borrower, nor any obligation of any Constituent Member in Borrower to restore a negative capital account or to contribute or loan capital to Borrower or to any other Constituent Member in Borrower shall at any time be deemed to be the property or an asset of Borrower (or any such other Constituent Member) and neither Lender nor any of its successors or assigns shall have any right to collect, enforce or proceed against with respect to any such negative capital account or obligation to restore, contribute or loan.

ARTICLE VIII - INDEMNIFICATION

Section 8.01 General Indemnity. Borrower agrees that while Lender has no liability to any Person in tort or otherwise as lender and that Lender is not an owner or operator of the Property, Borrower shall, at its sole expense, Indemnify the Indemnified Parties from any actual Losses imposed on, incurred by, or asserted against any of the Indemnified Parties, directly or indirectly, arising out of or in connection with (a) the ownership or operation of the Property; provided, however, that the foregoing indemnity shall not apply to any Losses caused by the gross negligence or willful misconduct of the Indemnified Parties not covered by Borrower's insurance; and (b) the Transaction Taxes.

Section 8.02 Duty to Defend, Costs and Expenses. Upon request, whether Borrower's obligation to Indemnify Lender arises under this Article VIII or in the other Loan Documents, Borrower shall defend at its cost the Indemnified Parties (in Borrower's or the Indemnified Parties' names) by attorneys and other professionals approved by the Indemnified Parties. Notwithstanding the foregoing, during the continuance of an Event of Default, the Indemnified Parties may, in their sole discretion, engage their own attorneys and professionals at Borrower's cost to defend or assist them and, at their option, their attorneys shall control the resolution of any claims or Proceedings. Within five (5) Business Days after written notice, Borrower shall pay or, in the sole discretion of the Indemnified Parties, reimburse and/or Indemnify the Indemnified Parties for all actual Losses imposed on, incurred by, or asserted against the Indemnified Parties by reason of any items set forth in this Article VIII and/or the enforcement or preservation of the Indemnified Parties' rights under the Loan Documents. Any amount payable to the Indemnified Parties under this Section 8.02 shall (a) be deemed a demand obligation; (b) be part of the Obligations; (c) bear interest from the date of demand at the Default Rate until paid if not paid within five (5) Business Days after written notice; and (d) be secured by this Instrument.

Section 8.03 Recourse Obligation and Survival. Notwithstanding anything to the contrary in the Loan Documents, the obligations of Borrower under this Article VIII shall survive (a) repayment of the other Obligations; (b) any termination, satisfaction, transfer of title by power of sale, assignment or foreclosure of this Instrument; (c) the acceptance by Lender (or any nominee) of a deed in lieu of foreclosure; (d) a plan of reorganization filed under the Bankruptcy Code; and (e) the exercise by Lender of any rights in the Loan Documents. Borrower's obligations under this Article VIII shall not be affected by the absence or unavailability of insurance covering the same or by the failure or refusal by any insurance carrier to perform any obligation under any applicable insurance policy, solely to the extent that such event which gave rise to the Indemnification obligation arose prior to the events set forth in this Section 8.03.

ARTICLE IX - ADDITIONAL PROVISIONS

Section 9.01 Usury Savings Clause. All agreements in the Loan Documents are expressly limited so that in no event whatsoever shall the amount paid or agreed to be paid under the Loan Documents for the use, forbearance, or detention of money exceed the highest lawful rate permitted by Law. If, at the time of performance, fulfillment of any provision of the Loan Documents results in exceeding the limit of validity prescribed by Law, then, ipso facto, the obligation to be fulfilled shall be reduced to the limit of such validity. If Lender shall ever receive as interest an amount which would exceed the highest lawful rate, the receipt of such excess shall be deemed a mistake and (a) shall be canceled automatically; or (b) if paid, such excess shall be, in Lender's discretion, either (i) credited against the principal amount of the Obligations to the extent permitted by Law without regard to any Prepayment Premium; or (ii) rebated to Borrower if it cannot be so credited under Laws. Furthermore, all sums paid or agreed to be paid under the Loan Documents for the use, forbearance, or detention of money shall to the extent permitted by Law be amortized, prorated, allocated, and spread throughout the full stated term of the Note until payment in full so that the rate or amount of interest on account of the Obligations does not exceed the maximum lawful rate of interest from time to time in effect and applicable to the Obligations for so long as the Obligations are outstanding.

Section 9.02 Notices. Except to the extent expressly allowed to be given by Lender orally under the Loan Documents, any notice, request, demand, consent, approval, direction, agreement, or other communication required or permitted under the Loan Documents shall be in writing and shall be validly given if (a) sent by a nationally-recognized courier that obtains receipts; (b) delivered personally by a courier that obtains receipts; or (c) mailed by United States certified mail (with return receipt requested and postage prepaid); in each case (under (a), (b), or (c) above) addressed to the applicable Person as follows:

If to Lender: With a copy of notices sent to Lender to:

The Guardian Life Insurance Company of America
7 Hanover Square, Floor 20-C
New York, New York 10004
Attn: Manager, Mortgage Servicing

The Guardian Life Insurance Company of America
7 Hanover Square, Floor 23-B
New York, New York 10004
Attn: Vice President, Investment and Real Estate Counsel, Law Department

If to Borrower:

[_____] LLC
11501 Northlake Drive
Cincinnati, Ohio 45249
Attn: General Counsel
and
[_____] LLC
11501 Northlake Drive
Cincinnati, Ohio 45249
Attn: Chief Accounting Officer

With copies of notices sent to Borrower to:

Latham & Watkins LLP
330 N. Wabash Street, Suite 2800
Chicago, Illinois 60611
Attn: Robert Buday

If to any Party identified as a "Guarantor" under the Limited Guaranty:

Phillips Edison Grocery Center Operating Partnership I, L.P.
11501 Northlake Drive
Cincinnati, Ohio 45249

With copies of notices to such Guarantor(s) to:

Latham & Watkins LLP
330 N. Wabash Street, Suite 2800
Chicago, Illinois 60611
Attn: Robert Buday

If to any party identified as an "Indemnitor" under the Environmental Indemnity:

Phillips Edison Grocery Center Operating Partnership I, L.P.
11501 Northlake Drive
Cincinnati, Ohio 45249

With a copy of notices sent to such Indemnitor(s):

Latham & Watkins LLP
330 N. Wabash Street, Suite 2800
Chicago, Illinois 60611
Attn: Robert Buday

If to Trustee:

[_____]
[_____]
[_____]

Each notice shall be effective upon being so sent, delivered, or mailed, but the time period for response or action shall run from the date of receipt as shown on the delivery receipt. Refusal to accept delivery or the inability to deliver because of a changed address for which no notice was given shall be deemed receipt. Any party may periodically change its address for notice and specify up to two (2) additional addresses for copies by giving the other party at least ten (10) days' prior notice.

Section 9.03 Sole Discretion of Lender. Except as otherwise expressly stated, whenever Lender's judgment, consent, or approval is required or Lender shall have an option or election under the

Loan Documents, such judgment, the decision as to whether or not to consent to or approve the same, or the exercise of such option or election shall be in the sole and absolute discretion of Lender.

Section 9.04 Applicable Law; Submission and Consent to Jurisdiction; Service of Process.

(a) This Instrument and the other Loan Documents shall be governed by and construed in accordance with the Laws of the Property State without regard to any principles of conflicts of law requiring the application of the laws of another state and the applicable Laws of the United States of America. Without limiting Lender's right to bring any Proceeding in the courts of any other jurisdiction in which a Cross Defaulted Property is located, Borrower and Lender by its acceptance of this Instrument, irrevocably (i) submit to the jurisdiction of any state or federal court in the Property State; (ii) agree that any Proceeding may be heard and determined in such court; (iii) waive, to the fullest extent permitted by Law, the defense of an inconvenient forum to the maintenance of any Proceeding in such jurisdiction; (iv) waive any claim that any such courts lack personal jurisdiction over Borrower; and (v) agree not to plead or claim, in any Proceeding with respect to this Instrument and the other Loan Documents brought in any of the aforementioned courts, that such courts lack personal jurisdiction over Borrower or Lender.

(b) Borrower further irrevocably consents to the service of process out of any of the aforementioned courts in any such Proceeding, in addition to such other methods as are permitted under Laws, by the mailing of copies thereof by registered or certified mail, postage prepaid, to Borrower at its address for notice purposes pursuant to Section 9.02 hereof, such service to become effective thirty (30) days after such mailing. Borrower hereby irrevocably waives any objection to such service of process and further irrevocably waives and agrees not to plead or claim in any Proceeding commenced hereunder that service of process was in any way invalid or ineffective. Nothing herein shall affect the right of Lender to serve process in any other manner permitted by Law or to commence Proceedings or otherwise proceed against guarantor in any other jurisdiction.

Section 9.05 Transfer of Loan.

(a) Lender's Right to Transfer Loan, Etc. Lender may, at any time, (i) sell, transfer or assign the Loan in whole or in part and the Loan Documents and any servicing rights with respect thereto; and/or (ii) grant participations therein, provided that if no Event of Default shall then exist, Lender may not sell, transfer or assign the Loan, the Loan Documents, or the servicing rights with respect to the Loan or grant participations in the Loan to Specified Prohibited Transferees. Lender may forward to any actual or prospective Investor all documents and information which Lender now has or may later acquire relating to the Obligations, Borrower, the Principals, the Leases, and the Property, whether furnished by Borrower, any of the Principals or otherwise, as Lender determines advisable. Following any such sale, transfer, assignment or participation, Lender shall provide notice thereof to Borrower. Notwithstanding anything to the contrary contained herein or in any other Loan Document, Borrower shall not be required to make payment to any transferee of the Loan until Borrower has received notice of such transfer and the identity of the transferee thereunder. Borrower and the Principals agree to cooperate with Lender in connection with any transfer or participation made pursuant to this Section 9.05, including the delivery of a written certification in accordance with Section 4.16 and such other documents as may be reasonably requested by Lender. Without limiting the generality of the foregoing, if requested by Lender, Borrower shall execute one or more replacement promissory notes in favor of Lender or any such Investor; provided that the aggregate principal amounts of all replacement notes shall equal the then outstanding principal amount of the Loan and the aggregate interest rates of such notes shall equal the interest rate provided in the Note, and none of the foregoing shall increase or expand Borrower's or Principal's obligations under the Loan Documents or limit or impair Borrower's or Principal's rights under the Loan Documents. Borrower shall also use commercially reasonable efforts obtain the written consent of any Person in order to permit Lender

to furnish any such Investor with any and all information concerning the Property, the Leases, the financial condition of Borrower and the Principals, as may be reasonably requested by Lender or any such Investor and which may be complied with without undue expense.

(b) Release of Lender. Borrower agrees that upon any assignment or transfer of the Loan Documents by Lender to any third party, Lender shall have no obligations or liabilities under the Loan Documents for events occurring after such assignment or transfer, such third party shall be substituted as the lender under the Loan Documents for all purposes and Borrower shall look solely to such third party for the performance of any of Lender's obligations under the Loan Documents or with respect to the Loan.

Section 9.06 Concerning the Trustee. By recording a written substitution in the county or city where the Property is located or by any other means permitted by Law, Lender may (a) remove Trustee or any successor Trustee at any time (or times) without notice or cause; and (b) replace any Trustee who dies or resigns or is removed. To the extent permitted by Law, Trustee waives any statutory fee for its services and agrees to accept reasonable compensation in lieu thereof. Trustee may resign upon thirty (30) days' notice to Lender and Borrower. If more than one Person is appointed Trustee, all rights granted to Trustee under this Instrument may be exercised by any of them, without the others, with the same effect as if exercised by all of them jointly. In addition to exercising all rights set forth in this Instrument, Trustee may exercise all rights under Law.

Section 9.07 Waiver of Right to Trial by Jury; Waiver of Statute of Limitations

(a) EACH OF BORROWER AND LENDER HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, THE RIGHT TO TRIAL BY JURY IN ANY PROCEEDING FILED BY EITHER PARTY, WHETHER IN CONTRACT, TORT OR OTHERWISE, RELATING DIRECTLY OR INDIRECTLY TO THE LOAN, THIS INSTRUMENT AND THE OTHER LOAN DOCUMENTS), ANY ALLEGED ACTS OR OMISSIONS OF BORROWER OR LENDER IN CONNECTION THEREWITH, OR IN ANY WAY CONNECTED WITH OR RELATED OR INCIDENTAL TO THE DEALINGS OF THE PARTIES HERETO OR ANY OF THEM WITH RESPECT TO THIS INSTRUMENT AND THE OTHER LOAN DOCUMENTS. BORROWER AND LENDER EACH ACKNOWLEDGES THAT THIS IS A WAIVER OF A LEGAL RIGHT AND REPRESENTS TO THE OTHER THAT THIS WAIVER IS MADE KNOWINGLY AND VOLUNTARILY. BORROWER AND LENDER EACH AGREES THAT ALL SUCH PROCEEDINGS SHALL BE TRIED BEFORE A JUDGE OF A COURT OF COMPETENT JURISDICTION, WITHOUT A JURY. BORROWER AND LENDER EACH AGREES THAT THIS SECTION 9.07 CONSTITUTES WRITTEN CONSENT THAT TRIAL BY JURY SHALL BE WAIVED IN ANY SUCH PROCEEDINGS AND AGREE THAT BORROWER AND LENDER EACH SHALL HAVE THE RIGHT AT ANY TIME TO FILE ANY OR ALL OF THE LOAN DOCUMENTS WITH THE CLERK OR JUDGE OF ANY COURT IN WHICH ANY SUCH PROCEEDINGS MAY BE PENDING AS STATUTORY WRITTEN CONSENT TO WAIVER OF TRIAL BY JURY.

(b) BORROWER HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, THE RIGHT TO PLEAD ANY AND ALL STATUTES OF LIMITATION AS A DEFENSE TO THE PAYMENT OF THE DEBT.

Section 9.08 State Specific Provisions. Notwithstanding anything contained in this Instrument to the contrary, the provisions set forth in Annex B hereto are incorporated into this Instrument, and, in the event of any conflict or inconsistency between the provisions set forth in Annex B and other provisions of this Instrument, the provisions of Annex B shall govern.

Section 9.09 Miscellaneous.

(a) Severability. If any provision of the Loan Documents shall be held to be invalid, illegal, or unenforceable in any respect, this shall not affect any other provisions of the Loan Documents and such provision shall be limited and construed as if it were not in the Loan Documents.

(b) Vesting of Title in Another Person. If title to the Property becomes vested in any Person other than Borrower, Lender and Trustee may, without notice to Borrower, deal with such Person regarding the Loan Documents or the Obligations in the same manner as with Borrower without in any way vitiating or discharging Borrower's liability under the Loan Documents or being deemed to have consented to the vesting.

(c) Merger of Estates. If both the lessor's and lessee's interest under any Lease ever becomes vested in any one Person, this Instrument and the lien and security interest created hereby shall not be destroyed or terminated by the application of the doctrine of merger and Lender and Trustee shall continue to have and enjoy all its rights and privileges as to each separate estate. Upon foreclosure (or transfer of title by power of sale) of this Instrument, none of the Leases shall be destroyed or terminated as a result of such foreclosure (or sale), by application of the doctrine of merger or as a matter of Law, unless Lender or Trustee takes all actions required by Law to terminate the Leases as a result of foreclosure or sale.

(d) Covenants Running with the Land; Time of the Essence. All of the Borrower's covenants and agreements under the Loan Documents shall run with the land until such time as the Debt is repaid in full and the other conditions precedent set forth in this Instrument to the termination of this Instrument shall have been satisfied, and time shall be of the essence with respect to the performance of the covenants and agreements under the Loan Documents by Borrower and Lender.

(e) Lender as Attorney-In-Fact. During the continuance of an Event of Default, Borrower appoints Lender as its attorney-in-fact with respect to the execution, acknowledgment, delivery, filing or recording for and in the name of Borrower of any of the documents which Borrower is required to execute, acknowledge, deliver, file or record under this Instrument or any of the other Loan Documents. Whenever this Instrument or any of the other Loan Documents provides for the appointment of Lender as attorney-in-fact for Borrower, whether pursuant to the immediately preceding sentence or otherwise, each such appointment shall be deemed to be coupled with an interest and irrevocable.

(f) Amendments, Etc. in Writing. The Loan Documents cannot be amended, terminated, or discharged except in a writing signed by the party against whom enforcement is sought. No waiver, release, or other forbearance by Lender will be effective unless it is in a writing signed by Lender and then only to the extent expressly stated.

(g) Successors and Assigns. The provisions of this Instrument and the other Loan Documents shall be binding upon Borrower, Trustee and Lender and their heirs, devisees, representatives, successors, and assigns including successors in interest to the Property and shall inure to the benefit of Borrower, Lender and Trustee and its or their heirs, successors, substitutes, and assigns.

(h) Joint and Several Obligations. Where two or more Persons have executed any Loan Document, the obligations of such Persons shall be joint and several with respect to the Obligations in that Loan Document, except to the extent the context clearly indicates otherwise.

(i) Counterparts. The Loan Documents may be executed in any number of counterparts with the same effect as if all parties had executed the same document. All such counterparts shall be construed together and shall constitute one instrument, but in making proof hereof it shall only be necessary to produce one such counterpart.

(j) Loss of Loan Document. Upon receipt of an affidavit of an officer of Lender as to the loss, theft, destruction or mutilation of any Loan Document which is not of public record, and, in the case of any mutilation, upon surrender and cancellation of the Loan Document, Borrower will issue, in lieu thereof, a replacement Loan Document, dated the date of the lost, stolen, destroyed or mutilated Loan Document containing the same provisions; provided that Borrower shall not be obligated to issue a new Note until Lender provides Borrower a customary lost note indemnity.

(k) No Liability for Reports, Etc. Any reviews, inspections, reports, approvals or similar items conducted, made or produced by or on behalf of Lender with respect to Borrower, the Property or the Loan are for loan underwriting and servicing purposes only, and shall not constitute an acknowledgment, representation or warranty of the accuracy thereof, or an assumption of liability with respect to Borrower, Borrower's contractors, architects, engineers, employees, agents or invitees, present or future Tenants or owners of the Property, or any other party.

(l) Entire Agreement. The Loan Documents constitute the entire understanding and agreement between Borrower, Lender and Trustee with respect to the Loan and supersede all prior written or oral understandings and agreements with respect to the Loan including the Loan Commitment and Borrower is not relying on any representations or warranties of Lender except as expressly set forth in the Loan Documents.

(m) Incorporation of Recitals and Exhibits. The recitals set forth in this Instrument, Annex A hereto, Annex B hereto, and all exhibits to this Instrument are incorporated herein and shall be deemed an integral part of this Instrument.

(n) Correction of Loan Documents. If Lender determines that the Note, this Instrument or any of the other Loan Documents contains any provision with regard to the amount of the Loan, the interest rate or the payment of principal or interest that erroneously does not conform to the terms and conditions of the Loan Commitment, Borrower agrees to execute and deliver to Lender upon request any and all amendments, restated Loan Documents or other instruments, in form and substance reasonably acceptable to Borrower and Lender, correcting such erroneous provision.

(o) Acceptance of Cure After an Event of Default. Lender shall not be under any obligation to accept any proffered cure from Borrower subsequent to the occurrence of an Event of Default nor shall Lender be obligated in any way to discontinue any exercise of remedies which Lender may have initiated subsequent to the occurrence of an Event of Default upon any such proffer by Borrower. An Event of Default shall be continuing until such time as Lender have waived such Event of Default or expressly accepted a cure thereof.

ARTICLE X - RELEASE AND SUBSTITUTION OF CROSS DEFAULTED PROPERTIES.

Section 10.01 Release. At any time after the expiration of the Lock-Out Period, Borrower shall have the right to request in writing Lender's consent to the release (the "**Release**") of one or more of the Cross Defaulted Properties (such released property or properties, each a "**Released Property**" and, collectively, the "**Released Properties**") from the lien of the applicable Cross Collateralizing Security Documents, or any other security instrument pertaining to the Loan and/or the Cross Defaulted Loans encumbering the Released Properties upon and subject to the following provisions, terms and conditions (it being understood that Lender shall endeavor to effect any such Release on the date specified in Borrower's written request, but no earlier than fifteen (15) Business Days after receipt of Borrower's written request):

(a) At both the time of Borrower's written notice and at the effective date of the Release, there shall not exist an Event of Default;

(b) The Release shall not violate any applicable Laws;

(c) Lender shall have received copies of any purchase and sale agreement regarding the Transfer of the Released Property;

(d) Borrower shall provide Lender with updated title searches with respect to any Remaining Properties and, if an endorsement to Lender's mortgagee title insurance policy(ies) for any Remaining Properties is available in any state in which any Remaining Property is located at a commercially reasonable rate to the effect that the priority of Lender's lien on such Remaining Properties is not affected by the Release and insuring the continued first priority of the lien of the security instruments encumbering the applicable Remaining Properties, then Borrower shall provide Lender with such endorsements;

(e) The DSCR for the Remaining Properties shall be no less than a DSCR equal to 2.0 to 1.0; provided that Borrower shall have the right to prepay the portion of the outstanding principal necessary for the Remaining Properties to satisfy the DSCR requirement of this subparagraph;

(f) The Debt Yield for the Remaining Properties shall be equal to or greater than a Debt Yield of twelve percent (12.0%); provided that Borrower shall have the right to prepay the portion of the outstanding principal necessary for the Remaining Properties to satisfy the Debt Yield requirement of this subparagraph;

(g) Borrower shall pay Lender an amount (the "**Principal Payment**") equal to the sum of (A) a prepayment equal to one hundred ten percent (110%) of the Allocable Loan Amount; (B) an amount, if any, necessary to satisfy the conditions set forth in clauses (e) and (f) above; (C) an amount equal to Exercised Prepayment Premium with respect to the Allocable Loan Amount and any prepayment necessary to satisfy the conditions set forth in clauses (e) and (f) above; (D) an administrative fee of $15,000; and (E) all of Lender's actual out-of-pocket costs and expenses incurred in connection with the Release, including without limitation, Attorneys' Fees, and title fees and charges (any amounts received by Lender over and above the amount necessary to repay the Debt shall be allocated by Lender to the repayment of the other Cross Defaulted Loans as determined by Lender in its sole and absolute discretion);

(h) Borrower shall deliver to Lender any other document that Lender shall reasonably request; and

(i) Within five (5) Business Days of Lender's request therefor Borrower shall provide Lender with Borrower's proposed calculation of Net Operating Income, certified by an appropriate authorized officer or authorized signatory of Borrower, together with all relevant supporting detail reasonably required to determine the same. Lender shall then perform Lender's own independent calculation of Net Operating Income, which shall be the definitive determination of Net Operating Income absent manifest error.

Section 10.02 Substitution of Other Properties for Cross Defaulted Properties. Not more than six (6) times during the term of the Loan, Borrower shall have the right to request in writing Lender's consent to the substitution (the "**Substitution**") of a grocery anchored retail property or properties acceptable to Lender in its sole discretion for one or more of the Cross Defaulted Properties (such Cross Defaulted Property or Properties being released, each an "**Outgoing Property**" and, collectively, the "**Outgoing Properties**", and such property or properties becoming subject to the Loan Documents and Cross Collateralizing Security Documents, each an "**Incoming Property**" and, collectively, the "**Incoming Properties**") as collateral encumbered by the Cross Collateralizing Security Documents or any other security instrument encumbering the Outgoing Properties upon and subject to the following provisions, terms and conditions (it being understood that Lender shall endeavor to effect any such Substitution on the date specified in Borrower's written request, but no earlier than forty-five (45) days after receipt of Borrower's written request):

(a) At both the time of Borrower's written notice and at the effective date of the Substitution, there shall not exist an Event of Default;

(b) All representations and warranties of Borrower shall remain true and correct as of the date of the Substitution, except to the extent any such representation or warranty is no longer true or correct due to (i) the mere passage of time, (ii) events contemplated by Lender and Borrower to have occurred in the ordinary course since the date hereof, or (iii) the occurrence of one or more events that are permitted to occur under the Loan Documents, and Borrower shall certify to Lender to such effect;

(c) The Substitution shall not violate any applicable Laws;

(d) Lender shall have received copies of any purchase and sale agreement regarding the Transfer of the Outgoing Properties being substituted by the Incoming Properties;

(e) Borrower shall provide Lender with: (i) a mortgagee title insurance policy(ies) for the newly added Cross Defaulted Properties with an aggregate liability limit of not less than the aggregate principal amount of the Loan and/or Cross Defaulted Loan(s) corresponding to the applicable Release Property(ies) issued by the title insurance company which issued the mortgagee title insurance policy for the Loan and the other Cross Defaulted Loans and with such endorsements as included the title insurance policies for the Cross Defaulted Properties to the extent available in the state where the newly added Cross Defaulted Property is located, (ii) updated title searches with respect to any Remaining Properties and, (iii) if an endorsement to Lender's mortgagee title insurance policy(ies) for any Remaining Properties is available in any state in which any Remaining Property is located at a commercially reasonable rate to the effect that the priority of Lender's lien on such Remaining Properties is not affected by the Substitution and insuring the continued first priority of the lien of the security instruments encumbering the applicable Remaining Properties, such endorsements;

(f) The DSCR for the Remaining Properties shall be no less than 2.0 to 1.0; provided that Borrower shall have the right to repay the portion of the outstanding principal (which prepayment shall

be subject to the Exercised Prepayment Premium) necessary for the Remaining Properties to satisfy the DSCR requirement of this subparagraph;

(g) The Debt Yield for the Remaining Properties shall be equal to or greater than twelve percent (12.0%) (and Borrower shall have provided to Lender the information required for the calculation thereof); provided that Borrower shall have the right to prepay the portion of the outstanding principal (which prepayment shall be subject to the Exercised Prepayment Premium) necessary for the Remaining Properties to satisfy the Debt Yield requirement of this subparagraph;

(h) Borrower shall pay Lender an administrative fee of $15,000 and all of Lender's actual out-of-pocket costs and expenses incurred in connection with the Substitution, including without limitation, Attorneys' Fees, and title fees and charges;

(i) Borrower shall deliver to Lender any other document that Lender shall reasonably request; and

(j) Within five (5) Business Days of Lender's request therefor Borrower shall provide Lender with Borrower's proposed calculation of Net Operating Income, certified by an appropriate authorized officer or authorized signatory of Borrower, together with all relevant supporting detail reasonably required to determine the same. Lender shall then perform Lender's own independent calculation of Net Operating Income, which shall be the definitive determination of Net Operating Income absent manifest error.

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[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the undersigned has executed this Instrument under seal as of the day first set forth above.

BORROWER:

[_____] LLC,
a Delaware limited liability company

By: Phillips Edison Grocery Center Operating Partnership I, L.P.,
a Delaware limited partnership, its sole member

By: Phillips Edison Grocery Center OP GP I LLC,
a Delaware limited liability company,
Its General Partner

By: _____
Name:
Title:

STATE OF OHIO)
: SS:
COUNTY OF _____)

The foregoing instrument was acknowledged before me this __ day of _____, 2017 by _____, the _____ of Phillips Edison Grocery Center OP GP I LLC, a Delaware limited liability company, the General Partner of Phillips Edison Grocery Center Operating Partnership I, L.P., a Delaware limited partnership, the sole member of [_____], a Delaware limited liability company, on behalf of said company.

_____ Notary Public - State of Ohio

[SEAL]

My commission expires :
_____

AGREEMENT REGARDING
PHILLIPS EDISON LIMITED PARTNERSHIP
RESTRICTED MANAGEMENT UNITS AND
PHILLIPS EDISON GROCERY CENTER OPERATING PARTNERSHIP I, L.P. PHANTOM UNITS

Phillips Edison Limited Partnership (the "Company") has granted [NAME] ("Employee") restricted management units of the Company (the "RMUs") pursuant to the Phillips Edison Limited Partnership Restricted Unit Award Plan. Upon the closing of the transactions contemplated by that certain Contribution Agreement by and among Phillips Edison Grocery Center REIT I, Inc. ("NTR1"), Phillips Edison Grocery Center Operating Partnership I, L.P. (the "Operating Partnership") and the other parties thereto dated as of May 18, 2017 (the "Closing"), the Operating Partnership has agreed to grant Employee three Phantom Units (as defined below) in exchange for each RMU the Employee agrees to cancel pursuant to this Agreement. Employee, the Company and the Operating Partnership agree as follows:

1. Effective as of the Closing, Employee agrees that all of his or her RMUs are terminated and cancelled and waives all further rights to the RMUs. Employee acknowledges and agrees that Exhibit A contains an accurate and complete list of each of Employee's RMUs, the vesting date of such RMUs and any other applicable terms of such RMUs. Employee confirms that he/she has no other rights to RMUs other than those set forth on Exhibit A.

2. Effective as of the Closing, the Operating Partnership hereby grants to Employee three (3) Phantom Units in exchange for each RMU so cancelled upon the same vesting schedule and other terms as were applicable to the RMU as set forth on Exhibit A. A "Phantom Unit" represents the right of the Employee to receive from the Operating Partnership cash equal to the fair market value of one partnership unit in the Operating Partnership upon vesting, as well as, the right to receive in cash the equivalent of any dividend payable on one unit in the Operating Partnership at the same time as dividends are payable upon the units in the Operating Partnership, regardless of whether the Phantom Unit is vested.

3. Employee acknowledges and agrees that he/she understands the difference between the RMUs and Phantom Units and the financial implications associated with the cancellation of the RMUs in exchange for Phantom Units.

4. This Agreement may be executed in any number of counterparts and may be delivered by facsimile or electronically, each of which will be deemed to be an original, but all of which together are deemed to be one and the same instrument. Facsimile, pdf, jpeg signature will have the same legal effect as originals.

5. This Agreement is to be interpreted and enforced under the laws of the State of Ohio, without regard to conflict of law principles. Any proceedings to resolve disputes arising out of this Agreement are to be brought only in the State of Ohio and each of the parties consent to the jurisdiction of the federal or state courts, as applicable, sitting in Cincinnati, Ohio. Each of the parties waives and agrees not to assert as a defense that such courts are inconvenient or not appropriate.

[*Signature Page Immediately Following*]

PHILLIPS EDISON LIMITED PARTNERSHIP

By: Phillips Edison & Company, Inc.,
its general partner
By: */s/ Jeffrey S. Edison*
Jeffrey S. Edison

Date: October 4, 2017

Employee

_____

Date:

PHILLIPS EDISON GROCERY CENTER OPERATING PARTNERSHIP I, L.P.

By: Phillips Edison Grocery Center
OP GP I LLC, its general partner
By: */s/ Devin I. Murphy*
Devin I. Murphy

Date: October 4, 2017

Exhibit A

RMU Grant Date	RMUs	Phantom Units	Vesting and Payment Terms
	[Ÿ]	[Ÿ]	

PHILLIPS EDISON GROCERY CENTER REIT I, INC.
EXECUTIVE SEVERANCE AND CHANGE IN CONTROL PLAN

1. PURPOSE OF THE PLAN

The purpose of this Executive Severance and Change in Control Plan (this "Plan") is to encourage certain management-level employees of Phillips Edison Grocery Center REIT I, Inc. (the "Company") and its subsidiaries to remain employed by providing severance protections in the event the Company terminates their employment under the circumstances described in this Plan.

2. DEFINITIONS

For purposes of this Plan, the following terms will have the following meanings:

(a) "Accrued Rights" means the Participant's earned but unpaid annual base salary, accrued but unused vacation (to the extent the Company's and its subsidiaries' policies permit or require payment) and any unreimbursed business expenses properly incurred pursuant to the Company's and its subsidiaries' policies through the Participant's Termination Date.

(b) "Affiliate" means any individual or entity in any form that directly or indirectly, through one or more intermediaries, controls, is controlled by or is under common control with the Company. For this purpose "control," "controlled by" and "under common control" means possession, directly or indirectly of the power to direct or cause the direction of management or policies (whether through ownership of securities or other ownership interests, by contract or otherwise).

(c) "Annual Cash Performance Bonus" means the cash bonus, if any, paid to the Participant pursuant to the Company's or an Affiliate's annual cash performance bonus plan for periods following the Closing Date, and for periods prior to the Closing Date pursuant to PELP's annual cash performance bonus plan.

(d) "Average Cash Performance Bonus" means the average of the Annual Cash Performance Bonuses paid to the Participant for the three (3) most recent years; provided, that, if the Participant was not eligible to receive an Annual Cash Performance Bonus for at least three (3) years prior to his or her termination of employment, then (i) if the Participant was eligible to receive an Annual Cash Performance Bonus for only two (2) years prior to his or her termination of employment, the average Annual Cash Performance Bonuses for the prior two (2) years (including prior to the Closing Date); (ii) if the Participant was eligible to receive an Annual Cash Performance Bonus for only one (1) year prior to his or her termination of employment, the Annual Cash Performance Bonus paid for such year (including any such portion of the year prior to the Closing Date); and (iii) if the Participant has not been employed

long enough to be eligible to receive an Annual Cash Performance Bonus, then the Participant's target Annual Cash Performance Bonus for the year in which the Termination Date occurs.

(e) "Base Salary" means the Participant's annual base salary as in effect immediately prior to such Participant's Termination Date (excluding the effect of any reduction that constitutes Good Reason).

(f) "Board" means the Board of Directors of the Company.

(g) "Cause" means the occurrence of any one (or more) of the following:

i. the Participant's commission of any fraud, misappropriation or gross and willful misconduct which causes demonstrable injury to the Company or a subsidiary or Affiliate;

ii. the Participant's act of dishonesty resulting or intended to result, directly or indirectly, in gain or personal enrichment at the expense of the Company or a subsidiary or Affiliate;

iii. the Participant's willful and repeated failure to follow specific directives of the Board or the Chief Executive Officer to act or refrain from acting, which directives are consistent with the Participant's position and title; or

iv. the Participant's conviction of, or a plea of *nolo contendere* with respect to, a felony or a crime involving moral turpitude.

(h) "Change in Control" means following the Closing Date the first to occur of any of the following:

i. any "person," as such term is used in Sections 13(d) and 14(d) of the Exchange Act, other than the Company or an Affiliate or a Company employee benefit plan, including any trustee of such plan acting as trustee, is or becomes the "beneficial owner" (as defined in Rule 13d-3 under the Exchange Act), directly or indirectly, of securities of the Company representing forty percent (40%) or more of the combined voting power of the Company's then outstanding securities entitled to vote generally in the election of directors;

ii. a merger, reverse merger or other business combination or consolidation of the Company or any direct or indirect subsidiary of the Company with any other corporation other than an Affiliate of the Company, except for a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior to such transaction continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity) at least fifty percent (50%) of the total voting power represented by the voting securities of the Company or such surviving entity

outstanding immediately after such merger, reverse merger, business combination or consolidation;

iii. the Incumbent Directors cease for any reason to be a majority of the members of the Board; or

iv. a person (or group), other than an Affiliate, acquires (or has acquired, during a 12 month period), assets that have a total gross fair market value of fifty percent (50%) or more of the total gross fair market value of all assets of the Company immediately prior to such acquisition.

Notwithstanding the foregoing, any transaction involving Phillips Edison Grocery Center REIT II, Inc. or Phillips Edison Grocery Center REIT III, Inc. or any vehicle managed or sponsored by the Company or any of its subsidiaries will not be a Change in Control.

(i) "Change in Control Date" means the date on which a Change in Control occurs.

(j) "CiC Severance Multiple" means 2.5x for the Tier 1 Participant and 2.0x for the Tier 2 Participants.

(k) "CiC Severance Period" means thirty (30) months for the Tier 1 Participant and twenty-four (24) months for the Tier 2 Participants.

(l) "Closing Date" will have the meaning set forth in the Contribution Agreement.

(m) "COBRA" means the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended.

(n) "Code" means the Internal Revenue Code of 1986, as amended from time to time, or any successor statute thereto, and the regulations promulgated thereunder, as in effect from time to time.

(o) "Committee" means the committee designated by the Board and charged with administering this Plan, or if no committee is so designated, the full Board.

(p) "Contribution Agreement" means that certain Contribution Agreement by and among the Company, Phillips Edison Grocery Center Operating Partnership I, L.P. and the other parties thereto, dated as of May 18, 2017.

(q) "Disability" means:

i. the Participant's absence from employment with the Company and its Affiliates due to his or her inability to engage in any substantial gainful activity by reason

of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for at least twelve (12) continuous months; or

ii. the Participant is receiving income replacement benefits for at least three (3) months under an accident and health plan because of the Participant's medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for at least twelve (12) continuous months.

(r) "Exchange Act" means the Securities Exchange Act of 1934, as amended from time to time, or any successor statute thereto, and the regulations promulgated thereunder as in effect from time to time.

(s) "Excise Tax" means the excise tax imposed by Section 4999 of the Code, together with any interest or penalties imposed with respect to such tax.

(t) "Good Reason" means the occurrence of any of the following events or circumstances without the Participant's express prior written consent:

i. a material diminution in the Participant's targeted total annual compensation (i.e., sum of Base Salary, Annual Cash Performance Bonus opportunity at target and targeted LTI Award grant date fair value);

ii. a material diminution in the Participant's authority, duties or responsibilities;

iii. a material diminution in the authority, duties or responsibilities of the supervisor to whom the Participant is required to report;

iv. a material diminution in the budget over which the Participant retains authority; or

v. any other action or inaction that constitutes a material breach by the Company of the terms of any employment agreement to which the Participant may be a party.

Notwithstanding the foregoing, Good Reason will not exist unless (I) the Participant provides written notice of his or her intent to terminate for Good Reason no later than thirty (30) days after the event or condition purportedly giving rise to Good Reason first occurs and (II) the Company fails to cure such event or condition within thirty (30) days of receiving such notice. If the Participant has Good Reason to terminate, then he or she must terminate his or her employment within twelve (12) months of the event or condition giving rise to Good Reason.

(u) "Incumbent Director" means each member of the Board on the Closing Date together with any director(s) elected or appointed after the Closing Date whose election or nomination for election to the Board was approved by a vote of at least a majority (either by a specific vote or by approval of the proxy statement of the Company in which such person is named as a nominee for director without objection to such nomination) of the directors then still

in office who either were directors at the Closing Date or whose election or nomination for election was previously so approved. No individual initially elected or nominated as a director of the Company as a result of an actual or threatened election contest with respect to directors or as a result of any other actual or threatened solicitation of proxies by or on behalf of any person other than the Board will be an Incumbent Director.

(v) "LTI Awards" means:

i. any awards granted under the Phillips Edison Grocery Center REIT I, Inc. Phantom Share Plan;

ii. any other equity-based awards, including OP Units (as defined in the Contribution Agreement) which vest over time; or

iii. performance based cash awards that vest over time but are not the Annual Cash Performance Bonus.

(w) "Participation Agreement" is an agreement between an executive of the Company and the Company pursuant to which the Committee names the executive as a Participant in this Plan.

(x) "Payment" means any payment, benefit or distribution that the Company, any of its Affiliates or any trust established by the Company or its Affiliates, makes to or for the benefit of a Participant, whether paid, payable, distributed, distributable or provided pursuant to this Plan or otherwise, including any payment, benefit or other right that constitutes a "parachute payment" within the meaning of Section 280G.

(y) "PELP" means Phillips Edison Limited Partnership, a Delaware limited partnership.

(z) "Protection Period" means the period commencing on the Change in Control Date and ending on the second anniversary of such Change in Control Date.

(aa) "Section 280G" means Section 280G of the Code.

(bb) "Section 409A" means Section 409A of the Code.

(cc) "Severance Multiple" means 2.0x for the Tier 1 Participant and 1.5x for the Tier 2 Participants.

(dd) "Severance Period" means twenty-four (24) months for Tier 1 Participant and eighteen (18) months for the Tier 2 Participants.

(ee) "Tier 1 Participant" means an individual who is, at the relevant time, the Chief Executive Officer of the Company.

(ff) "Tier 2 Participant" means an individual who is, at the relevant time, a Participant who is not the Chief Executive Officer of the Company.

(gg) "Termination Date" means the date on which the termination of a Participant's employment, in accordance with the terms of this Plan, is effective.

3. ELIGIBILITY

An executive of the Company will be eligible for participation in this Plan and considered a "Participant" only if, on his or her Termination Date, the Committee has designated him or her as a Participant and he or she has executed a Participation Agreement. A listing of Participants as of the effective date of this Plan is contained in Appendix A to this Plan. The Committee may revise the listing of Participants from time to time in its sole discretion.

4. REGULAR SEVERANCE UPON A QUALIFYING TERMINATION

Subject to Section 6, if outside of the Protection Period either (x) the Company and its Affiliates terminate the Participant's employment not for Cause or Disability, or (y) the Participant resigns for Good Reason, then, in addition to his or her Accrued Rights, the Participant will be entitled to the payments and benefits described in Sections 4(a), (b) and (c), below (collectively, the "Severance Benefits") payable or beginning within 10 days following the expiration of the Release Period:

a. Cash Severance Pay. The Company will pay the Participant in a lump sum an amount equal to the product of (i) the Participant's Severance Multiple and (ii) the sum of (A) the Participant's Base Salary and (B) the Participant's Average Cash Performance Bonus.

b. Benefits Continuation. If the Participant elects to receive group health insurance coverage under COBRA following the Termination Date, then the Company will provide such coverage for the Severance Period, subject to applicable law; provided, that the Participant will continue to pay the same amount of monthly premium as in effect for the Company's other executives; provided, further, that if the Participant becomes employed with another employer during the Severance Period and is eligible to receive group health insurance coverage under such employer's plans, the Company's obligations under this Section 4(b) will be reduced to the extent comparable coverage is actually provided to the Participant and the Participant's covered dependents, and the Participant will report any such coverage to the Company. Notwithstanding the foregoing, if the Company is unable to continue to cover the Participant under its group health plans or the continuation of such coverage would result in adverse tax consequences for the Participant or the Company or would result in the imposition of fines or penalties on the Company, then the Company will pay to the Participant an amount equal to the difference between the full monthly COBRA premium payment and the current monthly premium the Participant would have paid as an active employee in substantially equal monthly installments

over the Severance Period or the remaining portion thereof (which payments will be taxable compensation to the Participant).

c. LTI Awards.

i. The Participant's unvested time-based LTI Awards that would have otherwise vested over the Severance Period will vest on the Termination Date and be paid in full within 10 days after the expiration of the Release Period; and

ii. The Participant will remain eligible to vest and be paid on a pro-rata portion of performance-based LTI Awards based on actual performance at the end of the performance period, with pro-ration based on the period of time elapsed between the beginning of the performance period and the Termination Date as a percentage of the full performance period.

5. CHANGE IN CONTROL SEVERANCE UPON A QUALIFYING TERMINATION

Subject to Section 6, if during the Protection Period either (x) the Company and its Affiliates terminate the Participant's employment not for Cause or Disability or (y) the Participant resigns for Good Reason, then, in addition to his or her Accrued Rights, the Participant will be entitled to the payments and benefits described in Sections 5(a), (b) and (c) below (collectively, the "CiC Severance Benefits") payable or beginning within 10 days following the expiration of the Release Period:

a. Cash Severance Pay. The Company will pay the Participant in a lump sum an amount equal to the product of (i) the Participant's CiC Severance Multiple and (ii) the sum of (A) the Participant's Base Salary and (B) the Participant's Average Cash Performance Bonus.

b. Benefits Continuation. If the Participant elects to receive group health insurance coverage under COBRA following the Termination Date, then the Company will provide such coverage for the CiC Severance Period, subject to applicable law; provided, that the Participant will continue to pay the same amount of monthly premium as in effect for the Company's other executives; provided, further, that if the Participant becomes employed with another employer during the CiC Severance Period and is eligible to receive group health insurance coverage under such employer's plans, the Company's obligations under this Section 5(b) will be reduced to the extent comparable coverage is actually provided to the Participant and the Participant's covered dependents, and the Participant will report any such coverage to the Company. Notwithstanding the foregoing, if the Company is unable to continue to cover the Participant under its group health plans or the continuation of such coverage would result in adverse tax consequences for the Participant or the Company or would result in the imposition of fines or penalties on the Company, then the Company will pay to the Participant an amount equal to the difference between the full monthly COBRA premium payment and the current monthly premium the Participant would have paid as an active employee in substantially equal monthly installments

over the CiC Severance Period or the remaining portion thereof (which payments will be taxable compensation to the Participant).

c. LTI Awards.

i. Upon the Change in Control Date, the Committee will determine the number of performance-based LTI Awards that will be considered to be earned under such LTI Awards based upon the Company's performance by pro rating the performance targets for the shortened performance period and then measuring such pro-rated targets against actual performance of the Company through the Change in Control Date. Any such earned performance-based LTI Awards will then be converted into time-based LTI Awards that will vest and be paid based on continued service through the end of the performance period that was applicable to such LTI Award prior to the Change in Control Date, subject to acceleration as provided in Section 5(c)(ii) below.

ii. The Participant's unvested LTI Awards (including unvested time-based LTI Awards and earned but unvested performance-based LTI Awards) will vest as of the Termination Date and be paid in full within 10 days after the expiration of the Release Period.

6. RELEASE OF CLAIMS; COMPLIANCE WITH RESTRICTIVE COVENANTS

In order for the Participant to receive the Severance Benefits under Section 4 or the CiC Severance Benefits under Section 5, the Participant must execute and deliver the Release Agreement attached to his or her Participation Agreement and such release must be effective and irrevocable on or before the 60th day following the Participant's Termination Date (the "Release Period"). The payment of Severance Benefits or CiC Severance Benefits, as applicable, is also contingent upon the Participant's continued compliance with any restrictive covenants set forth in the Participant's Participation Agreement.

7. NON-SEVERANCE TERMINATIONS

a. Termination Due to Death or Disability. Subject to the execution and non-revocation of a Release Agreement, if the Participant dies or if the Company and its Affiliates terminate a Participant's employment due to Disability, the Participant (or in the case of death his or her legal heirs), in addition to the Accrued Rights, will be entitled to the following benefits:

i. Pro-rata portion of the participant's Annual Cash Performance Bonus for the year of termination if the Committee determines that performance is achieved;

ii. Accelerated vesting and payment of the unvested time-based LTI Awards that would have otherwise vested and be paid during the Severance Period; and

iii. The Participant will remain eligible to vest and be paid on a pro-rata portion of performance-based LTI Awards based on actual performance at the end of the performance period, with pro-ration based on the period of time elapsed between the beginning of the performance period and the Termination Date as a percentage of the full performance period.

Any such Release Agreement will be executed and become irrevocable: (A) by the Participant or his or her legal representative in the case of Disability within the Release Period, and (B) by the Participant's legal heirs in the case of death within such time as prescribed by the Company, but not later than March 1 of the calendar year following the calendar year of the Participant's death. Payment of the benefits under this Section 7(a) will commence as soon as practicable following the effective date of the Release Agreement.

b. Termination for Cause or without Good Reason. If the Company and its Affiliates terminate the Participant's employment for Cause or the Participant terminates his or her employment without Good Reason, the Participant will be entitled only to the Accrued Rights and not to any other compensation or benefits from the Company or any of its Affiliates under this Plan and all unvested LTI Awards will be canceled for no consideration.

8. TAX MATTERS

a. Withholding. The Company and its subsidiaries will deduct and withhold from any amounts payable under this Plan such Federal, state, local, foreign or other taxes as are required to be withheld pursuant to any applicable law or regulation.

b. Effect of Sections 280G and 4999 of the Code. Anything in this Plan to the contrary notwithstanding, in the event that any Payment to or in respect of a Participant would be subject to the Excise Tax, then the Company will reduce the Payments, but not below zero and only to the extent that such reduction in the Payments would result in the Participant retaining a larger amount on an after-tax basis (including all Federal, state, local and other income taxes and the Excise Tax) than if the Participant received the entire amount of such Payments. The Company will reduce or eliminate the Payments in the following order: (i) the portion of the Payments that is attributable to any accelerated vesting of LTI Awards to purchase equity with a per share exercise price that is greater than the fair market value of the equity on the Change in Control Date, (ii) cash payments that do not constitute deferred compensation (within the meaning of Section 409A), (iii) acceleration of vesting in other LTI Awards and (iv) welfare or in-kind benefits, in each case in reverse order beginning with payments or benefits that are to be paid the farthest in time from the Determination (as defined below). Within thirty (30) business days after the later of the Participant's Termination Date or the Change in Control Date and at the Company's expense, the Company's accounting, consulting or tax firm (the "Accounting Firm") will make the determination of whether the Company will reduce the Payments as provided in

this Section 8(b) and the amount of such reduction (the "Determination"). The Accounting Firm will provide detailed supporting calculations and documentation to the Company and the Participant of such Determination. Such Determination will be binding, final and conclusive upon the Participant.

c. Section 409A of the Code.

i. General. The amounts payable under this Plan are intended to be exempt from Section 409A. Notwithstanding the foregoing, to the extent applicable, this Plan will be interpreted in accordance with, and incorporate the terms and conditions required by, Section 409A.

ii. Separation from Service under Section 409A. Notwithstanding anything herein to the contrary, with respect to any amounts payable under this Plan that the Company determines constitute "nonqualified deferred compensation" within the meaning of Section 409A: (A) such termination or other similar payments and benefits hereunder will be payable to a Participant only if such Participant's termination of employment constitutes a "separation from service" within the meaning of Section 1.409A-1(h) of the Department of Treasury Regulations; (B) if the Company deems a Participant at the time of his or her separation from service to be a "specified employee" for purposes of Section 409A(a)(2)(B)(i) of the Code, then to the extent delayed commencement of any portion of any termination or other similar payments and benefits to which such Participant may be entitled under this Plan (after taking into account all exclusions applicable to such payments or benefits under Section 409A) is required in order to avoid a prohibited distribution under Section 409A(a)(2)(B)(i) of the Code, such portion of such payments and benefits will not be provided to such Participant prior to the earlier of (x) the expiration of the six-month period measured from the date of the Participant's "separation from service" with the Company and (y) the date of such Participant's death; provided, that upon the earlier of such dates, the Company will pay in a lump sum to each Participant all payments and benefits deferred pursuant to this Section 8(c)(ii), and any remaining payments and benefits due hereunder will be provided as otherwise specified herein; and (C) the Company will make the determination of whether a Participant is a "specified employee" for purposes of Section 409A(a)(2)(B)(i) of the Code as of the time of such Participant's separation from service in accordance with the terms of Section 409A (including, without limitation, Section 1.409A-1(i) of the Department of Treasury Regulations and any successor provision thereto).

9. MISCELLANEOUS

a. Duration; Termination; Amendment; Modification. This Plan will become effective on the date it is adopted by the Board and will continue, subject to amendment, until the Board terminates it. The Board may terminate or amend the Plan except that (i) the Board must provide six (6) months' prior written notice to affected Participants for any termination of the Plan or amendment that would materially and adversely affect the rights of such

Participants, (ii) no termination or amendment will materially and adversely affect the rights of any Participant whose employment terminated prior to the date of such amendment or termination, and (iii) a Participant's right to receive payments or benefits with respect to a termination occurring in connection with or within twelve (12) months following a Change in Control will not be adversely affected by an amendment or termination of the Plan that is made within six (6) months before or twelve (12) months after the Change in Control Date. A Participant who is removed from participation in the Plan will no longer be subject to any post-employment non-compete or non-solicitation covenants.

b. No Waiver. The failure of the Company or a Participant to insist upon strict adherence to any term of this Plan on any occasion will not be considered a waiver of the Company's or such Participant's rights or deprive the Company or such Participant of the right thereafter to insist upon strict adherence to that term or any other term of this Plan. No failure or delay by any Participant in exercising any right or power hereunder will operate as a waiver thereof, nor will any single or partial exercise of any such right or power, or any abandonment of any steps to enforce such right or power, preclude any other or further exercise thereof or the exercise of any other right or power.

c. Severability. If any term or provision of this Plan is invalid, illegal or incapable of being enforced by any applicable law or public policy, all other conditions and provisions of this Plan will nonetheless remain in full force and effect.

d. Survival. The provisions of this Plan will survive and remain binding and enforceable, notwithstanding the expiration or termination of the Protection Period or this Plan, the termination of a Participant's employment with the Company and its subsidiaries for any reason or any settlement of the financial rights and obligations arising from a Participant's participation hereunder, to the extent necessary to preserve the intended benefits of such provisions.

e. Disputes.

i. Except as otherwise specifically provided herein, all disputes, controversies and claims arising between the Company and any Participant concerning the subject matter of this Plan will be settled by arbitration in accordance with the rules and procedures of the Judicial Arbitration and Mediation Services ("JAMS") in effect at the time that the arbitration begins, to the extent not inconsistent with this Plan. The location of the arbitration will be Cincinnati, Ohio or such other place as the parties to the dispute may mutually agree. In rendering any award or ruling, the arbitrator or arbitrators will determine the rights and obligations of the parties according to the substantive and procedural laws of the State of Ohio. The arbitration will be conducted by an arbitrator selected in accordance with the aforesaid arbitration procedures. Any arbitration pursuant to this Section 9(e) will be final and binding on the parties, and judgment upon any award rendered in such arbitration may be entered in any court, Federal or state, having jurisdiction. The

parties to any dispute will each pay their own costs and expenses (including arbitration fees and attorneys' fees) incurred in connection with arbitration proceedings and the fees of the arbitrator will be paid in equal amounts by the parties. Nothing in this Section 9(e) will preclude the Company or any Participant from seeking temporary injunctive relief from any Federal or state court located within Cincinnati, Ohio in connection with or as a supplement to an arbitration hereunder.

ii. Without limiting the generality of Section 9(e)(i), to the extent permitted by applicable law, by participating in this Plan, each Participant irrevocably waives any and all rights to trial by jury in any legal proceeding arising out of or relating to this Plan, including any right to assert claims as a plaintiff or class member in any purported class or representative proceeding.

iii. Notwithstanding the foregoing, the Company may seek injunctive relief to enforce the restrictive covenants set forth in the Participation Agreements.

f. No Mitigation or Offset; Enforcement of this Plan. The Company's obligation to make the payments provided for in this Plan and otherwise to perform its obligations hereunder will not be affected by any set-off, counterclaim, recoupment, defense or other claim, right or action that the Company may have against any Participant or others. In no event will any Participant be obligated to seek other employment or take any other action by way of mitigation of the amounts payable to the Participant under any of the provisions of this Plan and, except as otherwise expressly provided for in this Plan, such amounts will not be reduced whether or not the Participant obtains other employment.

g. Relation to Other Plans. Nothing in this Plan will prevent or limit a Participant's continuing or future participation in any plan, practice, policy or program provided by the Company or any Affiliate thereof for which the Participant may qualify, nor will anything in this Plan limit or otherwise affect any rights the Participant may have under any contract or agreement with the Company or any Affiliate thereof. Vested benefits and other amounts a Participant is otherwise entitled to receive under any incentive compensation (including any equity award agreement), deferred compensation, retirement, pension or other plan, practice, policy or program of, or any contract or agreement with, the Company or any Affiliate thereof will be payable in accordance with the terms of each such plan, practice, policy, program, contract or agreement, as the case may be. Notwithstanding the foregoing provisions of this Section 9(g), the amounts payable under this Plan to a Participant will be paid in lieu of any cash or non-cash severance benefits that such Participant is otherwise eligible to receive under any other severance plan, practice, policy or program of the Company or any Affiliate thereof or under any employment or offer letter or agreement with the Company or any Affiliate thereof. This Plan supersedes all prior or contemporaneous negotiations, commitments, agreements and writings with respect to the subject matter hereof.

h. Successors. This Plan will bind any successor (a "Successor") to all or substantially all of the business or assets of the Company (whether direct or indirect, by purchase, merger, consolidation or otherwise), in the same manner and to the same extent that the Company would have been obligated under this Plan if no such succession had taken place. In the case of any transaction in which a Successor would not, pursuant to the foregoing provision or by operation of law, be bound by this Plan, the Company will require such Successor expressly and unconditionally to assume and agree to perform the Company's obligations under this Plan, in the same manner and to the same extent that the Company would have been required to perform such obligations if no such succession had taken place. The term "Company", as used in this Plan, will mean the Company as hereinbefore defined and any Successor and any assignee to such business or assets that by reason hereof becomes bound by this Plan.

i. Governing Law. This Plan will be deemed to be made in the state of Ohio and the validity, interpretation, construction and performance of this Plan in all respects will be governed by the laws of the state of Ohio without regard to its principles of conflicts of law.

j. Headings and References. The headings of this Plan are inserted for convenience only and neither constitutes a part of this Plan nor affects in any way the meaning or interpretation of this Plan. When a reference in this Plan is made to a Section, such reference will be to a Section of this Plan unless otherwise indicated.

k. Construction. For purposes of this Plan, the words "include" and "including", and variations thereof, will not be deemed to be terms of limitation but rather will be deemed to be followed by the words "without limitation". The term "or" is not exclusive. The word "extent" in the phrase "to the extent" will mean the degree to which a subject or other thing extends, and such phrase will not mean simply "if".

l. Notices. All notices or other communications required or permitted by this Plan will be made in writing and all such notices or communications will be deemed to have been duly given when delivered or (unless otherwise specified) mailed by United States certified or registered mail, return receipt requested, postage prepaid, addressed as follows:

If to the Company: Phillips Edison Grocery Center REIT I, Inc.
11501 Northlake Drive

Cincinnati, Ohio 45249

Attention: General Counsel

If to the Participant: The Participant's address as most recently supplied to the Company and set forth in the Company's records

or to such other address as any party may have furnished to the other in writing in accordance herewith, except that notices of change of address will be effective only upon receipt.

Adopted by the Board of Directors of Phillips Edison Grocery Center REIT I, Inc. as of September 20, 2017

APPENDIX A

PARTICIPANTS
(as of October 4, 2017)

Jeffrey Edison
Robert Myers
Devin Murphy
R. Mark Addy

PHILLIPS EDISON GROCERY CENTER REIT I, INC.

AMENDED & RESTATED 2010 LONG-TERM INCENTIVE PLAN

PHILLIPS EDISON GROCERY CENTER REIT I, INC.

AMENDED & RESTATED 2010 LONG-TERM INCENTIVE PLAN

ARTICLE 1
PURPOSE

1.1 General. The purpose of the Phillips Edison Grocery Center REIT I, Inc. Amended & Restated 2010 Long-Term Incentive Plan (the "**Plan**") is to promote the success, and enhance the value, of Phillips Edison Grocery Center REIT I, Inc. (the "**Company**") and Phillips Edison Grocery Center Operating Partnership I, L.P. (the "**Partnership**") by linking the personal interests of employees, officers and consultants of the Company or any Affiliate (as defined below) to those of Company stockholders and by providing such persons with an incentive for outstanding performance. The Plan is further intended to provide flexibility to the Company in its ability to motivate, attract, and retain the services of employees, officers and consultants upon whose judgment, interest, and special effort the successful conduct of the Company's operation is largely dependent. Accordingly, the Plan permits the grant of incentive awards from time to time to selected employees, officers and consultants of the Company and its Affiliates.

ARTICLE 2
DEFINITIONS

2.1 Definitions. When a word or phrase appears in this Plan with the initial letter capitalized, and the word or phrase does not commence a sentence, the word or phrase shall generally be given the meaning ascribed to it in this Section or in Section 1.1, unless a clearly different meaning is required by the context. The following words and phrases shall have the following meanings:

(a) "**Affiliate**" means (i) any Subsidiary or Parent, or (ii) an entity that directly or through one or more intermediaries controls, is controlled by or is under common control with, the Company, as determined by the Committee.

(b) "**Award**" means any Option, Stock Appreciation Right, Restricted Stock Award, Restricted Stock Unit Award, Deferred Stock Unit Award, Performance Award, Dividend Equivalent Award, Other Stock-Based Award, Performance-Based Cash Awards, OP Unit, Phantom Unit, or any other right or interest relating to Stock, OP Units or cash, granted to a Participant under the Plan.

(c) "**Award Certificate**" means a written document, in such form as the Committee prescribes from time to time, setting forth the terms and conditions of an Award. Award Certificates may be in the form of individual award agreements or certificates or a program document describing the terms and provisions of an Awards or series of Awards under the Plan.

(d) "**Board**" means the Board of Directors of the Company.

(e) "**Cause**" as a reason for a Participant's termination of employment shall have the meaning assigned such term in the employment, severance or similar agreement or plan, if any, between such Participant and the Company or an Affiliate, provided, however that if there is no such employment, severance or similar agreement or plan in which such term is defined, and unless otherwise defined in the applicable Award Certificate, "**Cause**" shall mean any of the following acts by the Participant, as determined by the Committee or the Board: (i) the willful and continued failure of the Participant to perform his or her required duties as an officer or employee of the Company or any Affiliate, (ii) any action by the Participant that involves willful misfeasance or gross negligence, (iii) the requirement of or direction by a federal or state regulatory agency that has jurisdiction over the Company or any Affiliate to terminate the employment of the Participant, (iv) the conviction of the Participant of the commission of any criminal offense that involves dishonesty or breach of trust, or (v) any intentional breach by the Participant of a material term, condition or covenant of any agreement between the Participant and the Company or any Affiliate.

(f) "**Change in Control**" means and includes the occurrence of any one of the following events but shall specifically exclude a Public Offering:

(i) any "person," as such term is used in Sections 13(d) and 14(d) of the Exchange Act, other than the Company or an Affiliate or a Company employee benefit plan, including any trustee of such plan acting as trustee, is or becomes the "beneficial owner" (as defined in Rule 13d-3 under the Exchange Act), directly or indirectly, of securities of the Company representing forty percent (40%) or more of the combined voting power of the Company's then outstanding securities entitled to vote generally in the election of director; or

(ii) a merger, reverse merger or other business combination or consolidation of the Company or any direct or indirect subsidiary of the Company with any other corporation other than an Affiliate of the Company, other than a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity) at least fifty percent (50%) of the total voting power represented by the voting securities of the Company or such surviving entity outstanding immediately after such merger, reverse merger, business combination or consolidation; or

(iii) the Incumbent Directors cease for any reason to be a majority of the members of the Board; or

(iv) a person (or group), other than an Affiliate, acquires (or has acquired, during a 12 month period), assets that have a total gross fair market value of fifty percent (50%) or more of the total gross fair market value of all assets of the Company immediately prior to such acquisition.

Notwithstanding the foregoing, any transaction involving Phillips Edison Grocery Center REIT II, Inc., or Phillips Edison Grocery Center REIT III, Inc., or any vehicle managed or sponsored by the Company or any of its Subsidiaries will not be a Change in Control.

(g) "**Code**" means the Internal Revenue Code of 1986, as amended from time to time, and includes a reference to the underlying final regulations.

(h) "**Committee**" means the committee of the Board described in Article 4.

(i) "**Company**" means Phillips Edison - ARC Shopping Center REIT Inc., a Maryland corporation, or any successor corporation.

(j) "**Continuous Status as a Participant**" means the absence of any interruption or termination of service as an employee, officer or consultant of the Company or any Affiliate, as applicable; provided, however, that for purposes of an Incentive Stock Option, or a Stock Appreciation Right issued in tandem with an Incentive Stock Option, "**Continuous Status as a Participant**" means the absence of any interruption or termination of service as an employee of the Company or any Parent or Subsidiary, as applicable, pursuant to applicable tax regulations. Continuous Status as a Participant shall continue to the extent provided in a written severance or employment agreement during any period for which severance compensation payments are made to an employee, officer or consultant and shall not be considered interrupted in the case of any short-term disability or leave of absence authorized in writing by the Company prior to its commencement; provided, however, that for purposes of Incentive Stock Options, no such leave may exceed 90 days, unless reemployment upon expiration of such leave is guaranteed by statute or contract. If reemployment upon expiration of a leave of absence approved by the Company is not so guaranteed, on the 91st day of such leave any Incentive Stock Option held by the Participant shall cease to be treated as an Incentive Stock Option and shall be treated for tax purposes as a Nonstatutory Stock Option.

(k) "**Deferred Stock Unit**" means a right granted to a Participant under Article 11.

(l) "**Disability**" or "**Disabled**" has the same meaning assigned such term in the employment, severance or similar agreement or plan, if any, between such Participant and the Company or an Affiliate provided however that if there is no such employment, severance or similar agreement or plan in which such term is defined, then such term has the same meaning as provided in the long-term disability plan or policy maintained by the Company or if applicable, most recently maintained, by the Company or if applicable, an Affiliate, for the Participant, whether or not such Participant actually receives disability benefits under such plan or policy. If no long-term disability plan or policy was ever maintained on behalf of Participant or if the determination of Disability relates to an Incentive Stock Option, or a Stock Appreciation Right issued in tandem with an Incentive Stock Option, Disability means Permanent and Total Disability as defined in Section 22(e)(3) of the Code. In the event of a dispute, the determination whether a Participant is Disabled will be made by the Committee and may be supported by the advice of a physician competent in the area to which such Disability relates.

(m) "**Dividend Equivalent**" means a right granted to a Participant under Article 12.

(n) "**Effective Date**" has the meaning assigned such term in Section 3.1.

(o) "**Eligible Participant**" means an employee, officer or consultant of the Company or any Affiliate.

(p) "**Fair Market Value**", on any date, means (i) if the Stock is listed on a national securities exchange or is traded on a national market system, the closing sales price on such exchange or over such system on such date or, in the absence of reported sales on such date, the closing sales price on the immediately preceding date on which sales were reported, or (ii) if the Stock is not listed on a national securities exchange or traded on a national market system, the mean between the bid and offered prices as quoted by NASDAQ for such date, provided that if it is determined that the fair market value is not properly reflected by such NASDAQ quotations or bid and offered prices for the Shares are not quoted by NASDAQ, Fair Market Value will be determined by such other method as the Committee determines in good faith to be reasonable.

(q) "**Full Value Award**" means an Award other than in the form of an Option or SAR, and which is settled by the issuance of Stock.

(r) "**Good Reason**" (or similar term) has the meaning assigned such term in the Award Certificate or agreement referred to in Section 15.8(b).

(s) "**Grant Date**" of an Award means the first date on which all necessary corporate action has been taken to approve the grant of the Award as provided in the Plan, or such later date as is determined and specified as part of that authorization process. Notice of the grant shall be provided to the grantee within a reasonable time after the Grant Date.

(t) "**Incentive Stock Option**" means an Option that is intended to be an incentive stock option and meets the requirements of Section 422 of the Code or any successor provision thereto.

(u) "**Incumbent Director**" means each member of the Board on October 4, 2017 together with any director(s) elected or appointed after October 4, 2017 whose election or nomination for election to the Board was approved by a vote of at least a majority (either by a specific vote or by approval of the proxy statement of the Company in which such person is named as a nominee for director without objection to such nomination) of the directors then still in office who either were directors on October 4, 2017 or whose election or nomination for election was previously so approved. No individual initially elected or nominated as a director of the Company as a result of an actual or threatened election contest with respect to directors or as a result of any other actual or threatened solicitation of proxies by or on behalf of any person other than the Board will be an Incumbent Director.

(v) "**Independent Director**" means a director of the Company who is not a common law employee of the Company or an Affiliate.

(w) "**Nonstatutory Stock Option**" means an Option that is not an Incentive Stock Option.

(x) "**Option**" means a right granted to a Participant under Article 7 of the Plan to purchase Stock at a specified price during specified time periods. An Option may be either an Incentive Stock Option or a Nonstatutory Stock Option.

(y) "**OP Unit**" means the operating partnership unit of the Partnership that is granted pursuant to Section 13.1 hereof and is intended to constitute a "profits interest" within the meaning of the Code.

(z) "**Other Stock-Based Award**" means a right, granted to a Participant under Article 14, that relates to or is valued by reference to Stock, OP Units or other Awards relating to Stock or OP Units, including the right to receive cash based on the value of Stock and/or OP Units.

(aa) "**Parent**" means a corporation, limited liability company, partnership or other entity which owns or beneficially owns a majority of the outstanding voting stock or voting power of the Company. Notwithstanding the above, with respect to an Incentive Stock Option, Parent shall mean a "parent corporation" within the meaning set forth in Section 424(e) of the Code.

(ab) "**Participant**" means a person who, as an employee, officer or consultant of the Company or any Affiliate, has been granted an Award under the Plan; provided that in the case of the death of a Participant, the term "**Participant**" refers to a beneficiary designated pursuant to Section 15.5 or the legal guardian or other legal representative acting in a fiduciary capacity on behalf of the Participant under applicable state law and court supervision.

(ac) "**Partnership**" means Phillips Edison Grocery Center Operating Partnership I, L.P.

(ad) "**Partnership Agreement**" means the Third Amended and Restated Agreement of Limited Partnership of Phillips Edison Grocery Center Operating Partnership I, L.P.

(ae) "**Performance Award**" means Performance Shares or Performance Units or Performance-Based Cash Awards granted pursuant to Article 9.

(af) "**Performance-Based Cash Award**" means a right granted to a Participant under Article 9 to a cash award to be paid upon achievement of such performance goals as the Committee establishes with regard to such Award.

(ag) "**Performance Share**" means any right granted to a Participant under Article 9 to a unit to be valued by reference to a designated number of Shares to be paid upon achievement of such performance goals as the Committee establishes with regard to such Performance Share.

(ah) "**Performance Unit**" means a right granted to a Participant under Article 9 to a unit valued by reference to a designated amount of cash or property other than Shares to be paid to the Participant upon achievement of such performance goals as the Committee establishes with regard to such Performance Unit.

(ai) "**Person**" means any individual, entity or group, within the meaning of Section 3(a)(9) of the 1934 Act and as used in Section 13(d)(3) or 14(d)(2) of the 1934 Act.

(aj) "**Phantom Unit**" means the right to receive a payment in cash equal to the value of a Share of OP Unit.

(ak) "**Plan**" means the Phillips Edison - ARC Shopping Center REIT Inc. Amended & Restated 2010 Long-Term Incentive Plan, as amended from time to time.

(al) "**Public Offering**" shall occur on the closing date of a firm commitment underwritten public offering of any class or series of the Company's equity securities pursuant to a registration statement filed by the Company under the 1933 Act.

(am) "**Severance Plan**" means the Phillips Edison Grocery Center REIT I, Inc. Executive Severance and Change in Control Plan and a Participant's participation agreement thereunder.

(an) "**Restricted Stock Award**" means Stock granted to a Participant under Article 10 that is subject to certain restrictions and to risk of forfeiture.

(ao) "**Restricted Stock Unit Award**" means the right granted to a Participant under Article 10 to receive shares of Stock (or the equivalent value in cash or other property if the Committee so provides) in the future, which right is subject to certain restrictions and to risk of forfeiture.

(ap) "**Shares**" means shares of the Company's Stock. If there has been an adjustment or substitution pursuant to Section 16.1, the term "**Shares**" shall also include any shares of stock or other securities that are substituted for Shares or into which Shares are adjusted pursuant to Section 16.1.

(aq) "**Stock**" means the $.01 par value common stock of the Company and such other securities of the Company as may be substituted for Stock pursuant to Article 16.

(ar) "**Stock Appreciation Right**" or "**SAR**" means a right granted to a Participant under Article 8 to receive a payment equal to the difference between the Fair Market Value of a Share as of the date of exercise of the SAR over the grant price of the SAR, all as determined pursuant to Article 8.

(as) "**Subsidiary**" means any corporation, limited liability company, partnership or other entity of which a majority of the outstanding voting stock or voting power is beneficially owned directly or indirectly by the Company. Notwithstanding the above, with respect to an Incentive Stock Option, Subsidiary shall mean a "subsidiary corporation" within the meaning set forth in Section 424(f) of the Code.

(at) "**1933 Act**" means the Securities Act of 1933, as amended from time to time.

(au) "**1934 Act**" means the Securities Exchange Act of 1934, as amended from time to time.

ARTICLE 3
EFFECTIVE TERM OF PLAN

3.1 Effective Date. The Plan shall be effective as of the date it is approved by the stockholders of the Company (the "**Effective Date**").

3.2 Termination of Plan. The Plan shall terminate on the tenth anniversary of the Effective Date unless earlier terminated as provided herein. The termination of the Plan on such date shall not affect the validity of any Award outstanding on the date of termination.

ARTICLE 4
ADMINISTRATION

4.1 Committee. The Plan shall be administered by a Committee appointed by the Board (which Committee shall consist of at least two directors) or, at the discretion of the Board from time to time, the Plan may be administered by the Board. It is intended that at least two of the directors appointed to serve on the Committee shall be "non-employee directors" (within the meaning of Rule 16b-3 promulgated under the 1934 Act) and that any such members of the Committee who do not so qualify shall abstain from participating in any decision to make or administer Awards that are made to Eligible Participants who at the time of consideration for such Award are persons subject to the short-swing profit rules of Section 16 of the 1934 Act. However, the mere fact that a Committee member shall fail to qualify under the foregoing requirement or shall fail to abstain from such action shall not invalidate any Award made by the Committee which Award is otherwise validly made under the Plan. The members of the Committee shall be appointed by, and may be changed at any time and from time to time in the discretion of, the Board. The Board may reserve to itself any or all of the authority and responsibility of the Committee under the Plan or may act as administrator of the Plan for any and all purposes. To the extent the Board has reserved any authority and responsibility or during any time that the Board is acting as administrator of the Plan, it shall have all the powers of the Committee hereunder, and any reference herein to the Committee (other than in this Section 4.1) shall include the Board. To the extent any action of the Board under the Plan conflicts with actions taken by the Committee, the actions of the Board shall control.

4.2 Action and Interpretations By the Committee. For purposes of administering the Plan, the Committee may from time to time adopt rules, regulations, guidelines and procedures for carrying out the provisions and purposes of the Plan and make such other determinations, not inconsistent with the Plan, as the Committee may deem appropriate. The Committee's interpretation of the Plan, any Awards granted under the Plan, any Award Certificate and all decisions and determinations by the Committee with respect to the Plan are final, binding, and conclusive on all parties. Each member of the Committee is entitled to, in good faith, rely or act upon any report or other information furnished to that member by any officer or other employee of the Company or any Affiliate, the Company's or an Affiliate's independent certified public accountants, Company counsel or any executive compensation consultant or other professional retained by the Company to assist in the administration of the Plan.

4.3 Authority of Committee. Except as provided below, the Committee has the exclusive power, authority and discretion to:

(a) Grant Awards;

(b) Designate Participants;

(c) Determine the type or types of Awards to be granted to each Participant;

(d) Determine the number of Awards to be granted and the number of Shares or dollar amount to which an Award will relate;

(e) Determine the terms and conditions of any Award, not inconsistent with the provisions of the Plan, granted under the Plan, including but not limited to, the exercise price, grant price, or purchase price, any restrictions or limitations on the Award, any schedule for lapse of forfeiture restrictions or restrictions on the exercisability of an Award, and accelerations or waivers thereof, based in each case on such considerations as the Committee in its sole discretion determines;

(f) Determine whether, to what extent, and under what circumstances an Award may be settled in, or the exercise price of an Award may be paid in, cash, Stock, other Awards, or other property, or an Award may be canceled, forfeited, or surrendered;

(g) Prescribe the form of each Award Certificate, which need not be identical for each Participant;

(h) Decide all other matters that must be determined in connection with an Award;

(i) Establish, adopt or revise any rules, regulations, guidelines or procedures as it may deem necessary or advisable to administer the Plan;

(j) Make all other decisions and determinations that may be required under the Plan or as the Committee deems necessary or advisable to administer the Plan;

(k) Amend the Plan or any Award Certificate as provided herein; and

(l) Adopt such modifications, procedures, and subplans as may be necessary or desirable to comply with provisions of the laws of non-U.S. jurisdictions in which the Company or any Affiliate may operate, in order to assure the viability of the benefits of Awards granted to participants located in such other jurisdictions and to meet the objectives of the Plan.

Notwithstanding the foregoing, grants of Awards hereunder shall not be made to Independent Directors in their capacity as such, it being the intention that grants to Independent Directors shall be made only in accordance with the terms, conditions and parameters of a separate plan, program or policy for the compensation of Independent Directors as in effect from time to time.

Notwithstanding the above, the Board or the Committee may, by resolution, expressly delegate to a special committee, consisting of one or more directors who are also officers of the Company, the authority, within specified parameters, to (i) designate officers, employees and/or consultants of the Company or any of its Affiliates to be recipients of Awards under the Plan, and (ii) to determine the number of such Awards to be granted to any such Participants; provided that a limit on the total number or dollar value of Awards to be granted to any such Participants shall be approved in advance by the Board or the Committee and provided further that such delegation of duties and responsibilities to such special committee may not be made with respect to the grant of Awards to Eligible Participants who are subject to Section 16(a) of the 1934 Act at the Grant Date. The acts of such delegates shall be treated hereunder as acts of the Board and such

delegates shall report regularly to the Board and the Committee regarding the delegated duties and responsibilities and any Awards so granted.

4.4 Award Certificates. Each Award shall be evidenced by an Award Certificate. Each Award Certificate shall include such provisions, not inconsistent with the Plan, as may be specified by the Committee.

ARTICLE 5
SHARES SUBJECT TO THE PLAN

5.1 Number of Shares. Subject to adjustment as provided in Sections 5.2 and 15.1, the aggregate number of Shares reserved and available for issuance pursuant to Awards granted under the Plan shall be 9,000,000. The maximum number of Shares that may be issued upon exercise of Incentive Stock Options granted under the Plan shall be 9,000,000. The maximum number of Shares that may be issued (i) upon the exercise or grant of an Award granted under the Plan and (ii) pursuant to the Company's 2010 Independent Director Stock Plan, shall not exceed in the aggregate (including both plans) an amount equal to 5% of the outstanding Shares on the Grant Date. Each OP Unit issued pursuant to an Award shall count as one Share for purposes of calculating the aggregate number of Shares available for issuance under the Plan as set forth in this Section 5.1.

5.2 Share Counting.

(a) To the extent that an Award is canceled, terminates, expires, is forfeited or lapses for any reason, any unissued Shares from such Award will again be available for issuance pursuant to Awards granted under the Plan.

(b) Shares subject to Awards settled in cash will again be available for issuance pursuant to Awards granted under the Plan.

(c) Shares *withheld* from an Award to satisfy maximum tax withholding requirements will again be available for issuance pursuant to Awards granted under the Plan, but Shares *delivered* by a Participant (by either actual delivery or attestation) to satisfy tax withholding requirements shall not be added back to the number of Shares available for issuance under the Plan.

(d) If the exercise price of an Option is satisfied by delivering Shares to the Company (by either actual delivery or attestation), only the net number of Shares actually issued by the Company shall be considered for purposes of determining the number of Shares remaining available for issuance pursuant to Awards granted under the Plan.

(e) To the extent that the full number of Shares subject to an Award is not issued for any reason, only the number of Shares issued and delivered shall be considered for purposes of determining the number of Shares remaining available for issuance pursuant to Awards granted under the Plan. Nothing in this subsection shall imply that any particular type of cashless exercise of an Option is permitted under the Plan, that decision being reserved to the Committee or other provisions of the Plan.

5.3 Stock Distributed. Any Stock distributed pursuant to an Award may consist, in whole or in part, of authorized and unissued Stock, treasury Stock or Stock purchased on the open market.

ARTICLE 6
ELIGIBILITY

6.1 General. Awards may be granted only to Eligible Participants; except that Incentive Stock Options may be granted to only to Eligible Participants who are employees of the Company or a Parent or Subsidiary which constitute a "parent corporation" or a "subsidiary corporation" as defined in Section 424(e) and (f) of the Code, respectively.

ARTICLE 7
STOCK OPTIONS

7.1 General. The Committee is authorized to grant Options to Participants subject to terms and conditions, not inconsistent with the provisions of the Plan, as the Committee shall establish, including the following:

(a) Exercise Price. The exercise price per Share under an Option shall be determined by the Committee; provided, however, that the exercise price of an Option shall not be less than the Fair Market Value as of the Grant Date.

(b) Time and Conditions of Exercise. The Committee shall determine the time or times at which an Option may be exercised in whole or in part, subject to Section 7.1(d). The Committee shall also determine the performance or other conditions, if any, that must be satisfied before all or part of an Option may be exercised or vested. Except under certain circumstances contemplated by Section 15.8 or 15.9 or as may be set forth in an Award Certificate with respect to death or Disability of a Participant, Options will not be exercisable before the expiration of one year from the Grant Date.

(c) Payment. The Committee shall determine the methods by which the exercise price of an Option may be paid, the form of payment, including, without limitation, cash, Shares, or other property (including "cashless exercise" arrangements), and the methods by which Shares shall be delivered or deemed to be delivered to Participants; provided, however, that if Shares are used to pay the exercise price of an Option, such Shares must have been held by the Participant for at least such period of time, if any, as necessary to avoid the recognition of an expense under generally accepted accounting principles as a result of the exercise of the Option.

(d) Exercise Term. In no event may any Option be exercisable for more than ten years from the Grant Date.

7.2 Incentive Stock Options. The terms of any Incentive Stock Options granted under the Plan must comply with the following additional rules:

(a) Exercise Price. The exercise price of an Incentive Stock Option shall not be less than the Fair Market Value as of the Grant Date.

(b) Lapse of Option. Subject to any earlier termination provision contained in the Award Certificate, an Incentive Stock Option shall lapse upon the earliest of the following circumstances:

(1) The expiration date set forth in the Award Certificate.

(2) The tenth anniversary of the Grant Date.

(3) Three months after termination of the Participant's Continuous Status as a Participant for any reason other than the Participant's Disability or death.

(4) One year after the termination of the Participant's Continuous Status as a Participant by reason of the Participant's Disability.

(5) Two years after the Participant's death if the Participant dies while employed or during the three-month period described in paragraph (3) or during the one-year period described in paragraph (4) and before the Option otherwise lapses.

Unless the exercisability of the Incentive Stock Option is accelerated as provided in Article 15, if a Participant exercises an Option after termination of employment, the Option may be exercised only with respect to the Shares that were otherwise vested on the Participant's termination of employment. Upon the Participant's death, any exercisable Incentive Stock Options may be exercised by the Participant's beneficiary, determined in accordance with Section 15.5.

(c) Individual Dollar Limitation. The aggregate Fair Market Value (determined as of the Grant Date) of all Shares with respect to which Incentive Stock Options are first exercisable by a Participant in any calendar year may not exceed $100,000.00.

(d) Ten Percent Owners. No Incentive Stock Option shall be granted to any individual who, at the Grant Date, owns stock possessing more than ten percent of the total combined voting power of all classes of stock of the Company or any Parent or Subsidiary unless the exercise price per share of such Option is at least 110% of the Fair Market Value per Share at the Grant Date and the Option expires no later than five years after the Grant Date.

(e) Expiration of Authority to Grant Incentive Stock Options. No Incentive Stock Option may be granted pursuant to the Plan after the day immediately prior to the tenth anniversary of the Effective Date of the Plan, or the termination of the Plan, if earlier.

(f) Right to Exercise. During a Participant's lifetime, an Incentive Stock Option may be exercised only by the Participant or, in the case of the Participant's Disability, by the Participant's guardian or legal representative.

(g) Eligible Grantees. The Committee may not grant an Incentive Stock Option to a person who is not at the Grant Date an employee of the Company or a Parent or Subsidiary which constitute a "parent corporation" or a "subsidiary corporation" as defined in Section 424(e) and (f) of the Code, respectively.

ARTICLE 8
STOCK APPRECIATION RIGHTS

8.1 Grant of Stock Appreciation Rights. The Committee is authorized to grant Stock Appreciation Rights to Participants on the following terms and conditions:

(a) Right to Payment. Upon the exercise of a Stock Appreciation Right, the Participant to whom it is granted has the right to receive the excess, if any, of:

(1) The Fair Market Value of one Share on the date of exercise; over

(2) The base price of the Stock Appreciation Right as determined by the Committee, which shall not be less than the Fair Market Value of one Share on the Grant Date.

(b) Other Terms. All awards of Stock Appreciation Rights shall be evidenced by an Award Certificate. The terms, methods of exercise, methods of settlement, form of consideration payable in settlement, and any other terms and conditions of any Stock Appreciation Right shall be determined by the Committee at the time of the grant of the Award and shall be reflected in the Award Certificate.

ARTICLE 9
PERFORMANCE AWARDS

9.1 Grant of Performance Awards. The Committee is authorized to grant Performance Shares, Performance Units or Performance-Based Cash Awards to Participants on such terms and conditions as may be selected by the Committee. The Committee shall have the complete discretion to determine the number of Performance Awards granted to each Participant and to designate the provisions of such Performance Awards as provided in Section 4.3. All Performance Awards shall be evidenced by an Award Certificate or a written program established by the Committee, pursuant to which Performance Awards are awarded under the Plan under uniform terms, conditions and restrictions set forth in such written program.

9.2 Performance Goals. The Committee may establish performance goals for Performance Awards which may be based on any performance criteria selected by the Committee. Such performance criteria may be described in terms of Company-wide objectives or in terms of objectives that relate to the performance of the Participant, an Affiliate or a division, region, department or function within the Company or an Affiliate. The length of a performance period shall be determined by the Committee; provided, however, that a performance period shall not be shorter than 12 months.

9.3 Right to Payment. The grant of a Performance Share to a Participant will entitle the Participant to receive at a specified later time a specified number of Shares, or the equivalent cash value, if the performance goals established by the Committee are achieved and the other terms and conditions thereof are satisfied. The grant of a Performance Unit to a Participant will entitle the Participant to receive at a specified later time a specified dollar value, which may be settled in cash or other property, including Shares, variable under conditions specified in the Award, if the performance goals in the Award are achieved and the other terms and conditions thereof are satisfied. The grant of a Performance-Based Cash Award to a Participant will entitle the Participant to receive at a specified later time a specified dollar value in cash variable under conditions specified in the Award, if the performance goals in the Award are achieved and the other terms and conditions thereof are satisfied. The Committee shall set performance goals and other terms or conditions to payment of the Performance Awards in its discretion which, depending on the extent to which they are met, will determine the value of the Performance Awards that will be paid to the Participant.

9.4 Other Terms. Performance Awards may be payable in cash, Stock or other property, and have such other terms and conditions as determined by the Committee and reflected in the Award Certificate. For purposes of determining the number of Shares to be used in payment of a Performance Award denominated in cash but payable in whole or in part in Shares or Restricted Stock, the number of Shares to be so paid will be determined by dividing the cash value of the Award to be so paid by the Fair Market Value of a Share on the date of determination by the Committee of the amount of the payment under the Award, or, if the Committee so directs, the date immediately preceding the date the Award is paid.

ARTICLE 10
RESTRICTED STOCK AND RESTRICTED STOCK UNIT AWARDS

10.1 Grant of Restricted Stock and Restricted Stock Units. The Committee is authorized to make Awards of Restricted Stock or Restricted Stock Units to Participants in such amounts and subject to such terms and conditions as may be selected by the Committee. An Award of Restricted Stock or Restricted Stock Units shall be evidenced by an Award Certificate setting forth the terms, conditions, and restrictions applicable to the Award.

10.2 Issuance and Restrictions. Restricted Stock or Restricted Stock Units shall be subject to such restrictions on transferability and other restrictions as the Committee may impose (including, without limitation, limitations on the right to vote Restricted Stock or the right to receive dividends on the Restricted Stock or dividend equivalents on the Restricted Stock Units) covering a period of time specified by the Committee (the "**Restriction Period**"). These restrictions may lapse separately or in combination at such times, under such circumstances, in such installments, upon the satisfaction of performance goals or otherwise, as the Committee determines at the time of the grant of the Award or thereafter. Except as otherwise provided in an Award Certificate or any special Plan document governing an Award, the Participant shall have all of the rights of a stockholder with respect to the Restricted Stock, and the Participant shall have none of the rights of a stockholder with respect to Restricted Stock Units until such time as Shares of Stock are paid in settlement of the Restricted Stock Units.

10.3 Forfeiture. Except for certain limited situations (including the death or Disability of the Participant or a Change in Control referred to in Section 15.8), Restricted Stock Awards and Restricted Stock Unit Awards subject solely to continued employment restrictions shall have a Restriction Period of not less than three years from the Grant Date (but permitting pro-rata vesting over such time). Except as otherwise determined by the Committee at the time of the grant of the Award or thereafter, immediately after termination of Continuous Status as a Participant during the applicable restriction period or upon failure to satisfy a performance goal during the applicable restriction period, Restricted Stock or Restricted Stock Units that are at that time subject to restrictions shall be forfeited.

10.4 Delivery of Restricted Stock. Shares of Restricted Stock shall be delivered to the Participant at the time of grant either by book-entry registration or by delivering to the Participant, or a custodian or escrow agent (including, without limitation, the Company or one or more of its employees) designated by the Committee, a stock certificate or certificates registered in the name of the Participant. If physical certificates representing shares of Restricted Stock are registered in the name of the Participant, such certificates must bear an appropriate legend referring to the terms, conditions, and restrictions applicable to such Restricted Stock.

ARTICLE 11
DEFERRED STOCK UNITS

11.1 Grant of Deferred Stock Units. The Committee is authorized to grant Deferred Stock Units to Participants subject to such terms and conditions as may be selected by the Committee. Deferred Stock Units shall entitle the Participant to receive Shares of Stock (or the equivalent value in cash or other property if so determined by the Committee) at a future time as determined by the Committee, or as determined by the Participant within guidelines established by the Committee in the case of voluntary deferral elections. An Award of Deferred Stock Units shall be evidenced by an Award Certificate setting forth the terms and conditions applicable to the Award.

ARTICLE 12
DIVIDEND EQUIVALENTS

12.1 Grant of Dividend Equivalents. The Committee is authorized to grant Dividend Equivalents to Participants, in connection with other Awards or on a freestanding basis, subject to such terms and conditions as may be selected by the Committee. Dividend Equivalents shall entitle the Participant to receive payments equal to dividends with respect to all or a portion of the number of Shares subject to any Award, as determined by the Committee. The Committee may provide that Dividend Equivalents be paid or distributed when accrued or be deemed to have been reinvested in additional Shares or units equivalent to Shares, or otherwise reinvested.

ARTICLE 13
OP Units and Phantom Units

13.1 Grant of OP Units. The Committee is authorized to grant OP Units in such amount and subject to such terms and conditions as may be determined by the Committee; provided, that OP Units may only be issued to a Participant for the performance of services to or for the benefit of the Partnership (a) in the Participant’s capacity as a partner of the Partnership, (b) in anticipation of the Participant becoming a partner of the Partnership, or (c) as otherwise determined by the Committee, provided that the OP Units are intended to constitute “profits interests” within the meaning of the Code, including, to the extent applicable, Revenue Procedure 93-27, 1993-2 C.B. 343 and Revenue Procedure 2001-43, 2001-2 C.B. 191. The Committee shall specify the conditions and dates upon which the OP Units will vest and become nonforfeitable. OP Units will be subject to the terms and conditions of the Partnership Agreement and such other restrictions, including restrictions on transferability, as the Committee may impose. These restrictions may lapse separately or in combination at such times, pursuant to such circumstances, in such installments, or otherwise, as the Committee determines at the time of the grant of the Award or thereafter.

13.2 Phantom Units. The Committee shall specify the conditions and dates upon which the Phantom Units will be earned and/or payable, whether or not the Phantom Units will have Dividend Equivalents and such other restrictions as the Committee may impose at the time of the grant of the Phantom Unit.

ARTICLE 14
STOCK OR OTHER STOCK-BASED AWARDS

14.1 Grant of Stock or Other Stock-Based Awards. The Committee is authorized, subject to limitations under applicable law, to grant to Participants such other Awards that are payable in, valued in whole or in part by reference to, or otherwise based on or related to Shares, OP Units, cash or other property, as deemed by the Committee to be consistent with the purposes of the Plan, including without limitation Shares or OP Units awarded purely as a "bonus" and not subject to any restrictions or conditions, convertible or exchangeable debt securities, other rights convertible or exchangeable into Shares or OP Units, and Awards valued by reference to book value of Shares or OP Units or the value of securities of or the performance of specified Parents or Affiliates ("**Other Stock-Based Awards**"). Such Other Stock-Based Awards shall also be available as a form of payment in the settlement of other Awards granted under the Plan. The Committee shall determine the terms and conditions of such Other Stock-Based Awards. Except for certain limited situations (including the death or Disability of the Participant or a Change in Control referred to in Section 15.8), Other Stock-Based Awards subject solely to continued employment restrictions shall be subject to restrictions imposed by the Committee for a period of not less than three years from the Grant Date (but permitting pro-rata vesting over such time); provided that such restrictions shall not be applicable to any substitute awards granted under Section 15.12, grants of Other Stock-Based Awards in payment of Performance Awards pursuant to Article 9, grants of Other Stock-Based Awards granted in lieu of cash or other compensation, or grants of Other Stock-Based Awards on a deferred basis.

ARTICLE 15
PROVISIONS APPLICABLE TO AWARDS

15.1 Stand-Alone and Tandem Awards. Awards granted under the Plan may, in the discretion of the Committee, be granted either alone or in addition to, in tandem with, any other Award granted under the Plan. Subject to Section 17.2, awards granted in addition to or in tandem with other Awards may be granted either at the same time as or at a different time from the grant of such other Awards.

15.2 Term of Award. The term of each Award shall be for the period as determined by the Committee, provided that in no event shall the term of any Incentive Stock Option or a Stock Appreciation Right granted in tandem with the Incentive Stock Option exceed a period of ten years from its Grant Date (or, if Section 7.2(d) applies, five years from its Grant Date).

15.3 Form of Payment for Awards. Subject to the terms of the Plan and any applicable law or Award Certificate, payments or transfers to be made by the Company or an Affiliate on the grant or exercise of an Award may be made in such form as the Committee determines at or after the Grant Date, including without limitation, cash, Stock, OP Units, other Awards, or other property, or any combination, and may be made in a single payment or transfer or in installments, in each case determined in accordance with rules adopted by, and at the discretion of, the Committee.

15.4 Limits on Transfer. No right or interest of a Participant in any unexercised or restricted Award may be pledged, encumbered, or hypothecated to or in favor of any party other than the Company or an Affiliate, or shall be subject to any lien, obligation, or liability of such Participant to any other party other than the Company or an Affiliate. No unexercised or restricted Award shall be assignable or transferable by a Participant other than by will or the laws of descent and distribution or, except in the case of an Incentive Stock Option, pursuant to a domestic relations order that would satisfy Section 414(p)(1)(A) of the Code if such Section applied to an Award under the Plan; provided, however, that the Committee may (but need not) permit other transfers where the Committee concludes that such transferability (i) does not result in accelerated taxation, (ii) does not cause any Option intended to be an Incentive Stock Option to fail to be described in Code Section 422(b), and (iii) is otherwise appropriate and desirable, taking into account any factors deemed relevant, including without limitation, state or federal tax or securities laws applicable to transferable Awards.

15.5 Beneficiaries. Notwithstanding Section 15.4, a Participant may, in the manner determined by the Committee, designate a beneficiary to exercise the rights of the Participant and to receive any distribution with respect to any Award upon the Participant's death. A beneficiary, legal guardian, legal representative, or other person claiming any rights under the Plan is subject to all terms and conditions of the Plan and any Award Certificate applicable to the Participant, except to the extent the Plan and Award Certificate otherwise provide, and to any additional restrictions deemed necessary or appropriate by the Committee. If no beneficiary has been designated or survives the Participant, payment shall be made to the Participant's estate. Subject to the foregoing, a beneficiary designation may be changed or revoked by a Participant at any time provided the change or revocation is filed with the Company.

15.6 Stock Certificates. All Stock issuable under the Plan is subject to any stop-transfer orders and other restrictions as the Committee deems necessary or advisable to comply with federal or state securities laws, rules and regulations and the rules of any national securities exchange or automated quotation system on which the Stock is listed, quoted, or traded. The Committee may place legends on any Stock certificate or issue instructions to the transfer agent to reference restrictions applicable to the Stock.

15.7 Acceleration Upon Death or Disability. Except as otherwise provided in the Award Certificate, the Severance Plan, or any special Plan document governing an Award, upon the Participant's death or Disability during his or her Continuous Status as a Participant, (i) all of such Participant's outstanding Options, SARs, and other Awards in the nature of rights that may be exercised shall become fully exercisable, (ii) all time-based vesting restrictions on the Participant's outstanding Awards shall lapse, and (iii) the target payout opportunities attainable under all of such Participant's outstanding performance-based Awards shall be deemed to have been fully earned as of the date of termination based upon (A) an assumed achievement of all relevant performance goals at the "target" level if the date of termination occurs during the first half of the applicable performance period, or (B) the actual level of achievement of all relevant performance goals against target, if the date of termination occurs during the second half of the applicable performance period, and, in either

such case, there shall be a prorata payout to the Participant or his or her estate within thirty (30) days following the date of termination (unless a later date is required by Section 18.16 hereof) based upon the length of time within the performance period that has elapsed prior to the date of termination. Any Awards shall thereafter continue or lapse in accordance with the other provisions of the Plan and the Award Certificate. To the extent that this provision causes Incentive Stock Options to exceed the dollar limitation set forth in Section 7.2(c), the excess Options shall be deemed to be Nonstatutory Stock Options.

15.8 Treatment Upon a Change in Control. The provisions of this Section 15.8 shall apply in the case of a Change in Control, unless otherwise provided in the Award Certificate, Severance Plan or as otherwise specifically provided in any special Plan document or separate agreement with a Participant governing an Award.

(a) Awards not Assumed or Substituted by Surviving Corporation. Upon the occurrence of a Change in Control, and except with respect to any Awards assumed by the Surviving Corporation or otherwise equitably converted or substituted in connection with the Change in Control in a manner approved by the Committee or the Board: (i) outstanding Options, SARs, and other Awards in the nature of rights that may be exercised shall become fully exercisable, (ii) time-based vesting restrictions on outstanding Awards shall lapse, and (iii) the target payout opportunities attainable under outstanding performance-based Awards shall be deemed to have been fully earned as of the effective date of the Change in Control based upon (A) an assumed achievement of all relevant performance goals at the "target" level if the Change in Control occurs during the first half of the applicable performance period, or (B) the actual level of achievement of all relevant performance goals against target, if the Change in Control occurs during the second half of the applicable performance period, and, in either such case, there shall be prorata payout to Participants within thirty (30) days following the Change in Control (unless a later date is required by Section 18.16 hereof) based upon the length of time within the performance period that has elapsed prior to the Change in Control. Any Awards shall thereafter continue or lapse in accordance with the other provisions of the Plan and the Award Certificate. To the extent that this provision causes Incentive Stock Options to exceed the dollar limitation set forth in Section 7.2(c), the excess Options shall be deemed to be Nonstatutory Stock Options.

(b) Awards Assumed or Substituted by Surviving Corporation. With respect to Awards assumed by the Surviving Corporation or otherwise equitably converted or substituted in connection with a Change in Control: if within two years after the effective date of the Change in Control, a Participant's employment is terminated without Cause or the Participant resigns for Good Reason, then (i) all of that Participant's outstanding Options, SARs and other Awards in the nature of rights that may be exercised shall become fully exercisable, (ii) all time-based vesting restrictions on the his or her outstanding Awards shall lapse, and (iii) the target payout opportunities attainable under all outstanding of that Participant's performance-based Awards shall be deemed to have been fully earned as of the date of termination based upon (A) an assumed achievement of all relevant performance goals at the "target" level if the date of termination occurs during the first half of the applicable performance period, or (B) the actual level of achievement of all relevant performance goals against target, if the date of termination occurs during the second half of the applicable performance period, and, in either such case, there shall be prorata payout to such Participant within thirty (30) days following the date of termination of employment (unless a later date is required by Section 18.16 hereof) based upon the length of time within the performance period that has elapsed prior to the date of termination of employment. With regard to each Award, a Participant shall not be considered to have resigned for Good Reason unless either (i) the Award Certificate includes such provision or (ii) the Participant is party to an employment, severance or similar agreement with the

Company or an Affiliate that includes provisions in which the Participant is permitted to resign for Good Reason. Any Awards shall thereafter continue or lapse in accordance with the other provisions of the Plan and the Award Certificate. To the extent that this provision causes Incentive Stock Options to exceed the dollar limitation set forth in Section 7.2(c), the excess Options shall be deemed to be Nonstatutory Stock Options.

15.9 Acceleration for Any Reason. Regardless of whether an event has occurred as described in Section 15.7 or 15.8 above, the Committee may in its sole discretion at any time determine that all or a portion of a Participant's Options, SARs, and other Awards in the nature of rights that may be exercised shall become fully or partially exercisable, that all or a part of the time-based vesting restrictions on all or a portion of the outstanding Awards shall lapse, and/or that any performance-based criteria with respect to any Awards shall be deemed to be wholly or partially satisfied, in each case, as of such date as the Committee may, in its sole discretion, declare. The Committee may discriminate among Participants and among Awards granted to a Participant in exercising its discretion pursuant to this Section 15.9. Notwithstanding anything in the Plan, including this Section 15.9, the Committee may not accelerate the payment of any Award if such acceleration would violate Section 409A(a)(3) of the Code.

15.10 Termination of Employment. Whether military, government or other service or other leave of absence shall constitute a termination of employment shall be determined in each case by the Committee at its discretion, and any determination by the Committee shall be final and conclusive. A Participant's Continuous Status as a Participant shall not be deemed to terminate (i) in a circumstance in which a Participant transfers from the Company to an Affiliate, transfers from an Affiliate to the Company, or transfers from one Affiliate to another Affiliate, or (ii) in the discretion of the Committee as specified at or prior to such occurrence, in the case of a spin-off, sale or disposition of the Participant's employer from the Company or any Affiliate. To the extent that this provision causes Incentive Stock Options to extend beyond three months from the date a Participant is deemed to be an employee of the Company or a Parent or Subsidiary which constitute a "parent corporation" or a "subsidiary corporation" for purposes of Sections 424(e) and 424(f) of the Code, respectively, the Options held by such Participant shall be deemed to be Nonstatutory Stock Options.

15.11 Forfeiture Events. The Committee may specify in an Award Certificate that the Participant's rights, payments and benefits with respect to an Award shall be subject to reduction, cancellation, forfeiture or recoupment upon the occurrence of certain specified events, in addition to any otherwise applicable vesting or performance conditions of an Award. Such events shall include, but shall not be limited to, termination of employment for Cause, violation of material Company or Affiliate policies, breach of non-competition, confidentiality or other restrictive covenants that may apply to the Participant, or other conduct by the Participant that is detrimental to the business or reputation of the Company or any Affiliate.

15.12 Substitute Awards. The Committee may grant Awards under the Plan in substitution for stock and stock-based awards held by employees of another entity who become employees of the Company or an Affiliate as a result of a merger or consolidation of the former employing entity with the Company or an Affiliate or the acquisition by the Company or an Affiliate of property or stock of the former employing corporation. The Committee may direct that the substitute Awards be granted on such terms and conditions as the Committee considers appropriate in the circumstances.

ARTICLE 16
CHANGES IN CAPITAL STRUCTURE

16.1 Mandatory Adjustments. In the event of a nonreciprocal transaction between the Company and its shareholders that causes the per-share value of the Stock to change (including, without limitation, any stock dividend, stock split, spin-off, rights offering, or large nonrecurring cash dividend), the authorization limits under Section 5.1 shall be adjusted proportionately, and the Committee shall make such adjustments to the Plan and Awards as it deems necessary, in its sole discretion, to prevent dilution or enlargement of rights immediately resulting from such transaction. Action by the Committee may include: (i) adjustment of the number and kind of shares and OP Units that may be delivered under the Plan; (ii) adjustment of the number and kind of shares or OP Units subject to outstanding Awards; (iii) adjustment of the exercise price of outstanding Awards or the measure to be used to determine the amount of the benefit payable on an Award; and (iv) any other adjustments that the Committee determines to be equitable. Notwithstanding the foregoing, the Committee shall not make any adjustments to outstanding Options or SARs that would constitute a modification or substitution of the stock right under Treas. Reg. Section 1.409A-1(b)(5)(v) that would be treated as the grant of a new stock right or change in the form of payment for purposes of Code Section 409A. Without limiting the foregoing, in the event of a subdivision of the outstanding Stock (stock-split), a declaration of a dividend payable in Shares, or a combination or consolidation of the outstanding Stock into a lesser number of Shares, the authorization limits under Section 5.1 shall automatically be adjusted proportionately, and the Shares and OP Units then subject to each Award shall automatically, without the necessity for any additional action by the Committee, be adjusted proportionately without any change in the aggregate purchase price therefor.

16.2 Discretionary Adjustments. Upon the occurrence or in anticipation of any corporate event or transaction involving the Company (including, without limitation, any merger, reorganization, recapitalization, combination or exchange of shares, or any transaction described in Section 16.1), the Committee may, in its sole discretion, provide (i) that Awards will be settled in cash rather than Stock, (ii) that Awards will become immediately vested and exercisable and will expire after a designated period of time to the extent not then exercised, (iii) that Awards will be assumed by another party to a transaction or otherwise be equitably converted or substituted in connection with such transaction, (iv) that outstanding Awards may be settled by payment in cash or cash equivalents equal to the excess of the Fair Market Value of the underlying Stock or OP Unit, as of a specified date associated with the transaction, over the exercise price of the Award, (v) that performance targets and performance periods for Performance Awards will be modified or (vi) any combination of the foregoing. The Committee’s determination need not be uniform and may be different for different Participants whether or not such Participants are similarly situated.

16.3 General. Any discretionary adjustments made pursuant to this Article 16 shall be subject to the provisions of Section 16.2. To the extent that any adjustments made pursuant to this Article 16 cause Incentive Stock Options to cease to qualify as Incentive Stock Options, such Options shall be deemed to be Nonstatutory Stock Options.

ARTICLE 17
AMENDMENT, MODIFICATION AND TERMINATION

17.1 Amendment, Modification and Termination. The Board or the Committee may, at any time and from time to time, amend, modify or terminate the Plan without stockholder approval; provided, however, that if an amendment to the Plan would, in the reasonable opinion of the Board or the Committee, either (i) materially increase the number of Shares or OP Units available under the Plan, (ii) expand the types of awards under the Plan, (iii) materially expand the class of participants eligible to participate in the Plan, (iv) materially extend the term of the Plan, or (v) otherwise constitute a material change requiring stockholder approval under applicable laws, policies or regulations or the applicable listing or other requirements of an exchange, then such amendment shall be subject to stockholder approval; and provided, further, that the Board or Committee may condition any other amendment or modification on the approval of stockholders of the Company for any reason, including by reason of such approval being necessary or deemed advisable to (i) permit Awards made hereunder to be exempt from liability under Section 16(b) of the 1934 Act, (ii) to comply with the listing or other requirements of an exchange, or (iii) to satisfy any other tax, securities or other applicable laws, policies or regulations.

17.2 Awards Previously Granted. At any time and from time to time, the Committee may amend, modify or terminate any outstanding Award without approval of the Participant; provided, however:

(a) Subject to the terms of the applicable Award Certificate, such amendment, modification or termination shall not, without the Participant's consent, reduce or diminish the value of such Award;

(b) The original term of an Option may not be extended without the prior approval of the stockholders of the Company;

(c) Except as otherwise provided in Article 16, the Committee shall not be permitted to (i) lower the exercise price per Share of an Option after it is granted, (b) cancel an Option when the exercise price per Share exceeds the Fair Market Value of the underlying Shares in exchange for another Award, or (c) take any other action with respect to an Option that may be treated as a repricing under the rules and regulations of an exchange, without the prior approval of the stockholders of the Company; and

(d) No termination, amendment, or modification of the Plan shall adversely affect any Award previously granted under the Plan, without the written consent of the Participant affected thereby.

ARTICLE 18
GENERAL PROVISIONS

18.1 No Rights to Awards; Non-Uniform Determinations. No Participant or any Eligible Participant shall have any claim to be granted any Award under the Plan. Neither the Company, its Affiliates nor the Committee is obligated to treat Participants or Eligible Participants uniformly, and determinations made under the Plan may be made by the Committee selectively among Eligible Participants who receive, or are eligible to receive, Awards (whether or not such Eligible Participants are similarly situated).

18.2 No Shareholder Rights. No Award gives a Participant any of the rights of a stockholder of the Company or a member of the Partnership unless and until Shares and OP Units are in fact issued to such person in connection with such Award.

18.3 Withholding. The Company or any Affiliate shall have the authority and the right to deduct or withhold, or require a Participant to remit to the Company, an amount sufficient to satisfy federal, state, and local taxes (including the Participant's FICA obligation) required by law to be withheld with respect to any exercise, lapse of restriction or other taxable event arising as a result of the Plan or any Award. If Shares or OP Units are surrendered to the Company to satisfy withholding obligations in excess of the maximum withholding obligation, such Shares or OP Units must have been held by the Participant as fully vested for such period of time, if any, as necessary to avoid the recognition of an expense under generally accepted accounting principles. The Company shall have the authority to require a Participant to remit cash to the Company in lieu of the surrender of Shares or OP Units for tax withholding obligations if the surrender of Shares or OP Units in satisfaction of such withholding obligations would result in the Company's recognition of expense under generally accepted accounting principles. With respect to withholding required upon any taxable event under the Plan, the Committee may, at the time the Award is granted or thereafter, require or permit that any such withholding requirement be satisfied, in whole or in part, by withholding from the Award Shares or OP Units having a Fair Market Value on the date of withholding equal to the maximum statutory withholding rates for federal, state, local and foreign income tax and payroll tax purposes that are applicable to such supplemental taxable income, all in accordance with such procedures as the Committee establishes.

18.4 No Right to Continued Service. Nothing in the Plan, any Award Certificate or any other document or statement made with respect to the Plan, shall interfere with or limit in any way the right of the Company or any Affiliate to terminate any Participant's employment or status as an officer or consultant at any time, nor confer upon any Participant any right to continue as an employee, officer or consultant of the Company or any Affiliate, whether for the duration of a Participant's Award or otherwise.

18.5 Unfunded Status of Awards. The Plan is intended to be an "unfunded" plan for incentive and deferred compensation. With respect to any payments not yet made to a Participant pursuant to an Award, nothing contained in the Plan or any Award Certificate shall give the Participant any rights that are greater than those of a general creditor of the Company or any Affiliate. This Plan is not intended to be subject to the Employment Retirement Income Security Act of 1974, as amended.

18.6 Relationship to Other Benefits. No payment under the Plan shall be taken into account in determining any benefits under any pension, retirement, savings, profit sharing, group insurance, welfare or benefit plan of the Company or any Affiliate unless provided otherwise in such other plan.

18.7 Expenses. The expenses of administering the Plan shall be borne by the Company and, if applicable, its Affiliates. The allocation of expenses among the Company and its Affiliates shall be as agreed to by the Company and the applicable Affiliates.

18.8 Titles and Headings. The titles and headings of the Sections in the Plan are for convenience of reference only, and in the event of any conflict, the text of the Plan, rather than such titles or headings, shall control.

18.9 Gender and Number. Except where otherwise indicated by the context, any masculine term used herein also shall include the feminine; the plural shall include the singular and the singular shall include the plural.

18.10 Fractional Shares. No fractional Shares shall be issued and the Committee shall determine, in its discretion, whether cash shall be given in lieu of fractional Shares or whether such fractional Shares shall be eliminated by rounding up or down.

18.11 Government and Other Regulations.

(a) Notwithstanding any other provision of the Plan, no Participant who acquires Shares or OP Units pursuant to the Plan may, during any period of time that such Participant is an affiliate of the Company (within the meaning of the rules and regulations of the Securities and Exchange Commission under the 1933 Act), sell such Shares or OP Units, unless such offer and sale is made (i) pursuant to an effective registration statement under the 1933 Act, which is current and includes the Shares or OP Units to be sold, or (ii) pursuant to an appropriate exemption from the registration requirement of the 1933 Act, such as that set forth in Rule 144 promulgated under the 1933 Act.

(b) Notwithstanding any other provision of the Plan, if at any time the Committee shall determine that the registration, listing or qualification of the Shares or OP Units covered by an Award upon any exchange or under any foreign, federal, state or local law or practice, or the consent or approval of any governmental regulatory body, is necessary or desirable as a condition of, or in connection with, the granting of such Award or the purchase or receipt of Shares or OP Units thereunder, no Shares or OP Units may be purchased, delivered or received pursuant to such Award unless and until such registration, listing, qualification, consent or approval shall have been effected or obtained free of any condition not acceptable to the Committee. Any Participant receiving or purchasing Shares or OP Units pursuant to an Award shall make such representations and agreements and furnish such information as the Committee may request to assure compliance with the foregoing or any other applicable legal requirements. The Company shall not be required to issue or deliver any certificate or certificates for Shares or OP Units under the Plan prior to the Committee's determination that all related requirements have been fulfilled. The Company shall in no event be obligated to register any securities pursuant to the 1933 Act or applicable state or foreign law or to take any other action in order to cause the issuance and delivery of such certificates to comply with any such law, regulation or requirement.

18.12 Governing Law. To the extent not governed by federal law, the Plan and all Award Certificates shall be construed in accordance with and governed by the laws of the State of Maryland.

18.13 Additional Provisions. Each Award Certificate may contain such other terms and conditions as the Committee may determine; provided that such other terms and conditions are not inconsistent with the provisions of the Plan.

18.14 No Limitations on Rights of Company. The grant of any Award shall not in any way affect the right or power of the Company to make adjustments, reclassification or changes in its capital or business structure or to merge, consolidate, dissolve, liquidate, sell or transfer all or any part of its business or assets. The Plan shall not restrict the authority of the Company, for proper corporate purposes, to draft or assume awards, other than under the Plan, to or with respect to any person. If the Committee so directs, the Company may issue or transfer Shares to an Affiliate, for such lawful consideration as the Committee may specify, upon the condition or understanding that the Affiliate will transfer such Shares or OP Units to a Participant in accordance with the terms of an Award granted to such Participant and specified by the Committee pursuant to the provisions of the Plan.

18.15 Indemnification. Each person who is or shall have been a member of the Committee, or of the Board, or an officer of the Company to whom authority was delegated in accordance with Article 4 shall be indemnified and held harmless by the Company against and from any loss, cost, liability, or expense that may be imposed upon or reasonably incurred by him or her in connection with or resulting from any claim, action, suit, or proceeding to which he or she may be a party or in which he or she may be involved by reason of any action taken or failure to act under the Plan and against and from any and all amounts paid by him or her in settlement thereof, with the Company's approval, or paid by him or her in satisfaction of any judgment in any such action, suit, or proceeding against him or her, provided he or she shall give the Company an opportunity, at its own expense, to handle and defend the same before he or she undertakes to handle and defend it on his or her own behalf, unless such loss, cost, liability, or expense is a result of his or her own willful misconduct or except as expressly provided by statute. The foregoing right of indemnification shall not be exclusive of any other rights of indemnification to which such persons may be entitled under the Company's Articles of Incorporation or Bylaws, as a matter of law, or otherwise, or any power that the Company may have to indemnify them or hold them harmless.

18.16 Special Provisions Related to Section 409A of the Code.

(a) General. It is intended that the payments and benefits provided under the Plan and any Award shall either be exempt from the application of, or comply with, the requirements of Section 409A of the Code. The Plan and all Award Certificates shall be construed in a manner that effects such intent. Nevertheless, the tax treatment of the benefits provided under the Plan or any Award is not warranted or guaranteed. Neither the Company, its Affiliates nor their respective directors, officers, employees or advisers shall be held liable for any taxes, interest, penalties or other monetary amounts owed by any Participant or other taxpayer as a result of the Plan or any Award.

(b) Definitional Restrictions. Notwithstanding anything in the Plan or in any Award Certificate to the contrary, to the extent that any amount or benefit that would constitute non-exempt "deferred compensation" for purposes of Section 409A of the Code would otherwise be payable or distributable, or a different form of payment (e.g., lump sum or installment) would be effected, under the Plan or any Award Certificate by reason of the occurrence of a Change in Control, or the Participant's Disability or separation from service, such amount or benefit will not be payable or distributable to the Participant, and/or such different form of payment will not be effected, by reason of such circumstance unless the circumstances giving rise to such Change in Control, Disability or separation from service meet any description or definition of "change in control event", "disability" or "separation from service", as the case may be, in Section 409A of the Code and applicable regulations (without giving effect to any elective provisions that may be available under such definition). This provision does not prohibit the vesting of any Award upon a Change in Control, Disability or separation from service, however defined. If this provision prevents the payment or distribution of any amount or benefit, such payment or distribution shall be made on the next earliest payment or distribution date or event specified in the Award Certificate that is permissible under Section 409A of the Code. If this provision prevents the application of a different form of payment of any amount or benefit, such payment shall be made in the same form as would have applied absent such designated event or circumstance.

(c) Allocation among Possible Exemptions. If any one or more Awards granted under the Plan to a Participant could qualify for any separation pay exemption described in Treas. Reg. Section 1.409A-1(b)(9), but such Awards in the aggregate exceed the dollar limit permitted for the separation pay exemptions, the Company (acting through the Committee) shall determine which Awards or portions thereof will be subject to such exemptions.

(d) Six-Month Delay in Certain Circumstances. Notwithstanding anything in the Plan or in any Award Certificate to the contrary, if any amount or benefit that would constitute non-exempt "deferred compensation" for purposes of Section 409A of the Code would otherwise be payable or distributable under this Plan or any Award Certificate by reason of a Participant's separation from service during a period in which the Participant is a Specified Employee (as defined below), then, subject to any permissible acceleration of payment by the Committee under Treas. Reg. Section 1.409A-3(j)(4)(ii) (domestic relations order), (j)(4)(iii) (conflicts of interest), or (j)(4)(vi) (payment of employment taxes):

(i) the amount of such non-exempt deferred compensation that would otherwise be payable during the six-month period immediately following the Participant's separation from service will be accumulated through and paid or provided on the first day of the seventh month following the Participant's separation from service (or, if the Participant dies during such period, within 30 days after the Participant's death) (in either case, the "Required Delay Period"), and

(ii) the normal payment or distribution schedule for any remaining payments or distributions will resume at the end of the Required Delay Period.

For purposes of this Plan, the term "Specified Employee" has the meaning given such term in Section 409A of the Code and the final regulations thereunder, provided, however, that, as permitted in such final regulations, the Company's Specified Employees and its application of the six-month delay rule of 409A(a)(2)(B)(i) of the Code shall be determined in accordance with rules adopted by the Board or any committee of the Board, which shall be applied consistently with respect to all nonqualified deferred compensation arrangements of the Company, including this Plan.

(e) Grants to Employees of Affiliates. Eligible Participants who are service providers to an Affiliate may be granted Options or SARs under this Plan only if the Company qualifies as an "eligible issuer of service recipient stock" within the meaning of §1.409A-1(b)(5)(iii)(E) of the final regulations under Section 409A of the Code.

(f) Fair Market Value of Unlisted Stock. If the Stock is not listed on a securities exchange, the Fair Market Value of the Stock as of any given date shall, for purposes of the Plan and any Award, be determined by such method as the Committee determines in good faith to be reasonable and in compliance with Section 409A of the Code.

(g) Design Limits on Options and SARs. Notwithstanding anything in this Plan or any Award Certificate, no Option or SAR granted under this Plan shall (i) provide for Dividend Equivalents or (ii) have any feature for the deferral of compensation other than the deferral of recognition of income until the exercise or disposition of the Option or SAR.

(h) Timing of Distribution of Dividend Equivalents. Unless otherwise provided in the applicable Award Certificate, any Dividend Equivalents granted with respect to an Award hereunder will be paid or distributed no later than the 15th day of the 3rd month following the later of (i) the calendar year in which the corresponding dividends were paid to shareholders, or (ii) the first calendar year in which the Participant's right to such Dividends Equivalents is no longer subject to a substantial risk of forfeiture.

The foregoing is hereby acknowledged as being the Phillips Edison Grocery Center REIT I, Inc. Amended & Restated 2010 Long-Term Incentive Plan as adopted by the Board on November 8, 2017.

PHILLIPS EDISON GROCERY CENTER REIT I, INC.

By: */s/ Jeffrey S. Edison*
Jeffrey S. Edison, Chief Executive Officer

October 2, 2017

Re: Equity Vesting

Dear Devin:

This letter agreement (the "Agreement") confirms our agreement regarding the vesting of any equity incentive awards (the "REIT1 Equity Awards") you may receive in Phillips Edison Grocery Center REIT I, Inc., a Maryland corporation ("REIT1") or Phillips Edison Grocery Center Operating Partnership I, L.P., a Delaware limited partnership (the "OP"). Notwithstanding anything contained in any plan governing the REIT1 Equity Awards or any agreement evidencing the grant thereof you will be vest in all REIT1 Equity Awards on the following terms:

- *Time Vesting Awards*- You will be vested in any REIT1 Equity Awards that vest solely based on continued employment on the earlier of the following:
    - The vesting dates set forth in the REIT1 Equity Award agreements; or
    - You reaching both: (1) the age of 58; and (2) combined age and years of continuous years of service with Phillips Edison & Company, Ltd (and any successor thereto) ("PECO") of 65 years ("Retirement Eligible").
- *Performance Vesting Awards* – Should your employment terminate on or following your Retirement Eligible you will remain eligible to vest in any REIT1 Equity Awards that vest based on satisfaction of performance goals ("Performance Awards") as follows:
    - *Retirement Prior to 50% of Performance Period* – If your retirement is prior to 50% of the performance period over which the Performance Award is earned and vested, then you will vest in of any Performance Awards actually earned based on performance at the end of the performance period multiplied by a fraction the numerator of which is the number of full days employed during the applicable performance period and the denominator of which is the number of full days in the performance period.
    - *Retirement On or After 50% of the Performance Period has Elapsed* – If your retirement is on or after 50% of the performance period over which the Performance Award is earned and vested has elapsed, then you will vest in of any Performance Awards actually earned based on performance at the end of the performance period

Notwithstanding the foregoing, if your employment is terminated for Cause (as defined in the Phillips Edison Grocery Center REIT I, Inc. Executive Severance and Change in Control Plan) then you will no longer be eligible for the vesting terms set forth in this Agreement and the vesting in any REIT1 Equity Awards shall be determined in accordance with the terms of the Award Agreements without regard to any accelerated vesting or rights to vest upon becoming Retirement Eligible.

Nothing contained in this Agreement requires REIT1, the OP or PECO to grant you any REIT1 Equity Awards, or to continue your employment for any term and should not be construed as a contract of employment. You acknowledge and agree that the vesting in an REIT1 Equity Award pursuant to the terms of this Agreement may result in employment taxes becoming due prior to your receipt of the REIT1 shares, OP units or cash payable under such REIT1 Equity Award. In such event, you authorize PECO to withholding such taxes from other compensation that may be payable to you.

Please acknowledge your agreement by signing below and returning a copy of this Agreement to Keith Rummer at PECO.

Sincerely,

/s/ Jeffrey S. Edison
Jeffrey S. Edison

ACCEPTED AND AGREED:

/s/ Devin Murphy
Devin Murphy

Date: October 3, 2017

US-DOCS\93918743.3

To: Jeffrey Edison

Re: Executive Severance and Change in Control Plan

This letter agreement (the "Participation Agreement") will confirm that you have been selected to participate in the Phillips Edison Grocery Center REIT I, Inc. Executive Severance and Change in Control Plan (the "Plan") as a Participant (as defined in the Plan). Your participation in the Plan and the terms of any severance benefits payable thereunder are governed by the terms and conditions set forth in the formal plan document, a copy of which has been provided to you. Note that the terms of the Plan, as well as your right to participate in the Plan, may be amended or terminated at any time, subject to certain exceptions as set forth in the Plan.

In exchange for the benefits and payments set forth in the Plan, you agree to the following restrictive covenants

- *Non-Competition*. For twenty-four (24) months following the termination of your employment with the Company and its affiliates (collectively, the "Company Group"), you will not directly or indirectly, own, manage, operate, control, fundraise, consult with (as a consultant, independent contractor, or otherwise), be employed by or otherwise provide services to, or participate in the ownership, management, operation or control of a Competing Business (as defined below) in the United States. For purposes of this Participation Agreement, "Competing Business" means a company with the following characteristics: (i) the primary and principal business activity of the entity is the ownership, management and/or development of neighborhood and community grocery anchored shopping centers and (ii) whose owned, managed or assets under development exceed $1 billion as of the end of the entity's last fiscal year; provided, that nothing herein prohibits you from investing in mutual funds and stocks, bonds, or other securities in any business if such stocks, bonds, or other securities are listed on any securities exchange or are publicly traded in an over the counter market, and such investment does not exceed, in the case of any capital stock of any one issuer, three percent (3%) of the issued and outstanding capital stock or in the case of bonds or other securities, three percent (3%) of the aggregate principal amount thereof issued and outstanding.

- *Non-Solicitation*. For twenty-four (24) months following the termination of your employment with the Company Group, you will not induce or encourage any employee of the Company Group, to leave the employment of the Company Group, or solicit, induce, or encourage any existing customer, client, or independent contractor of the Company Group, on behalf, directly or indirectly, of a Competing Business to cease or reduce its business with or services rendered to the Company Group.

- *Non-Disclosure*.

    - During your employment you will be exposed to Confidential Information (as defined below). You acknowledge and agree that you will use the Confidential Information solely for the benefit of the Company Group and that all Confidential Information will remain the exclusive property of the Company Group. You agree

not, except as may be required by legal or administrative process upon prior written notice to the Company, to disclose to any unauthorized person or use for your own purposes any Confidential Information without the prior written consent of the Board of Directors of the Company. Upon your termination of employment, or at any other time the Company may request, you agree to deliver and not take with you any materials containing Confidential Information or Work Product (as defined below), including all memoranda, notes, plans, records, reports, printouts and software and other documents and data (and copies thereof) embodying or relating to the Confidential Information and Work Product, which you may then possess.

- Nothing in this Participation Agreement prohibits you from communicating or cooperating with filing a complaint or participating in any investigation by any governmental agency with respect to possible violations of any law, or otherwise making disclosures to any governmental agency, that are protected under the whistleblower provisions of applicable law; provided, that such communications and disclosures are consistent with applicable law. You understand and acknowledge that you will not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that is made (i) in confidence to a federal, state, or local government official or to an attorney solely for the purpose of reporting or investigating a suspected violation of law, or (ii) in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. You understand and acknowledge further that if you file a lawsuit for retaliation for reporting a suspected violation of law you may disclose the trade secret to your attorney and use the trade secret information in the court proceeding, if you file any document containing the trade secret under seal; and do not disclose the trade secret, except pursuant to court order. However, under no circumstance will you be authorized to disclose any information covered by attorney-client privilege or attorney work product of any member of the Company Group without prior written consent of the Company's General Counsel or other officer designated by the Company.

- For purposes of this Participation Agreement: "Confidential Information" means any and all information, concerning the business or affairs of the Company Group in whatever form that is not generally known to the public, including but not limited to the following: (i) the names, lists, contact information of clients of the Company Group; (ii) the financial, business or other information of the Company Group and its clients; (iii) the terms, structure and amounts paid for services by any client; (iv) the client's contract and buying history; (v) projects, plans and methods of operation within the Company Group; (vi), sales and marketing plans and related information; (vii) operations, procedures and practices; (viii) business plans and information contained therein, and (ix) any other confidential information of, about or concerning the Company, the manner of operation of the Company and other confidential data of any kind, nature or description relating to the Company. "Work Product" means all discoveries, inventions, innovations, improvements, developments, methods, and patentable or copyrightable work (whether or not including any Confidential

Information) and all registrations or applications related thereto, all other proprietary information and all similar or related information (whether or not patentable) which relate to the Company Group's actual or anticipated business, research and development or existing or future products or services and which are conceived, developed or made by you (whether above or jointly with others) while employed by the Company Group.

Should your participation in the Plan be terminated, your non-competition and non-solicitation obligations under this Participation Agreement shall also terminate. Although your obligations regarding Confidential Information and Work Product will remain in effect.

You will not be a "Participant" entitled to benefits under the Plan unless you sign and return a copy of this Participation Agreement to my attention. Additionally, upon your termination of employment with the Company Group, you will be required to execute and not revoke a release agreement in substantially the form attached hereto as Exhibit A in accordance with the terms and conditions of the Plan in order to receive the benefits under the Plan.

Please contact Keith Rummer at 513-746-2572, extension 1348 or krummer@PHILLIPSEDISON.com should you have any questions about participation in the Plan.

ACCEPTED AND AGREED:

/s/ Jeffrey S. Edison
Jeffrey Edison

Date: October 4, 2017

Exhibit A

Release Agreement

(see attached)

Date

Name
Address 1
Address 2

Dear Name:

This letter confirms the agreement between Phillips Edison & Company LTD and its parents and subsidiaries (collectively "Phillips Edison") and you regarding the terms of your separation from Phillips Edison.

1. You will be separated from Phillips Edison effective Date (the "Termination Date"). Such separation is a termination qualifying you for severance benefits under the Phillips Edison Grocery Center REIT I, Inc. Executive Severance and Change in Control Plan (the "Severance Plan").

2. Even if you do not sign this agreement, Phillips Edison will pay to you the compensation that you have earned through the Termination Date and any accrued and unused vacation benefits. Similarly, even if you do not sign this agreement, you will be offered any benefits to which you might be entitled under the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended ("COBRA"). Even if you do not sign, you will retain all vested benefits you may have under any Phillips Edison retirement and/or 401(k) plan in which you are a qualified participant, if any.

3. If you sign and return this agreement on or before Date - 21/45 Days from date of agreement 45 days if group termination. (and provided further that you do not revoke this agreement within seven (7) days after signing it), then, as required by the terms of the Severance Plan and in consideration and in exchange for your agreements contained in paragraph 4, Phillips Edison hereby agrees to provide you the following, commencing after the expiration of the seven-day revocation period.
   (a) Phillips Edison will pay to you a lump sum severance in the amount of $#,###; less appropriate tax withholding and other authorized, permitted, and required deductions.
   (b) If you elect COBRA, then for up to [l] months, Phillips Edison will continue to provide such coverage and you will continue to pay the same amount of monthly premium as in effect for other Phillips Edison executives. Should you become employed with any other employer and be eligible for group health insurance under such employer's plan then Phillips Edison's obligations under this Section 3(b) will be reduced by the extent of comparable coverage provided by such other employer. You agree to report any such coverage to Phillips Edison. Phillips Edison may satisfy its obligations under this Section 3(b) by paying you the difference between the monthly COBRA premium and the monthly premium you would have paid as an active employee.
   (c) Full vesting in [l] time based LTI Awards (as defined in the Severance Plan).
   (d) You will remain eligible to vest in and be paid on [l] performance-based LTI Awards based on actual performance at the end of the relevant performance period, with pro-ration based on the period of time elapsed between the beginning of the performance period and the Termination Date as a percentage of the full performance period.

4. In consideration and in exchange for the entitlements set forth in paragraph 3 above, you hereby agree:

   (a) On behalf of yourself and anyone claiming through you, to release, acquit, and forever discharge Phillips Edison and each of their respective subsidiaries, affiliates, predecessors, successors, assigns, past and present officers, owners, representatives, directors, employees, divisions, agents, partners, parent organizations, heirs, executors, and administrators and anyone claiming through them (hereinafter "the Companies" collectively), from any and all manner of claims whatsoever which you ever had or may in the future have or hold against the Companies arising out of your employment with any of the Companies and/or the cessation of your employment with any of the Companies. Said claims or causes of action include, but are not limited to, claims or causes of action under all of the following: the Age Discrimination in Employment Act and the Older Workers Benefits Protection Act (as amended), 29 U.S.C. Sections 621 and following; the Civil Rights Acts of the Civil War Era, 1964 and 1991, and the Equal Pay Act of 1963

(all as amended), 42 U.S.C. Sections 1981 and following and 2000e and following; the Americans with Disabilities Act (as amended), 42 U.S.C. Sections 12101 and following; the Employee Retirement Income Security Act of 1974 (as amended), 29 U.S.C. Sections 1001 and following; the Fair Labor Standards Act (as amended), 29 U.S.C. Sections 201 and following; the Family and Medical Leave Act of 1993 (as amended), 29 U.S.C. Sections 2601 and following; all comparable and/or relevant state and/or municipal statutes; claims or causes of action for wrongful discharge or retaliatory discharge; and claims or causes of action for breach of any alleged contract or public policy arising from your employment with any of the Companies. Notwithstanding this waiver, you do not waive rights or claims that may arise from events after the date this waiver is executed, other than events expressly contemplated by this letter agreement.

(b) You will not bring any legal action against the Companies for claims, potential or actual, waived under this agreement. You further agree that should you bring any type of administrative or legal action arising out of claims waived under this agreement, you will bear all legal fees and costs, including those of the Companies.

(c) You represent and agree that the release in paragraph (a) above is given in exchange for fair and adequate consideration.

(d) You will return to Phillips Edison before or on the Termination Date, all company property in your possession in good working order, ordinary wear and tear excepted, including, but not limited to: company vehicles; credit cards; equipment (including, without limitation, computer equipment and phones); supplies; samples; prototypes; keys; badges and documents such as client lists, price lists, phone listings, and equipment lists. An accurate and documented expense report, for any and all reimbursable expenses you incurred up to and including the Termination Date, must be submitted to Phillips Edison within forty-five (45) calendar days following the Termination Date. **Any expenses, otherwise reimbursable to you, turned in after this forty-five (45) day period will not be reimbursed.**

(e) You will cooperate fully with the Companies in their defense of or other participation in any administrative, judicial or other proceeding arising from any charge, complaint or other action which has or may be filed and agree any testimony you may provide will be truthful.

(f) You will not disclose any trade secrets, manufacturing processes, marketing information, customer information or any other confidential information which you acquired while an employee of the Companies, to any other person or entity, or use such information in any manner. You understand and agree that your failure to comply with this paragraph may result in legal action seeking legal and equitable relief against you or any person or entity to whom you disclose this information or on whose behalf you use it. Notwithstanding the foregoing, in compliance with the requirements of the Defend Trade Secrets Act, you acknowledge the following: (i) you will not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that is made in confidence to a federal, state, or local government official or to an attorney solely for the purpose of reporting or investigating a suspected violation of law, (ii) you will not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal and (iii) if you file a lawsuit for retaliation by Phillips Edison for reporting a suspected violation of law, you may disclose trade secrets to your attorney and use the trade secret information in the court proceeding if you: (A) file any document containing the trade secret under seal; and (B) do not disclose the trade secret, except pursuant to court order.

(g) You further agree to comply with the non-disclosure of information, non-solicitation of employees and the non-competition covenants contained in the Participation Agreement you entered into in connection with the Severance Plan.

5. The release in paragraph 4(a) and the covenant not to sue in paragraph 4(b) will not affect your rights to (i) enforce this agreement, (ii) claim unemployment compensation or any state disability or workers' compensation insurance benefits, (iii) any indemnification under any charter or bylaws of Phillips Edison, or any directors and officers liability insurance; or (iv) file a charge with, report possible violations to, or participate or cooperate with any governmental agency or entity, including but not limited to the Equal Employment Opportunity Commission, the Department of Justice, the Securities and Exchange Commission, Congress, the Inspector General, or any other governmental agency or make other disclosures that are protected under the whistleblower, anti-discrimination, or anti-retaliation provisions of federal, state or local law or regulation; however, you agree that if you participate in

any such claim, you waive your right to recover any individual monetary relief or other individual remedies from the Companies (other than unemployment compensation).

6. In the event that you breach any of your agreements under paragraph 4, any outstanding obligations of Phillips Edison hereunder will immediately terminate.

7. Phillips Edison hereby advises you as follows pursuant to the Older Workers Benefits Protection Act of 1990:

(a) You have the right to consult with an attorney before signing this agreement.

(b) You have [twenty-one (21)][forty-five (45)] 45 days applies in group termination. days from the date of receipt of this letter to consider this agreement.

(c) If you sign this agreement, you have seven (7) days after signing it to revoke this agreement and this agreement will not be effective and no payments, pursuant to paragraph 3 of this agreement, will be made to you until this seven (7) day revocation period has expired.

8. The provisions of this agreement are severable. If any provision or portion thereof is held to be invalid or unenforceable, it will not affect the validity or unenforceability of any other provisions or portions thereof.

9. You represent that you have thoroughly read and considered all aspects of this agreement, that you understand all of its provisions, and that you are voluntarily entering into this agreement.

10. The parties agree that nothing in this agreement is an admission by any party hereto of any act, practice, or policy of discrimination or breach of contract either in violation of applicable law or otherwise, and that nothing in this agreement is to be construed as such by any other person.

11. This agreement sets forth the entire agreement between you and Phillips Edison and supersedes any and all prior oral and/or written agreements or understandings between you and Phillips Edison concerning the subject matter. This agreement may not be altered, amended or modified, except by a further written document signed by you and Phillips Edison.

If you are willing to enter into this agreement, please date and sign the enclosed copy of this agreement in the spaces indicated below, and return that copy to me by Date. As noted above, you have seven (7) days after you sign this agreement to revoke the agreement should you wish to do so.

Sincerely,

/s/ Keith A. Rummer
Keith A. Rummer
Sr. VP Human Resources

Accepted and agreed to this _____ day of _____ <Year>

_____
Signature

WITNESS: _____ DATE: _____

RECEIPT

I, Name, received from Phillips Edison a copy of the attached separation agreement dated Date on this date.

_____
Name

_____
Date

To: Devin Murphy

Re: Executive Severance and Change in Control Plan

This letter agreement (the "Participation Agreement") will confirm that you have been selected to participate in the Phillips Edison Grocery Center REIT I, Inc. Executive Severance and Change in Control Plan (the "Plan") as a Participant (as defined in the Plan). Your participation in the Plan and the terms of any severance benefits payable thereunder are governed by the terms and conditions set forth in the formal plan document, a copy of which has been provided to you. Note that the terms of the Plan, as well as your right to participate in the Plan, may be amended or terminated at any time, subject to certain exceptions as set forth in the Plan.

In exchange for the benefits and payments set forth in the Plan, you agree to the following restrictive covenants

- *Non-Competition*. For eighteen (18) months following the termination of your employment with the Company and its affiliates (collectively, the "Company Group"), you will not directly or indirectly, own, manage, operate, control, fundraise, consult with (as a consultant, independent contractor, or otherwise), be employed by or otherwise provide services to, or participate in the ownership, management, operation or control of a Competing Business (as defined below) in the United States. For purposes of this Participation Agreement, "Competing Business" means a company with the following characteristics: (i) the primary and principal business activity of the entity is the ownership, management and/or development of neighborhood and community grocery anchored shopping centers and (ii) whose owned, managed or assets under development exceed $1 billion as of the end of the entity's last fiscal year; provided, that nothing herein prohibits you from investing in mutual funds and stocks, bonds, or other securities in any business if such stocks, bonds, or other securities are listed on any securities exchange or are publicly traded in an over the counter market, and such investment does not exceed, in the case of any capital stock of any one issuer, three percent (3%) of the issued and outstanding capital stock or in the case of bonds or other securities, three percent (3%) of the aggregate principal amount thereof issued and outstanding.

- *Non-Solicitation*. For eighteen (18) months following the termination of your employment with the Company Group, you will not induce or encourage any employee of the Company Group, to leave the employment of the Company Group, or solicit, induce, or encourage any existing customer, client, or independent contractor of the Company Group, on behalf, directly or indirectly, of a Competing Business to cease or reduce its business with or services rendered to the Company Group.

- *Non-Disclosure*.

    - During your employment you will be exposed to Confidential Information (as defined below). You acknowledge and agree that you will use the Confidential Information solely for the benefit of the Company Group and that all Confidential Information will remain the exclusive property of the Company Group. You agree

not, except as may be required by legal or administrative process upon prior written notice to the Company, to disclose to any unauthorized person or use for your own purposes any Confidential Information without the prior written consent of the Board of Directors of the Company. Upon your termination of employment, or at any other time the Company may request, you agree to deliver and not take with you any materials containing Confidential Information or Work Product (as defined below), including all memoranda, notes, plans, records, reports, printouts and software and other documents and data (and copies thereof) embodying or relating to the Confidential Information and Work Product, which you may then possess.

- Nothing in this Participation Agreement prohibits you from communicating or cooperating with filing a complaint or participating in any investigation by any governmental agency with respect to possible violations of any law, or otherwise making disclosures to any governmental agency, that are protected under the whistleblower provisions of applicable law; provided, that such communications and disclosures are consistent with applicable law. You understand and acknowledge that you will not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that is made (i) in confidence to a federal, state, or local government official or to an attorney solely for the purpose of reporting or investigating a suspected violation of law, or (ii) in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. You understand and acknowledge further that if you file a lawsuit for retaliation for reporting a suspected violation of law you may disclose the trade secret to your attorney and use the trade secret information in the court proceeding, if you file any document containing the trade secret under seal; and do not disclose the trade secret, except pursuant to court order. However, under no circumstance will you be authorized to disclose any information covered by attorney-client privilege or attorney work product of any member of the Company Group without prior written consent of the Company's General Counsel or other officer designated by the Company.

- For purposes of this Participation Agreement: "Confidential Information" means any and all information, concerning the business or affairs of the Company Group in whatever form that is not generally known to the public, including but not limited to the following: (i) the names, lists, contact information of clients of the Company Group; (ii) the financial, business or other information of the Company Group and its clients; (iii) the terms, structure and amounts paid for services by any client; (iv) the client's contract and buying history; (v) projects, plans and methods of operation within the Company Group; (vi), sales and marketing plans and related information; (vii) operations, procedures and practices; (viii) business plans and information contained therein, and (ix) any other confidential information of, about or concerning the Company, the manner of operation of the Company and other confidential data of any kind, nature or description relating to the Company. "Work Product" means all discoveries, inventions, innovations, improvements, developments, methods, and patentable or copyrightable work (whether or not including any Confidential

Information) and all registrations or applications related thereto, all other proprietary information and all similar or related information (whether or not patentable) which relate to the Company Group's actual or anticipated business, research and development or existing or future products or services and which are conceived, developed or made by you (whether above or jointly with others) while employed by the Company Group.

Should your participation in the Plan be terminated, your non-competition and non-solicitation obligations under this Participation Agreement shall also terminate. Although your obligations regarding Confidential Information and Work Product will remain in effect.

You will not be a "Participant" entitled to benefits under the Plan unless you sign and return a copy of this Participation Agreement to my attention. Additionally, upon your termination of employment with the Company Group, you will be required to execute and not revoke a release agreement in substantially the form attached hereto as Exhibit A in accordance with the terms and conditions of the Plan in order to receive the benefits under the Plan.

Please contact Keith Rummer at 513-746-2572, extension 1348 or krummer@PHILLIPSEDISON.com should you have any questions about participation in the Plan.

ACCEPTED AND AGREED:

/s/ Devin Murphy
Devin Murphy

Date: October 4, 2017

Exhibit A

Release Agreement

(see attached)

Date

Name
Address 1
Address 2

Dear Name:

This letter confirms the agreement between Phillips Edison & Company LTD and its parents and subsidiaries (collectively "Phillips Edison") and you regarding the terms of your separation from Phillips Edison.

1. You will be separated from Phillips Edison effective Date (the "Termination Date"). Such separation is a termination qualifying you for severance benefits under the Phillips Edison Grocery Center REIT I, Inc. Executive Severance and Change in Control Plan (the "Severance Plan").

2. Even if you do not sign this agreement, Phillips Edison will pay to you the compensation that you have earned through the Termination Date and any accrued and unused vacation benefits. Similarly, even if you do not sign this agreement, you will be offered any benefits to which you might be entitled under the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended ("COBRA"). Even if you do not sign, you will retain all vested benefits you may have under any Phillips Edison retirement and/or 401(k) plan in which you are a qualified participant, if any.

3. If you sign and return this agreement on or before Date - 21/45 Days from date of agreement 45 days if group termination. (and provided further that you do not revoke this agreement within seven (7) days after signing it), then, as required by the terms of the Severance Plan and in consideration and in exchange for your agreements contained in paragraph 4, Phillips Edison hereby agrees to provide you the following, commencing after the expiration of the seven-day revocation period.
   (a) Phillips Edison will pay to you a lump sum severance in the amount of $#,###; less appropriate tax withholding and other authorized, permitted, and required deductions.
   (b) If you elect COBRA, then for up to [l] months, Phillips Edison will continue to provide such coverage and you will continue to pay the same amount of monthly premium as in effect for other Phillips Edison executives. Should you become employed with any other employer and be eligible for group health insurance under such employer's plan then Phillips Edison's obligations under this Section 3(b) will be reduced by the extent of comparable coverage provided by such other employer. You agree to report any such coverage to Phillips Edison. Phillips Edison may satisfy its obligations under this Section 3(b) by paying you the difference between the monthly COBRA premium and the monthly premium you would have paid as an active employee.
   (c) Full vesting in [l] time based LTI Awards (as defined in the Severance Plan).
   (d) You will remain eligible to vest in and be paid on [l] performance-based LTI Awards based on actual performance at the end of the relevant performance period, with pro-ration based on the period of time elapsed between the beginning of the performance period and the Termination Date as a percentage of the full performance period.

4. In consideration and in exchange for the entitlements set forth in paragraph 3 above, you hereby agree:

   (a) On behalf of yourself and anyone claiming through you, to release, acquit, and forever discharge Phillips Edison and each of their respective subsidiaries, affiliates, predecessors, successors, assigns, past and present officers, owners, representatives, directors, employees, divisions, agents, partners, parent organizations, heirs, executors, and administrators and anyone claiming through them (hereinafter "the Companies" collectively), from any and all manner of claims whatsoever which you ever had or may in the future have or hold against the Companies arising out of your employment with any of the Companies and/or the cessation of your employment with any of the Companies.

Said claims or causes of action include, but are not limited to, claims or causes of action under all of the following: the Age Discrimination in Employment Act and the Older Workers Benefits Protection Act (as amended), 29 U.S.C. Sections 621 and following; the Civil Rights Acts of the Civil War Era, 1964 and 1991, and the Equal Pay Act of 1963 (all as amended), 42 U.S.C. Sections 1981 and following and 2000e and following; the Americans with Disabilities Act (as amended), 42 U.S.C. Sections 12101 and following; the Employee Retirement Income Security Act of 1974 (as amended), 29 U.S.C. Sections 1001 and following; the Fair Labor Standards Act (as amended), 29 U.S.C. Sections 201 and following; the Family and Medical Leave Act of 1993 (as amended), 29 U.S.C. Sections 2601 and following; all comparable and/or relevant state and/or municipal statutes; claims or causes of action for wrongful discharge or retaliatory discharge; and claims or causes of action for breach of any alleged contract or public policy arising from your employment with any of the Companies. Notwithstanding this waiver, you do not waive rights or claims that may arise from events after the date this waiver is executed, other than events expressly contemplated by this letter agreement.

(b) You will not bring any legal action against the Companies for claims, potential or actual, waived under this agreement. You further agree that should you bring any type of administrative or legal action arising out of claims waived under this agreement, you will bear all legal fees and costs, including those of the Companies.

(c) You represent and agree that the release in paragraph (a) above is given in exchange for fair and adequate consideration.

(d) You will return to Phillips Edison before or on the Termination Date, all company property in your possession in good working order, ordinary wear and tear excepted, including, but not limited to: company vehicles; credit cards; equipment (including, without limitation, computer equipment and phones); supplies; samples; prototypes; keys; badges and documents such as client lists, price lists, phone listings, and equipment lists. An accurate and documented expense report, for any and all reimbursable expenses you incurred up to and including the Termination Date, must be submitted to Phillips Edison within forty-five (45) calendar days following the Termination Date. **Any expenses, otherwise reimbursable to you, turned in after this forty-five (45) day period will not be reimbursed.**

(e) You will cooperate fully with the Companies in their defense of or other participation in any administrative, judicial or other proceeding arising from any charge, complaint or other action which has or may be filed and agree any testimony you may provide will be truthful.

(f) You will not disclose any trade secrets, manufacturing processes, marketing information, customer information or any other confidential information which you acquired while an employee of the Companies, to any other person or entity, or use such information in any manner. You understand and agree that your failure to comply with this paragraph may result in legal action seeking legal and equitable relief against you or any person or entity to whom you disclose this information or on whose behalf you use it. Notwithstanding the foregoing, in compliance with the requirements of the Defend Trade Secrets Act, you acknowledge the following: (i) you will not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that is made in confidence to a federal, state, or local government official or to an attorney solely for the purpose of reporting or investigating a suspected violation of law, (ii) you will not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal and (iii) if you file a lawsuit for retaliation by Phillips Edison for reporting a suspected violation of law, you may disclose trade secrets to your attorney and use the trade secret information in the court proceeding if you: (A) file any document containing the trade secret under seal; and (B) do not disclose the trade secret, except pursuant to court order.

(g) You further agree to comply with the non-disclosure of information, non-solicitation of employees

and the non-competition covenants contained in the Participation Agreement you entered into in connection with the Severance Plan.

5. The release in paragraph 4(a) and the covenant not to sue in paragraph 4(b) will not affect your rights to (i) enforce this agreement, (ii) claim unemployment compensation or any state disability or workers' compensation insurance benefits, (iii) any indemnification under any charter or bylaws of Phillips Edison, or any directors and officers liability insurance; or (iv) file a charge with, report possible violations to, or participate or cooperate with any governmental agency or entity, including but not limited to the Equal Employment Opportunity Commission, the Department of Justice, the Securities and Exchange Commission, Congress, the Inspector General, or any other governmental agency or make other disclosures that are protected under the whistleblower, anti-discrimination, or anti-retaliation provisions of federal, state or local law or regulation; however, you agree that if you participate in any such claim, you waive your right to recover any individual monetary relief or other individual remedies from the Companies (other than unemployment compensation).

6. In the event that you breach any of your agreements under paragraph 4, any outstanding obligations of Phillips Edison hereunder will immediately terminate.

7. Phillips Edison hereby advises you as follows pursuant to the Older Workers Benefits Protection Act of 1990:

(a) You have the right to consult with an attorney before signing this agreement.

(b) You have [twenty-one (21)][forty-five (45)] 45 days applies in group termination. days from the date of receipt of this letter to consider this agreement.

(c) If you sign this agreement, you have seven (7) days after signing it to revoke this agreement and this agreement will not be effective and no payments, pursuant to paragraph 3 of this agreement, will be made to you until this seven (7) day revocation period has expired.

8. The provisions of this agreement are severable. If any provision or portion thereof is held to be invalid or unenforceable, it will not affect the validity or unenforceability of any other provisions or portions thereof.

9. You represent that you have thoroughly read and considered all aspects of this agreement, that you understand all of its provisions, and that you are voluntarily entering into this agreement.

10. The parties agree that nothing in this agreement is an admission by any party hereto of any act, practice, or policy of discrimination or breach of contract either in violation of applicable law or otherwise, and that nothing in this agreement is to be construed as such by any other person.

11. This agreement sets forth the entire agreement between you and Phillips Edison and supersedes any and all prior oral and/or written agreements or understandings between you and Phillips Edison concerning the subject matter. This agreement may not be altered, amended or modified, except by a further written document signed by you and Phillips Edison.

If you are willing to enter into this agreement, please date and sign the enclosed copy of this agreement in the spaces indicated below, and return that copy to me by Date. As noted above, you have seven (7) days after you sign this agreement to revoke the agreement should you wish to do so.

Sincerely,

/s/ Keith A. Rummer
Keith A. Rummer
Sr. VP Human Resources

Accepted and agreed to this _____ day of _____ <Year>

_____
Signature

WITNESS: _____ DATE: _____

RECEIPT

I, Name, received from Phillips Edison a copy of the attached separation agreement dated Date on this date.

_____
Name

_____
Date

To: Robert Myers

Re: Executive Severance and Change in Control Plan

This letter agreement (the "Participation Agreement") will confirm that you have been selected to participate in the Phillips Edison Grocery Center REIT I, Inc. Executive Severance and Change in Control Plan (the "Plan") as a Participant (as defined in the Plan). Your participation in the Plan and the terms of any severance benefits payable thereunder are governed by the terms and conditions set forth in the formal plan document, a copy of which has been provided to you. Note that the terms of the Plan, as well as your right to participate in the Plan, may be amended or terminated at any time, subject to certain exceptions as set forth in the Plan.

In exchange for the benefits and payments set forth in the Plan, you agree to the following restrictive covenants

- *Non-Competition*. For eighteen (18) months following the termination of your employment with the Company and its affiliates (collectively, the "Company Group"), you will not directly or indirectly, own, manage, operate, control, fundraise, consult with (as a consultant, independent contractor, or otherwise), be employed by or otherwise provide services to, or participate in the ownership, management, operation or control of a Competing Business (as defined below) in the United States. For purposes of this Participation Agreement, "Competing Business" means a company with the following characteristics: (i) the primary and principal business activity of the entity is the ownership, management and/or development of neighborhood and community grocery anchored shopping centers and (ii) whose owned, managed or assets under development exceed $1 billion as of the end of the entity's last fiscal year; provided, that nothing herein prohibits you from investing in mutual funds and stocks, bonds, or other securities in any business if such stocks, bonds, or other securities are listed on any securities exchange or are publicly traded in an over the counter market, and such investment does not exceed, in the case of any capital stock of any one issuer, three percent (3%) of the issued and outstanding capital stock or in the case of bonds or other securities, three percent (3%) of the aggregate principal amount thereof issued and outstanding.

- *Non-Solicitation*. For eighteen (18) months following the termination of your employment with the Company Group, you will not induce or encourage any employee of the Company Group, to leave the employment of the Company Group, or solicit, induce, or encourage any existing customer, client, or independent contractor of the Company Group, on behalf, directly or indirectly, of a Competing Business to cease or reduce its business with or services rendered to the Company Group.

- *Non-Disclosure*.

    - During your employment you will be exposed to Confidential Information (as defined below). You acknowledge and agree that you will use the Confidential Information solely for the benefit of the Company Group and that all Confidential Information will remain the exclusive property of the Company Group. You agree

not, except as may be required by legal or administrative process upon prior written notice to the Company, to disclose to any unauthorized person or use for your own purposes any Confidential Information without the prior written consent of the Board of Directors of the Company. Upon your termination of employment, or at any other time the Company may request, you agree to deliver and not take with you any materials containing Confidential Information or Work Product (as defined below), including all memoranda, notes, plans, records, reports, printouts and software and other documents and data (and copies thereof) embodying or relating to the Confidential Information and Work Product, which you may then possess.

- Nothing in this Participation Agreement prohibits you from communicating or cooperating with filing a complaint or participating in any investigation by any governmental agency with respect to possible violations of any law, or otherwise making disclosures to any governmental agency, that are protected under the whistleblower provisions of applicable law; provided, that such communications and disclosures are consistent with applicable law. You understand and acknowledge that you will not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that is made (i) in confidence to a federal, state, or local government official or to an attorney solely for the purpose of reporting or investigating a suspected violation of law, or (ii) in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. You understand and acknowledge further that if you file a lawsuit for retaliation for reporting a suspected violation of law you may disclose the trade secret to your attorney and use the trade secret information in the court proceeding, if you file any document containing the trade secret under seal; and do not disclose the trade secret, except pursuant to court order. However, under no circumstance will you be authorized to disclose any information covered by attorney-client privilege or attorney work product of any member of the Company Group without prior written consent of the Company's General Counsel or other officer designated by the Company.

- For purposes of this Participation Agreement: "Confidential Information" means any and all information, concerning the business or affairs of the Company Group in whatever form that is not generally known to the public, including but not limited to the following: (i) the names, lists, contact information of clients of the Company Group; (ii) the financial, business or other information of the Company Group and its clients; (iii) the terms, structure and amounts paid for services by any client; (iv) the client's contract and buying history; (v) projects, plans and methods of operation within the Company Group; (vi), sales and marketing plans and related information; (vii) operations, procedures and practices; (viii) business plans and information contained therein, and (ix) any other confidential information of, about or concerning the Company, the manner of operation of the Company and other confidential data of any kind, nature or description relating to the Company. "Work Product" means all discoveries, inventions, innovations, improvements, developments, methods, and patentable or copyrightable work (whether or not including any Confidential

Information) and all registrations or applications related thereto, all other proprietary information and all similar or related information (whether or not patentable) which relate to the Company Group's actual or anticipated business, research and development or existing or future products or services and which are conceived, developed or made by you (whether above or jointly with others) while employed by the Company Group.

Should your participation in the Plan be terminated, your non-competition and non-solicitation obligations under this Participation Agreement shall also terminate. Although your obligations regarding Confidential Information and Work Product will remain in effect.

You will not be a "Participant" entitled to benefits under the Plan unless you sign and return a copy of this Participation Agreement to my attention. Additionally, upon your termination of employment with the Company Group, you will be required to execute and not revoke a release agreement in substantially the form attached hereto as Exhibit A in accordance with the terms and conditions of the Plan in order to receive the benefits under the Plan.

Please contact Keith Rummer at 513-746-2572, extension 1348 or krummer@PHILLIPSEDISON.com should you have any questions about participation in the Plan.

ACCEPTED AND AGREED:

/s/ Robert Myers
Robert Myers

Date: October 4, 2017

Exhibit A

Release Agreement

(see attached)

Date

Name
Address 1
Address 2

Dear Name:

This letter confirms the agreement between Phillips Edison & Company LTD and its parents and subsidiaries (collectively "Phillips Edison") and you regarding the terms of your separation from Phillips Edison.

1. You will be separated from Phillips Edison effective Date (the "Termination Date"). Such separation is a termination qualifying you for severance benefits under the Phillips Edison Grocery Center REIT I, Inc. Executive Severance and Change in Control Plan (the "Severance Plan").

2. Even if you do not sign this agreement, Phillips Edison will pay to you the compensation that you have earned through the Termination Date and any accrued and unused vacation benefits. Similarly, even if you do not sign this agreement, you will be offered any benefits to which you might be entitled under the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended ("COBRA"). Even if you do not sign, you will retain all vested benefits you may have under any Phillips Edison retirement and/or 401(k) plan in which you are a qualified participant, if any.

3. If you sign and return this agreement on or before Date - 21/45 Days from date of agreement 45 days if group termination. (and provided further that you do not revoke this agreement within seven (7) days after signing it), then, as required by the terms of the Severance Plan and in consideration and in exchange for your agreements contained in paragraph 4, Phillips Edison hereby agrees to provide you the following, commencing after the expiration of the seven-day revocation period.
   (a) Phillips Edison will pay to you a lump sum severance in the amount of $#,###; less appropriate tax withholding and other authorized, permitted, and required deductions.
   (b) If you elect COBRA, then for up to [l] months, Phillips Edison will continue to provide such coverage and you will continue to pay the same amount of monthly premium as in effect for other Phillips Edison executives. Should you become employed with any other employer and be eligible for group health insurance under such employer's plan then Phillips Edison's obligations under this Section 3(b) will be reduced by the extent of comparable coverage provided by such other employer. You agree to report any such coverage to Phillips Edison. Phillips Edison may satisfy its obligations under this Section 3(b) by paying you the difference between the monthly COBRA premium and the monthly premium you would have paid as an active employee.
   (c) Full vesting in [l] time based LTI Awards (as defined in the Severance Plan).
   (d) You will remain eligible to vest in and be paid on [l] performance-based LTI Awards based on actual performance at the end of the relevant performance period, with pro-ration based on the period of time elapsed between the beginning of the performance period and the Termination Date as a percentage of the full performance period.

4. In consideration and in exchange for the entitlements set forth in paragraph 3 above, you hereby agree:

   (a) On behalf of yourself and anyone claiming through you, to release, acquit, and forever discharge Phillips Edison and each of their respective subsidiaries, affiliates, predecessors, successors, assigns, past and present officers, owners, representatives, directors, employees, divisions, agents, partners, parent organizations, heirs, executors, and administrators and anyone claiming through them (hereinafter "the Companies" collectively), from any and all manner of claims whatsoever which you ever had or may in the future have or hold against the Companies arising out of your employment with any of the Companies and/or the cessation of your employment with any of the Companies.

Said claims or causes of action include, but are not limited to, claims or causes of action under all of the following: the Age Discrimination in Employment Act and the Older Workers Benefits Protection Act (as amended), 29 U.S.C. Sections 621 and following; the Civil Rights Acts of the Civil War Era, 1964 and 1991, and the Equal Pay Act of 1963 (all as amended), 42 U.S.C. Sections 1981 and following and 2000e and following; the Americans with Disabilities Act (as amended), 42 U.S.C. Sections 12101 and following; the Employee Retirement Income Security Act of 1974 (as amended), 29 U.S.C. Sections 1001 and following; the Fair Labor Standards Act (as amended), 29 U.S.C. Sections 201 and following; the Family and Medical Leave Act of 1993 (as amended), 29 U.S.C. Sections 2601 and following; all comparable and/or relevant state and/or municipal statutes; claims or causes of action for wrongful discharge or retaliatory discharge; and claims or causes of action for breach of any alleged contract or public policy arising from your employment with any of the Companies. Notwithstanding this waiver, you do not waive rights or claims that may arise from events after the date this waiver is executed, other than events expressly contemplated by this letter agreement.

(b) You will not bring any legal action against the Companies for claims, potential or actual, waived under this agreement. You further agree that should you bring any type of administrative or legal action arising out of claims waived under this agreement, you will bear all legal fees and costs, including those of the Companies.

(c) You represent and agree that the release in paragraph (a) above is given in exchange for fair and adequate consideration.

(d) You will return to Phillips Edison before or on the Termination Date, all company property in your possession in good working order, ordinary wear and tear excepted, including, but not limited to: company vehicles; credit cards; equipment (including, without limitation, computer equipment and phones); supplies; samples; prototypes; keys; badges and documents such as client lists, price lists, phone listings, and equipment lists. An accurate and documented expense report, for any and all reimbursable expenses you incurred up to and including the Termination Date, must be submitted to Phillips Edison within forty-five (45) calendar days following the Termination Date. **Any expenses, otherwise reimbursable to you, turned in after this forty-five (45) day period will not be reimbursed.**

(e) You will cooperate fully with the Companies in their defense of or other participation in any administrative, judicial or other proceeding arising from any charge, complaint or other action which has or may be filed and agree any testimony you may provide will be truthful.

(f) You will not disclose any trade secrets, manufacturing processes, marketing information, customer information or any other confidential information which you acquired while an employee of the Companies, to any other person or entity, or use such information in any manner. You understand and agree that your failure to comply with this paragraph may result in legal action seeking legal and equitable relief against you or any person or entity to whom you disclose this information or on whose behalf you use it. Notwithstanding the foregoing, in compliance with the requirements of the Defend Trade Secrets Act, you acknowledge the following: (i) you will not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that is made in confidence to a federal, state, or local government official or to an attorney solely for the purpose of reporting or investigating a suspected violation of law, (ii) you will not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal and (iii) if you file a lawsuit for retaliation by Phillips Edison for reporting a suspected violation of law, you may disclose trade secrets to your attorney and use the trade secret information in the court proceeding if you: (A) file any document containing the trade secret under seal; and (B) do not disclose the trade secret, except pursuant to court order.

(g) You further agree to comply with the non-disclosure of information, non-solicitation of employees

and the non-competition covenants contained in the Participation Agreement you entered into in connection with the Severance Plan.

5. The release in paragraph 4(a) and the covenant not to sue in paragraph 4(b) will not affect your rights to (i) enforce this agreement, (ii) claim unemployment compensation or any state disability or workers' compensation insurance benefits, (iii) any indemnification under any charter or bylaws of Phillips Edison, or any directors and officers liability insurance; or (iv) file a charge with, report possible violations to, or participate or cooperate with any governmental agency or entity, including but not limited to the Equal Employment Opportunity Commission, the Department of Justice, the Securities and Exchange Commission, Congress, the Inspector General, or any other governmental agency or make other disclosures that are protected under the whistleblower, anti-discrimination, or anti-retaliation provisions of federal, state or local law or regulation; however, you agree that if you participate in any such claim, you waive your right to recover any individual monetary relief or other individual remedies from the Companies (other than unemployment compensation).

6. In the event that you breach any of your agreements under paragraph 4, any outstanding obligations of Phillips Edison hereunder will immediately terminate.

7. Phillips Edison hereby advises you as follows pursuant to the Older Workers Benefits Protection Act of 1990:

(a) You have the right to consult with an attorney before signing this agreement.

(b) You have [twenty-one (21)][forty-five (45)] 45 days applies in group termination. days from the date of receipt of this letter to consider this agreement.

(c) If you sign this agreement, you have seven (7) days after signing it to revoke this agreement and this agreement will not be effective and no payments, pursuant to paragraph 3 of this agreement, will be made to you until this seven (7) day revocation period has expired.

8. The provisions of this agreement are severable. If any provision or portion thereof is held to be invalid or unenforceable, it will not affect the validity or unenforceability of any other provisions or portions thereof.

9. You represent that you have thoroughly read and considered all aspects of this agreement, that you understand all of its provisions, and that you are voluntarily entering into this agreement.

10. The parties agree that nothing in this agreement is an admission by any party hereto of any act, practice, or policy of discrimination or breach of contract either in violation of applicable law or otherwise, and that nothing in this agreement is to be construed as such by any other person.

11. This agreement sets forth the entire agreement between you and Phillips Edison and supersedes any and all prior oral and/or written agreements or understandings between you and Phillips Edison concerning the subject matter. This agreement may not be altered, amended or modified, except by a further written document signed by you and Phillips Edison.

If you are willing to enter into this agreement, please date and sign the enclosed copy of this agreement in the spaces indicated below, and return that copy to me by Date. As noted above, you have seven (7) days after you sign this agreement to revoke the agreement should you wish to do so.

Sincerely,

/s/ Keith A. Rummer
Keith A. Rummer
Sr. VP Human Resources

Accepted and agreed to this _____ day of _____ <Year>

_____
Signature

WITNESS: _____ DATE: _____

RECEIPT

I, Name, received from Phillips Edison a copy of the attached separation agreement dated Date on this date.

_____
Name

_____
Date

To: R. Mark Addy

Re: Executive Severance and Change in Control Plan

This letter agreement (the "Participation Agreement") will confirm that you have been selected to participate in the Phillips Edison Grocery Center REIT I, Inc. Executive Severance and Change in Control Plan (the "Plan") as a Participant (as defined in the Plan). Your participation in the Plan and the terms of any severance benefits payable thereunder are governed by the terms and conditions set forth in the formal plan document, a copy of which has been provided to you. Note that the terms of the Plan, as well as your right to participate in the Plan, may be amended or terminated at any time, subject to certain exceptions as set forth in the Plan.

In exchange for the benefits and payments set forth in the Plan, you agree to the following restrictive covenants

- *Non-Competition*. For eighteen (18) months following the termination of your employment with the Company and its affiliates (collectively, the "Company Group"), you will not directly or indirectly, own, manage, operate, control, fundraise, consult with (as a consultant, independent contractor, or otherwise), be employed by or otherwise provide services to, or participate in the ownership, management, operation or control of a Competing Business (as defined below) in the United States. For purposes of this Participation Agreement, "Competing Business" means any company, partnership or entity that raises capital through retail investor channels for the purchase of neighborhood and community grocery anchored shopping centers.

- *Non-Solicitation*. For eighteen (18) months following the termination of your employment with the Company Group, you will not induce or encourage any employee of the Company Group, to leave the employment of the Company Group, or solicit, induce, or encourage any existing customer, client, or independent contractor of the Company Group, on behalf, directly or indirectly, of a Competing Business to cease or reduce its business with or services rendered to the Company Group.

- *Non-Disclosure*.

    - During your employment you will be exposed to Confidential Information (as defined below). You acknowledge and agree that you will use the Confidential Information solely for the benefit of the Company Group and that all Confidential Information will remain the exclusive property of the Company Group. You agree not, except as may be required by legal or administrative process upon prior written notice to the Company, to disclose to any unauthorized person or use for your own purposes any Confidential Information without the prior written consent of the Board of Directors of the Company. Upon your termination of employment, or at any other time the Company may request, you agree to deliver and not take with you any materials containing Confidential Information or Work Product (as defined below), including all memoranda, notes, plans, records, reports, printouts and software and

other documents and data (and copies thereof) embodying or relating to the Confidential Information and Work Product, which you may then possess.

- Nothing in this Participation Agreement prohibits you from communicating or cooperating with filing a complaint or participating in any investigation by any governmental agency with respect to possible violations of any law, or otherwise making disclosures to any governmental agency, that are protected under the whistleblower provisions of applicable law; provided, that such communications and disclosures are consistent with applicable law. You understand and acknowledge that you will not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that is made (i) in confidence to a federal, state, or local government official or to an attorney solely for the purpose of reporting or investigating a suspected violation of law, or (ii) in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. You understand and acknowledge further that if you file a lawsuit for retaliation for reporting a suspected violation of law you may disclose the trade secret to your attorney and use the trade secret information in the court proceeding, if you file any document containing the trade secret under seal; and do not disclose the trade secret, except pursuant to court order. However, under no circumstance will you be authorized to disclose any information covered by attorney-client privilege or attorney work product of any member of the Company Group without prior written consent of the Company's General Counsel or other officer designated by the Company.

- For purposes of this Participation Agreement: "Confidential Information" means any and all information, concerning the business or affairs of the Company Group in whatever form that is not generally known to the public, including but not limited to the following: (i) the names, lists, contact information of clients of the Company Group; (ii) the financial, business or other information of the Company Group and its clients; (iii) the terms, structure and amounts paid for services by any client; (iv) the client's contract and buying history; (v) projects, plans and methods of operation within the Company Group; (vi), sales and marketing plans and related information; (vii) operations, procedures and practices; (viii) business plans and information contained therein, and (ix) any other confidential information of, about or concerning the Company, the manner of operation of the Company and other confidential data of any kind, nature or description relating to the Company. "Work Product" means all discoveries, inventions, innovations, improvements, developments, methods, and patentable or copyrightable work (whether or not including any Confidential Information) and all registrations or applications related thereto, all other proprietary information and all similar or related information (whether or not patentable) which relate to the Company Group's actual or anticipated business, research and development or existing or future products or services and which are conceived, developed or made by you (whether above or jointly with others) while employed by the Company Group.

Should your participation in the Plan be terminated, your non-competition and non-solicitation obligations under this Participation Agreement shall also terminate. Although your obligations regarding Confidential Information and Work Product will remain in effect.

You will not be a "Participant" entitled to benefits under the Plan unless you sign and return a copy of this Participation Agreement to my attention. Additionally, upon your termination of employment with the Company Group, you will be required to execute and not revoke a release agreement in substantially the form attached hereto as Exhibit A in accordance with the terms and conditions of the Plan in order to receive the benefits under the Plan.

Please contact Keith Rummer at 513-746-2572, extension 1348 or krummer@PHILLIPSEDISON.com should you have any questions about participation in the Plan.

ACCEPTED AND AGREED:

/s/ R. Mark Addy
R. Mark Addy

Date: October 4, 2017

Exhibit A

Release Agreement

(see attached)

Date

Name
Address 1
Address 2

Dear Name:

This letter confirms the agreement between Phillips Edison & Company LTD and its parents and subsidiaries (collectively "Phillips Edison") and you regarding the terms of your separation from Phillips Edison.

1. You will be separated from Phillips Edison effective Date (the "Termination Date"). Such separation is a termination qualifying you for severance benefits under the Phillips Edison Grocery Center REIT I, Inc. Executive Severance and Change in Control Plan (the "Severance Plan").

2. Even if you do not sign this agreement, Phillips Edison will pay to you the compensation that you have earned through the Termination Date and any accrued and unused vacation benefits. Similarly, even if you do not sign this agreement, you will be offered any benefits to which you might be entitled under the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended ("COBRA"). Even if you do not sign, you will retain all vested benefits you may have under any Phillips Edison retirement and/or 401(k) plan in which you are a qualified participant, if any.

3. If you sign and return this agreement on or before Date - 21/45 Days from date of agreement 45 days if group termination. (and provided further that you do not revoke this agreement within seven (7) days after signing it), then, as required by the terms of the Severance Plan and in consideration and in exchange for your agreements contained in paragraph 4, Phillips Edison hereby agrees to provide you the following, commencing after the expiration of the seven-day revocation period.
   (a) Phillips Edison will pay to you a lump sum severance in the amount of $#,###; less appropriate tax withholding and other authorized, permitted, and required deductions.
   (b) If you elect COBRA, then for up to [l] months, Phillips Edison will continue to provide such coverage and you will continue to pay the same amount of monthly premium as in effect for other Phillips Edison executives. Should you become employed with any other employer and be eligible for group health insurance under such employer's plan then Phillips Edison's obligations under this Section 3(b) will be reduced by the extent of comparable coverage provided by such other employer. You agree to report any such coverage to Phillips Edison. Phillips Edison may satisfy its obligations under this Section 3(b) by paying you the difference between the monthly COBRA premium and the monthly premium you would have paid as an active employee.
   (c) Full vesting in [l] time based LTI Awards (as defined in the Severance Plan).
   (d) You will remain eligible to vest in and be paid on [l] performance-based LTI Awards based on actual performance at the end of the relevant performance period, with pro-ration based on the period of time elapsed between the beginning of the performance period and the Termination Date as a percentage of the full performance period.

4. In consideration and in exchange for the entitlements set forth in paragraph 3 above, you hereby agree:

   (a) On behalf of yourself and anyone claiming through you, to release, acquit, and forever discharge Phillips Edison and each of their respective subsidiaries, affiliates, predecessors, successors, assigns, past and present officers, owners, representatives, directors, employees, divisions, agents, partners, parent organizations, heirs, executors, and administrators and anyone claiming through them (hereinafter "the Companies" collectively), from any and all manner of claims whatsoever which you ever had or may in the future have or hold against the Companies arising out of your employment with any of the Companies and/or the cessation of your employment with any of the Companies.

Said claims or causes of action include, but are not limited to, claims or causes of action under all of the following: the Age Discrimination in Employment Act and the Older Workers Benefits Protection Act (as amended), 29 U.S.C. Sections 621 and following; the Civil Rights Acts of the Civil War Era, 1964 and 1991, and the Equal Pay Act of 1963 (all as amended), 42 U.S.C. Sections 1981 and following and 2000e and following; the Americans with Disabilities Act (as amended), 42 U.S.C. Sections 12101 and following; the Employee Retirement Income Security Act of 1974 (as amended), 29 U.S.C. Sections 1001 and following; the Fair Labor Standards Act (as amended), 29 U.S.C. Sections 201 and following; the Family and Medical Leave Act of 1993 (as amended), 29 U.S.C. Sections 2601 and following; all comparable and/or relevant state and/or municipal statutes; claims or causes of action for wrongful discharge or retaliatory discharge; and claims or causes of action for breach of any alleged contract or public policy arising from your employment with any of the Companies. Notwithstanding this waiver, you do not waive rights or claims that may arise from events after the date this waiver is executed, other than events expressly contemplated by this letter agreement.

(b) You will not bring any legal action against the Companies for claims, potential or actual, waived under this agreement. You further agree that should you bring any type of administrative or legal action arising out of claims waived under this agreement, you will bear all legal fees and costs, including those of the Companies.

(c) You represent and agree that the release in paragraph (a) above is given in exchange for fair and adequate consideration.

(d) You will return to Phillips Edison before or on the Termination Date, all company property in your possession in good working order, ordinary wear and tear excepted, including, but not limited to: company vehicles; credit cards; equipment (including, without limitation, computer equipment and phones); supplies; samples; prototypes; keys; badges and documents such as client lists, price lists, phone listings, and equipment lists. An accurate and documented expense report, for any and all reimbursable expenses you incurred up to and including the Termination Date, must be submitted to Phillips Edison within forty-five (45) calendar days following the Termination Date. **Any expenses, otherwise reimbursable to you, turned in after this forty-five (45) day period will not be reimbursed.**

(e) You will cooperate fully with the Companies in their defense of or other participation in any administrative, judicial or other proceeding arising from any charge, complaint or other action which has or may be filed and agree any testimony you may provide will be truthful.

(f) You will not disclose any trade secrets, manufacturing processes, marketing information, customer information or any other confidential information which you acquired while an employee of the Companies, to any other person or entity, or use such information in any manner. You understand and agree that your failure to comply with this paragraph may result in legal action seeking legal and equitable relief against you or any person or entity to whom you disclose this information or on whose behalf you use it. Notwithstanding the foregoing, in compliance with the requirements of the Defend Trade Secrets Act, you acknowledge the following: (i) you will not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that is made in confidence to a federal, state, or local government official or to an attorney solely for the purpose of reporting or investigating a suspected violation of law, (ii) you will not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal and (iii) if you file a lawsuit for retaliation by Phillips Edison for reporting a suspected violation of law, you may disclose trade secrets to your attorney and use the trade secret information in the court proceeding if you: (A) file any document containing the trade secret under seal; and (B) do not disclose the trade secret, except pursuant to court order.

(g) You further agree to comply with the non-disclosure of information, non-solicitation of employees

and the non-competition covenants contained in the Participation Agreement you entered into in connection with the Severance Plan.

5. The release in paragraph 4(a) and the covenant not to sue in paragraph 4(b) will not affect your rights to (i) enforce this agreement, (ii) claim unemployment compensation or any state disability or workers' compensation insurance benefits, (iii) any indemnification under any charter or bylaws of Phillips Edison, or any directors and officers liability insurance; or (iv) file a charge with, report possible violations to, or participate or cooperate with any governmental agency or entity, including but not limited to the Equal Employment Opportunity Commission, the Department of Justice, the Securities and Exchange Commission, Congress, the Inspector General, or any other governmental agency or make other disclosures that are protected under the whistleblower, anti-discrimination, or anti-retaliation provisions of federal, state or local law or regulation; however, you agree that if you participate in any such claim, you waive your right to recover any individual monetary relief or other individual remedies from the Companies (other than unemployment compensation).

6. In the event that you breach any of your agreements under paragraph 4, any outstanding obligations of Phillips Edison hereunder will immediately terminate.

7. Phillips Edison hereby advises you as follows pursuant to the Older Workers Benefits Protection Act of 1990:

(a) You have the right to consult with an attorney before signing this agreement.

(b) You have [twenty-one (21)][forty-five (45)] 45 days applies in group termination. days from the date of receipt of this letter to consider this agreement.

(c) If you sign this agreement, you have seven (7) days after signing it to revoke this agreement and this agreement will not be effective and no payments, pursuant to paragraph 3 of this agreement, will be made to you until this seven (7) day revocation period has expired.

8. The provisions of this agreement are severable. If any provision or portion thereof is held to be invalid or unenforceable, it will not affect the validity or unenforceability of any other provisions or portions thereof.

9. You represent that you have thoroughly read and considered all aspects of this agreement, that you understand all of its provisions, and that you are voluntarily entering into this agreement.

10. The parties agree that nothing in this agreement is an admission by any party hereto of any act, practice, or policy of discrimination or breach of contract either in violation of applicable law or otherwise, and that nothing in this agreement is to be construed as such by any other person.

11. This agreement sets forth the entire agreement between you and Phillips Edison and supersedes any and all prior oral and/or written agreements or understandings between you and Phillips Edison concerning the subject matter. This agreement may not be altered, amended or modified, except by a further written document signed by you and Phillips Edison.

If you are willing to enter into this agreement, please date and sign the enclosed copy of this agreement in the spaces indicated below, and return that copy to me by Date. As noted above, you have seven (7) days after you sign this agreement to revoke the agreement should you wish to do so.

Sincerely,

/s/ Keith A. Rummer
Keith A. Rummer
Sr. VP Human Resources

Accepted and agreed to this _____ day of _____ <Year>

_____
Signature

WITNESS: _____ DATE: _____

RECEIPT

I, Name, received from Phillips Edison a copy of the attached separation agreement dated Date on this date.

_____
Name

_____
Date

CREDIT AGREEMENT

Dated as of December 18, 2013

among

PHILLIPS EDISON GROCERY CENTER OPERATING PARTNERSHIP I, L.P.

as the Borrower,

PHILLIPS EDISON GROCERY CENTER REIT I, INC.
as the Parent Entity

BANK OF AMERICA, N.A.,

as Administrative Agent, Swing Line Lender and L/C Issuer,

KEYBANK NATIONAL ASSOCIATION,
WELLS FARGO BANK, NATIONAL ASSOCIATION,
JPMORGAN CHASE BANK, N.A.
and
PNC BANK, NATIONAL ASSOCIATION,
as Co-Syndication Agents,

CAPITAL ONE, NATIONAL ASSOCIATION,
FIFTH THIRD BANK,
REGIONS BANK,
U.S. BANK, NATIONAL ASSOCIATION
and
CITIBANK, N.A.,
as Co-Documentation Agents,

KEYBANK NATIONAL ASSOCIATION,
WELLS FARGO BANK, NATIONAL ASSOCIATION,
and
JPMORGAN CHASE BANK, N.A.
as Swing Line Lenders and L/C Issuers

and

THE OTHER LENDERS PARTY HERETO

MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED,
KEYBANC CAPITAL MARKETS,
WELLS FARGO SECURITIES, LLC,
JPMORGAN CHASE BANK, N.A.
and
PNC CAPITAL MARKETS LLC
as Joint Lead Arrangers

MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED
and
KEYBANC CAPITAL MARKETS,
and Joint Bookrunners

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SCHEDULES

EXHIBITS

CREDIT AGREEMENT

This CREDIT AGREEMENT is entered into as of December 18, 2013 among PHILLIPS EDISON GROCERY CENTER OPERATING PARTNERSHIP I, L.P., a Delaware limited partnership (the "Borrower"), PHILLIPS EDISON GROCERY CENTER REIT I, INC. (or its successors as permitted hereunder), the other Guarantors (defined herein), the Lenders (defined herein) and BANK OF AMERICA, N.A., as Administrative Agent, Swing Line Lender and L/C Issuer.

The Borrower has requested that the Lenders provide a $900,000,000 credit facility for the purposes set forth herein, and the Lenders are willing to do so on the terms and conditions set forth herein.

In consideration of the mutual covenants and agreements herein contained, the parties hereto covenant and agree as follows:

ARTICLE I

DEFINITIONS AND ACCOUNTING TERMS

1.01 Defined Terms.
As used in this Agreement, the following terms shall have the meanings set forth below:

"Adjusted EBITDA" means (i) Consolidated EBITDA for the most recently ended period of four fiscal quarters minus (ii) the aggregate Annual Capital Expenditure Adjustment.

"Administrative Agent" means Bank of America in its capacity as administrative agent under any of the Loan Documents, or any successor administrative agent.

"Administrative Agent's Office" means the Administrative Agent's address and, as appropriate, account as set forth on Schedule 11.02 or such other address or account as the Administrative Agent may from time to time notify the Borrower and the Lenders.

"Administrative Questionnaire" means an Administrative Questionnaire in a form supplied by the Administrative Agent.

"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.

"Aggregate Revolving Commitments" means the Revolving Commitments of all the Lenders as adjusted from time to time pursuant to this Agreement. The aggregate principal amount of the Aggregate Revolving Commitments in effect on the Fifth Amendment Effective Date is FIVE HUNDRED MILLION DOLLARS ($500,000,000).

"Agreement" means this Credit Agreement.

"Annual Capital Expenditure Adjustment" means, for any retail Property, an amount equal to the product of (a) $0.15 multiplied by (b) the aggregate net rentable area (determined on a square feet basis) of all such Properties.

"Anti-Money Laundering Laws" has the meaning set forth in Section 6.21.

"Applicable Extended Maturity Date" has the meaning set forth in Section 2.17.

"Applicable Percentage" means with respect to any Lender at any time, (a) with respect to such Lender's Revolving Commitment, the percentage of the Aggregate Revolving Commitments represented by such Lender's Revolving Commitment at such time, subject to adjustment as provided in Section 2.15, (b) with respect to such Lender's portion of the outstanding Term Loan A-1, the percentage of the outstanding principal amount of the Term Loan A-1 held by such Lender at such time, (c) with respect to such Lender's portion of the outstanding Term Loan A-2, the percentage of the outstanding principal amount of the Term Loan A-2 held by such Lender at such time, (d) with respect to such Lender's portion of the outstanding Term Loan A-3, the percentage of the outstanding principal amount of the Term Loan A-3 held by such Lender at such time and (e) with respect to such Lender's portion of the outstanding amount of any Incremental Term Loan, the percentage of the outstanding principal amount of such Incremental Term Loan held by such Lender at such time; provided that if the commitment of each Lender to make Revolving Loans and the obligation of a L/C Issuer to make L/C Credit Extensions have been terminated pursuant to Section 9.02 or if the Aggregate Revolving Commitments have expired, then the Applicable Percentage of each Lender shall be determined based on the Applicable Percentage of such Lender most recently in effect, giving effect to any subsequent assignments. The initial Applicable Percentage of each Lender in respect of the Revolving Facility, the Term Loan A-1, the Term Loan A-2 and the Term Loan A-3 is set forth opposite the name of such Lender on Schedule 2.01 or in the Assignment and Assumption or other agreement pursuant to which such Lender becomes a party hereto, as applicable.

"Applicable Rate" means:

(a) subject to clause (b) below, the applicable rate per annum set forth in the table below opposite the Leverage Ratio, as determined as of the last day of the immediately preceding fiscal quarter.

Pricing Level	Leverage Ratio	Applicable Rate for Revolving Loan Eurodollar Rate Loans/LIBOR Daily Floating Rate Loans and Letters of Credit	Applicable Rate for Revolving Loan Base Rate Loans (including Swing Line Loans)	Applicable Rate for Term Loan Eurodollar Rate Loans/ LIBOR Daily Floating Rate Loans	Applicable Rate for Term Loan Base Rate Loans
1	≤ 40%	1.30%	0.30%	1.25%	0.25%
2	> 40% - ≤ 45%	1.40%	0.40%	1.30%	0.30%
3	> 45% - ≤ 50%	1.55%	0.55%	1.45%	0.45%
4	> 50% - ≤ 55%	1.70%	0.70%	1.60%	0.60%
5	> 55% - ≤ 60%	1.90%	0.90%	1.85%	0.85%
6	> 60%	2.10%	1.10%	2.05%	1.05%

Any increase or decrease in the Applicable Rate resulting from a change in the Leverage Ratio shall become effective as of the first Business Day immediately following the date a Compliance Certificate is delivered pursuant to Section 7.02(a); provided, however, that if a Compliance Certificate is not delivered when due in accordance with such Section 7.02(a), then, upon the request of the Required Lenders, Pricing Tier 6 shall apply as of the first Business Day after the date on which such Compliance Certificate was required to have been delivered and shall continue to apply until the first Business Day immediately following the date a Compliance Certificate is delivered in accordance with Section 7.02(a), whereupon the Applicable Rate shall be adjusted based upon the calculation of the Leverage Ratio contained in such Compliance Certificate; and provided further, that the Applicable Rate for any Incremental Term Loan shall be set forth in the relevant Incremental Term Loan Agreement. The Applicable Rate in effect from the Closing Date to the first Business Day immediately following the date a Compliance Certificate is delivered pursuant to Section 7.02(a) for the fiscal quarter ending December 31, 2015 shall be determined based on Pricing Level 1. Notwithstanding anything to the contrary contained in this clause (a), the determination of the Applicable Rate under this clause (a) for any period shall be subject to the provisions of Section 2.10(b).

(b) If the Parent Entity obtains an Investment Grade Rating, the Borrower may, upon written notice to the Administrative Agent, (i) make an irrevocable one time written election to exclusively use the below table for Revolving Loans and/or (ii) make an irrevocable one time written election to exclusively use the below table for Term Loans, in each case based on the Debt Rating of the Parent Entity (setting forth the date for such election to be effective), and thereafter the Applicable Rate shall be determined based on the applicable rate per annum set forth in the below tables for Revolving Loans and Term Loans, as applicable, notwithstanding any failure of the Parent Entity to maintain such Investment Grade Rating or any failure of Parent Entity to maintain a Debt Rating.

Revolving Loans:

Pricing Level	Debt Rating of Parent Entity	Applicable Rate for Revolving Loan Eurodollar Rate Loans/ LIBOR Daily Floating Rate Loans and Letters of Credit	Applicable Rate for Revolving Loan Base Rate Loans (including Swing Line Loans)	Facility Fee
1	≥ A- / A3 / A-	0.825%	N/A	0.125%
2	BBB+ / Baa1 / BBB+	0.875%	N/A	0.150%
3	BBB / Baa2 / BBB	1.000%	N/A	0.200%
4	BBB- / Baa3 / BBB-	1.200%	0.200%	0.250%
5	< BBB- / Baa3 / BBB- or unrated	1.550%	0.550%	0.300%

	or unrated			

Each change in the Applicable Rate resulting from a change in the Debt Rating of the Parent Entity shall be effective for the period commencing on the effective date of such change and ending on the date immediately preceding the effective date of the next such change. Notwithstanding the above, after making the one time election described herein, (i) if at any time there are two ratings and there is a split in such Debt Ratings of the Parent Entity, and the Debt Ratings differ by one level, then the Pricing Level for the higher of such Debt Ratings shall apply (with the Debt Rating for Pricing Level 1 being the highest and the Debt Rating for Pricing Level 5 being the lowest); (ii) if there are two ratings and there is a split in Debt Ratings of the Parent Entity of more than one level, then the Pricing Level that is one level lower than the Pricing Level of the higher Debt Rating shall apply; (iii) if the Parent Entity has only one Debt Rating, such Debt Rating shall apply; provided, that, if the only Debt Rating is from Fitch, then pricing shall be set at Pricing Level 5; (iv) if there are three ratings, but two ratings are at the same level, then the Pricing Level for those two Debt Ratings shall apply; (v) if there are three ratings and each rating is at a different level, the Pricing Level for the middle Debt Rating shall apply; and (vi) if S&P, Moody's and Fitch discontinue their ratings of the REIT industry generally or the Parent Entity specifically (so long as the reason for such discontinuance is not the Parent Entity's non-payment for the services of S&P, Moody's and Fitch), (A) for the period from such discontinuance until the earlier of (x) ninety days after such discontinuance and (y) the date the Parent Entity receives a rating from another substitute rating agency reasonably acceptable to the Administrative Agent, the Pricing Level in effect immediately prior to such discontinuance shall apply, (B) if no such substitute rating agency reasonably acceptable to the Administrative Agent has been identified and accepted by the Administrative Agent within 90 days of such discontinuance, Pricing Level 5 under this subsection (b) shall apply and (C) if the Parent Entity receives a substitute rating from a rating agency reasonably acceptable to the Administrative Agent, the above pricing grid will be adjusted upon the receipt of such new rating from such new rating agency in a manner that the Pricing Levels based on such new rating most closely correspond to the above ratings levels.

Term Loans:

Pricing Level	Debt Rating of Parent Entity	Applicable Rate for Term Loan Eurodollar Rate Loans/ LIBOR Daily Floating Rate Loans	Applicable Rate for Term Loan Base Rate Loans
1	≥ A- / A3	0.900%	N/A
2	BBB+ / Baa1	0.950%	N/A
3	BBB / Baa2	1.100%	0.100%
4	BBB- / Baa3	1.350%	0.350%
5	< BBB- / Baa3 or unrated	1.750%	0.750%

Each change in the Applicable Rate resulting from a change in the Debt Rating of the Parent Entity shall be effective for the period commencing on the effective date of such change and ending on the date immediately preceding the effective date of the next such change. Notwithstanding the above, after making the one time election described herein, (i) if at any time there is a split in the Debt Ratings of

the Parent Entity between S&P and Moody's, and the Debt Ratings differ by one level, then the Pricing Level for the higher of such Debt Ratings shall apply (with the Debt Rating for Pricing Level 1 being the highest and the Debt Rating for Pricing Level 5 being the lowest); (ii) if there is a split in Debt Ratings of the Parent Entity between S&P and Moody's of more than one level, then the Pricing Level that is one level lower than the Pricing Level of the higher Debt Rating shall apply; (iii) if the Parent Entity has only one Debt Rating, such Debt Rating shall apply; and (iv) if both S&P and Moody's discontinue their ratings of the REIT industry generally or the Parent Entity specifically (so long as the reason for such discontinuance is not the Parent Entity's non-payment for the services of S&P and Moody's), (A) for the period from such discontinuance until the earlier of (x) ninety days after such discontinuance and (y) the date the Parent Entity receives a rating from another substitute rating agency reasonably acceptable to the Administrative Agent, the Pricing Level in effect immediately prior to such discontinuance shall apply, (B) if no such substitute rating agency reasonably acceptable to the Administrative Agent has been identified and accepted by the Administrative Agent within 90 days of such discontinuance, Pricing Level 5 under this subsection (b) shall apply and (C) if the Parent Entity receives a substitute rating from a rating agency reasonably acceptable to the Administrative Agent, the above pricing grid will be adjusted upon the receipt of such new rating from such new rating agency in a manner that the Pricing Levels based on such new rating most closely correspond to the above ratings levels.

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

"Arranger Fee Letters" means (a) the letter agreement, dated as of July 27, 2017 among the Borrower, Bank of America, MLPFS, KeyBank National Association and KeyBanc Capital Markets, (b) the letter agreement dated as of July 27, 2017 among the Borrower, Wells Fargo Securities, LLC, and Wells Fargo Bank, National Association, (c) the letter agreement dated as of July 27, 2017 between the Borrower and JPMorgan Chase Bank, N.A. and (d) the letter agreement dated as of July 27, 2017 among the Borrower, PNC Bank, National Association and PNC Capital Markets LLC.

"Arrangers" means MLPFS (or any other registered broker-dealer wholly-owned by Bank of America Corporation to which all or substantially all of Bank of America Corporation's or any of its subsidiaries' investment banking, commercial lending services or related businesses may be transferred following the date of this Agreement), KeyBanc Capital Markets, Wells Fargo Securities, LLC, JPMorgan Chase Bank, N.A. and PNC Capital Markets LLC.

"Assignment and Assumption" means an assignment and assumption entered into by a Lender and an Eligible Assignee (with the consent of any party whose consent is required by Section 11.06(b)), and accepted by the Administrative Agent, in substantially the form of Exhibit H or any other form (including electronic documentation generated by MarkitClear or other electronic platform) approved by the Administrative Agent.

"Attributable Indebtedness" means, on any date, (a) in respect of any Capitalized Lease Obligations 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 Obligations of any Person, 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 Capitalized Lease Obligations.

"Audited Financial Statements" means the audited consolidated balance sheet of the Consolidated Group for the fiscal year ended December 31, 2016, and the related consolidated statements of income or operations, shareholders' equity and cash flows for such fiscal year of the Consolidated Group, including

the notes thereto, audited by independent public accountants of recognized national standing and prepared in conformity with GAAP.

"Availability Period" means the period from and including the Closing Date to the earliest of (a) the Revolving Maturity Date, (b) the date of termination of the Aggregate Revolving Commitments pursuant to Section 2.06, and (c) the date of termination of the commitment of each Lender to make Loans and of the obligation of the L/C Issuers to make L/C Credit Extensions pursuant to Section 9.02.

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

"Bail-In Legislation" means, with respect to any EEA Member Country implementing Article 55 of Directive 2014/59/EU of the European Parliament and of the Council of the European Union, the implementing law for such EEA Member Country from time to time which is described in the EU Bail-In Legislation Schedule.

"Balance Sheet Cash" means all unrestricted cash and Cash Equivalents set forth on the balance sheet of the Consolidated Group, as determined in accordance with GAAP.

"Bank of America" means Bank of America, N.A. and its successors.

"Bank of America Fee Letter" means the letter agreement, dated as of July 27, 2017 between the Borrower and Bank of America.

"Base Rate" means for any day a fluctuating rate per annum equal to the highest of (a) the Federal Funds Rate plus 0.50%, (b) the rate of interest in effect for such day as publicly announced from time to time by Bank of America as its "prime rate" and (c) the Eurodollar Rate plus 1.00%; provided that if the Base Rate shall be less than zero, such rate shall be deemed zero for purposes of this Agreement. The "prime rate" is a rate set by Bank of America based upon various factors including Bank of America's costs and desired return, general economic conditions and other factors, and is used as a reference point for pricing some loans, which may be priced at, above, or below such announced rate. Any change in the "prime rate" announced by Bank of America shall take effect at the opening of business on the day specified in the public announcement of such change.

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

"Borrower" has the meaning specified in the introductory paragraph hereto.

"Borrower Materials" has the meaning specified in Section 7.02.

"Borrowing" means each of the following: (a) a borrowing of Swing Line Loans pursuant to Section 2.04, (b) a Revolving Borrowing and (c) a Term Borrowing.

"Business Day" means any day other than a Saturday, Sunday or other day on which commercial banks are authorized to close under the Laws of, or are in fact closed in, the state where the Administrative Agent's Office is located and, if such day relates to any Eurodollar Rate Loan, means any such day that is also a London Banking Day.

"Capitalization Rate" means six and three quarters percent (6.75%).

"Capitalized Lease Obligation" means the monetary obligation of a Person under any lease of any property by such Person as lessee which would, in accordance with GAAP, be required to be accounted for as a capital lease on the balance sheet of such Person.

"Cash Collateralize" means to pledge and deposit with or deliver to the Administrative Agent, for the benefit of one or more of a L/C Issuer or the Lenders, as collateral for L/C Obligations or obligations of the Lenders to fund participations in respect of L/C Obligations, cash or deposit account balances or, if the Administrative Agent and a L/C Issuer shall agree in their sole discretion, other credit support, in each case pursuant to documentation in form and substance reasonably satisfactory to the Administrative Agent and such L/C Issuer. "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, as at any date, (a) securities issued or directly and fully guaranteed or insured by the United States or any agency or instrumentality thereof (provided that the full faith and credit of the United States is pledged in support thereof) having maturities of not more than twelve months from the date of acquisition, (b) Dollar denominated time deposits and certificates of deposit of (i) any Lender, (ii) any domestic commercial bank of recognized standing having capital and surplus in excess of $500,000,000 or (iii) any bank whose short-term commercial paper rating from S&P is at least A-1 or the equivalent thereof or from Moody's is at least P-1 or the equivalent thereof (any such bank being an "Approved Bank"), in each case with maturities of not more than 270 days from the date of acquisition, (c) commercial paper and variable or fixed rate notes issued by any Approved Bank (or by the parent company thereof) or any variable rate notes issued by, or guaranteed by, any domestic corporation rated A-1 (or the equivalent thereof) or better by S&P or P-1 (or the equivalent thereof) or better by Moody's and maturing within six months of the date of acquisition, (d) repurchase agreements entered into by any Person with a bank or trust company (including any of the Lenders) or recognized securities dealer having capital and surplus in excess of $500,000,000 for direct obligations issued by or fully guaranteed by the United States in which such Person shall have a perfected first priority security interest (subject to no other Liens) and having, on the date of purchase thereof, a fair market value of at least 100% of the amount of the repurchase obligations and (e) investments, classified in accordance with GAAP as current assets, in money market investment programs registered under the Investment Company Act of 1940 which are administered by reputable financial institutions having capital of at least $500,000,000 and the portfolios of which are limited to investments of the character described in the foregoing subdivisions (a) through (d).

"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.

"Change of Control" means the occurrence of any of the following events:

(a) any "person" or "group" (as such terms are used in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934, but excluding the Key Principals, their respective immediate family members, Affiliates, or trusts or entities for the benefit of, or directly or

indirectly controlled by, the Key Principals or their respective immediate family members and 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), is or 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 (such right, an "option right"), whether such right is exercisable immediately or only after the passage of time), directly or indirectly, of 40% of the Equity Interests of the Parent Entity entitled to vote for members of the board of directors or equivalent governing body of the Parent Entity on a fully diluted basis (and taking into account all such securities that such person or group has the right to acquire pursuant to any option right);

(b) during any period of 12 consecutive months, a majority of the members of the board of directors or other equivalent governing body of the Parent Entity 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 (including, without limitation, each replacement for any such members resulting from (1) the death or incapacity of any such member and/or (2) the resignation or removal of any such member or any such member's refusal to stand or failure to be nominated for re-election to the board or other equivalent governing body);

(c) the Parent Entity (i) ceases to own, directly or indirectly, a majority of the Voting Stock and economic and beneficial interests of the Borrower, or (ii) ceases to be the sole owner of the General Partner; or

(d) the General Partner ceases to be the sole general partner of the Borrower.

"Closing Date" means the date of this Agreement.

"Closing Date Material Adverse Effect" means any event or circumstance, either individually or in the aggregate, that has had or could reasonably be expected to have (a) a material adverse change in, or a material adverse effect on, the operations, business, assets, properties, liabilities (actual or contingent), or financial condition of the Consolidated Group, taken as a whole, (B) a material adverse effect on the rights and remedies of the Administrative Agent or any Lender under any Loan Document, or of the ability of the Borrower and the Guarantors taken as a whole to perform their obligations under any Loan Document, and (C) a material adverse effect upon the legality, validity, binding effect or enforceability against the Borrower or a Guarantor of any Loan Document to which it is a party.

"Commitment" means, as to each Lender, the Revolving Commitment of such Lender, the Term Loan A-1 Commitment of such Lender, the Term Loan A-2 Commitment of such Lender, the Term Loan A-3 Commitment of such Lender and any commitment of such Lender to make an Incremental Term Loan, as applicable.

"Commodity Exchange Act" means the Commodity Exchange Act (7 U.S.C. § 1 *et seq*.) as amended or otherwise modified, and any successor statute.

"Compliance Certificate" means a certificate substantially in the form of Exhibit E.

"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 EBITDA" means, for the Consolidated Group, without duplication, the sum of (a) Net Income of the Consolidated Group, in each case, excluding (i) any non-recurring, extraordinary and unusual charges, expenses, impairment, gains and losses for such period (including, without limitation, prepayment penalties and costs or fees incurred in connection with any capital markets offering, debt financing, or amendment thereto, redemption or exchange of Indebtedness, tender offer, lease termination, business combination, acquisition, exchange listing or delisting, disposition, recapitalization or similar transaction including, without limitation, pursuant to any Permitted Reorganization (regardless of whether such transaction is completed), (ii) any income or gain and any loss in each case resulting from early extinguishment of Indebtedness, (iii) any net income or gain or any loss resulting from a swap or other derivative contract (including by virtue of a termination thereof) and (iv) non-cash expenses or charges, plus (b) an amount which, in the determination of net income for such period pursuant to clause (a) above, has been deducted for or in connection with (i) Interest Expense, (ii) income taxes, (iii) depreciation and amortization, (iv) adjustments as a result of the straight lining of rents, (v) amortization of above and below market lease adjustments and market debt adjustments, (vi) amortization of tenant allowance, (vii) amortization of deferred financing costs, in each case of (i) through (vii) above, as determined in accordance with GAAP and (viii) the Unused Fee, plus (c) the Consolidated Group Pro Rata Share of the above attributable to interests in Unconsolidated Affiliates.

"Consolidated Group" means the Loan Parties and their consolidated subsidiaries, as determined in accordance with GAAP.

"Consolidated Group Pro Rata Share" means, with respect to any Unconsolidated Affiliate, the percentage of the total equity ownership interests held by the Consolidated Group, in the aggregate, in such Unconsolidated Affiliate determined by calculating the greater of (a) the percentage of the issued and outstanding stock, partnership interests or membership interests in such Unconsolidated Affiliate held by the Consolidated Group in the aggregate and (b) the percentage of the total book value of such Unconsolidated Affiliate that would be received by the Consolidated Group in the aggregate, upon liquidation of such Unconsolidated Affiliate, after repayment in full of all Indebtedness of such Unconsolidated Affiliate; provided, that to the extent a given calculation includes liabilities, obligations or Indebtedness of any Unconsolidated Affiliate and the Consolidated Group, in the aggregate, is or would be liable for a portion of such liabilities, obligations or Indebtedness in a percentage in excess of that calculated pursuant to clauses (a) and (b) above, the "Consolidated Group Pro Rata Share" with respect to such liabilities, obligations or Indebtedness shall be equal to the percentage of such liabilities, obligations or Indebtedness for which the Consolidated Group is or would be liable.

"Construction in Progress" means, as of any date, any Property then under development; provided that a Property shall no longer be included in Construction in Progress and shall be deemed to be a stabilized project upon the earlier of (a) the date on which the first rental payment for such Property is received and (b) the last day of the fiscal quarter in which the annualized Net Operating Income attributable to such Property divided by the Capitalization Rate exceeds the undepreciated book value of such Property.

"Contractual Obligation" means, as to any Person, any provision of any security issued by such Person or of any agreement, instrument or other undertaking to which such Person is a party or by which it or any of its property is bound.

"Control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through the ability to exercise voting power,

by contract or otherwise. "Controlling" and "Controlled" have meanings correlative thereto. Without limiting the generality of the foregoing, a Person shall be deemed to be Controlled by another Person if such other Person possesses, directly or indirectly, power to vote 5% or more of the securities having ordinary voting power for the election of directors, managing general partners or the equivalent.

"Credit Extension" means each of the following: (a) a Borrowing and (b) an L/C Credit Extension.

"Debt Rating" means, as of any date of determination, the rating as determined by either S&P, Moody's or Fitch, of a Person's non-credit-enhanced, senior unsecured long-term debt; provided that with respect to the Applicable Rate for Term Loans, Fitch shall not apply. The Debt Rating in effect at any date is the Debt Rating that is in effect at the close of business on such date.

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

"Default" means any event or condition that constitutes an Event of Default or that, with the giving of any notice, the passage of time, or both, would be an Event of Default.

"Default Rate" means (a) when used with respect to Obligations other than Letter of Credit Fees, an interest rate equal to (i) the Base Rate plus (ii) the Applicable Rate, if any, applicable to Base Rate Loans plus (iii) 2% per annum; provided, however, that with respect to a Eurodollar Rate Loan, the Default Rate shall be an interest rate equal to the interest rate (including any Applicable Rate) otherwise applicable to such Loan plus 2% per annum, in each case to the fullest extent permitted by applicable Laws and (b) when used with respect to Letter of Credit Fees, a rate equal to the Applicable Rate plus 2% per annum.

"Defaulting Lender" means, subject to Section 2.15(b), any Lender that (a) has failed to (i) fund all or any portion of its Loans within two (2) Business Days of the date such Loans were required to be funded hereunder unless such Lender notifies the Administrative Agent and the Borrower in writing that such failure is the result of such Lender's determination that one or more conditions precedent to funding (each of which conditions precedent, together with any applicable default, shall be specifically identified in such writing) has not been satisfied, or (ii) pay to the Administrative Agent, the applicable L/C Issuer, the applicable Swing Line Lender or any other Lender any other amount required to be paid by it hereunder (including in respect of its participation in Letters of Credit or Swing Line Loans) within two Business Days of the date when due, (b) has notified the Borrower, the Administrative Agent, the applicable L/C Issuer or the applicable Swing Line Lender in writing that it does not intend to comply with its funding obligations hereunder, or has made a public statement to that effect (unless such writing or public statement relates to such Lender's obligation to fund a Loan hereunder and states that such position is based on such Lender's determination that a condition precedent to funding (which condition precedent, together with any applicable default, shall be specifically identified in such writing or public statement) cannot be satisfied), (c) has failed, within three (3) Business Days after written request by the Administrative Agent or the Borrower, to confirm in writing to the Administrative Agent and the Borrower that it will comply with its prospective funding obligations hereunder (provided that such Lender shall cease to be a Defaulting Lender pursuant to this clause (c) upon receipt of such written confirmation by the Administrative Agent and the Borrower), or (d) has, or has a direct or indirect parent company that has, (i) become the subject of a proceeding under any Debtor Relief Law, (ii) had appointed for it a receiver, custodian, conservator, trustee, administrator, assignee for the benefit of creditors or similar Person charged with reorganization or liquidation of its business or assets, including the Federal

Deposit Insurance Corporation or any other state or federal regulatory authority acting in such a capacity or (iii) become the subject of a Bail-In Action; provided, that, a Lender shall not be a Defaulting Lender solely by virtue of the ownership or acquisition of any Equity Interests in that Lender or any direct or indirect parent company thereof by a Governmental Authority so long as such ownership interest does not result in or provide such Lender with immunity from the jurisdiction of courts within the United States or from the enforcement of judgments or writs of attachment on its assets or permit such Lender (or such Governmental Authority) to reject, repudiate, disavow or disaffirm any contracts or agreements made with such Lender. Any determination by the Administrative Agent that a Lender is a Defaulting Lender under any one or more of clauses (a) through (d) above, and of the effective date of such status, shall be conclusive and binding absent manifest error, and such Lender shall be deemed to be a Defaulting Lender (subject to Section 2.15(b)) as of the date established therefor by the Administrative Agent in a written notice of such determination, which shall be delivered by the Administrative Agent to the Borrower, the L/C Issuers, the Swing Line Lenders and each other Lender promptly following such determination.

"Designated Jurisdiction" means any country or territory to the extent that such country or territory is the subject of any Sanction.

"Disposition" or "Dispose" means the sale, transfer, license, lease or other disposition (including any Sale and Leaseback Transaction) of any property by any Loan Party or any Subsidiary (including the Equity Interests of any Subsidiary), including any sale, assignment, transfer or other disposal, with or without recourse, of any notes or accounts receivable or any rights and claims associated therewith.

"Dividend Payout Ratio" means, for any four fiscal quarter period, the ratio of (a) an amount equal to (i) one hundred percent (100%) of all dividends or other distributions paid, direct or indirect, on account of any Equity Interests of the Parent Entity (except (x) for dividends or other distributions payable solely in shares of that class of Equity Interest to the holders of that class and (y) in connection with any redemption, retirement, surrender, defeasance, repurchase, purchase or other similar transaction or acquisition for value, direct or indirect, on account of any Equity Interests of the Parent Entity) during such four fiscal quarter period, less (ii) any amount of such dividends or distributions constituting Dividend Reinvestment Proceeds, to (b) Funds From Operations of the Consolidated Group for such four fiscal quarter period.

"Dividend Reinvestment Proceeds" means all dividends or other distributions, direct or indirect, on account of any shares of any Equity Interests of the Parent Entity which any holder(s) of such Equity Interests direct to be used, concurrently with the making of such dividend or distribution, for the purpose of purchasing for the account of such holder(s) additional Equity Interests in the Consolidated Group.

"Dollar" and "$" mean lawful money of the United States.

"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.

"Eligible Assignee" means any Person that meets the requirements to be an assignee under Section 11.06(b)(iii) and (v) (subject to such consents, if any, as may be required under Section 11.06(b)(iii)).

"Environmental Laws" means any and all federal, state, local, foreign and other applicable statutes, laws, regulations, ordinances, rules, judgments, orders, decrees, permits, concessions, grants, franchises, licenses, agreements or governmental restrictions relating to pollution and the protection of the environment or the release of any materials into the environment, including those related to hazardous substances or wastes, air emissions and discharges to waste or public systems.

"Environmental Liability" means any liability (including any liability for damages, costs of environmental remediation, fines, penalties or indemnities), of the Borrower, any other Loan Party or (to the extent any such liability is recourse to a Loan Party) any of their respective Subsidiaries directly or indirectly resulting from or based upon (a) violation of any Environmental Law with respect to any project, (b) the generation, use, handling, transportation, storage, treatment or disposal of any Hazardous Materials on any project, (c) exposure of any project to any Hazardous Materials, (d) the release of any Hazardous Materials originating from any project into the environment or (e) any contract, agreement or other consensual arrangement pursuant to which liability is assumed or imposed with respect to any of the foregoing.

"Equity Interests" means, with respect to any Person, all of the shares of capital stock of (or other ownership or profit interests in) such Person, all of the warrants, options or other rights for the purchase or acquisition from such Person of shares of capital stock of (or other ownership or profit interests in) such Person, all of the securities convertible into or exchangeable for shares of capital stock of (or other ownership or profit interests in) such Person or warrants, rights or options for the purchase or acquisition from such Person of such shares (or such other interests), and all of the other ownership or profit interests in such Person (including partnership, member or trust interests therein), whether voting or nonvoting, and whether or not such shares, warrants, options, rights or other interests are outstanding on any date of determination.

"ERISA" means the Employee Retirement Income Security Act of 1974.

"ERISA Affiliate" means any trade or business (whether or not incorporated) under common control with the Borrower within the meaning of Section 414(b) or (c) of the Internal Revenue Code (and Sections 414(m) and (o) of the Internal Revenue Code for purposes of provisions relating to Section 412 of the Internal Revenue Code).

"ERISA Event" means (a) a Reportable Event with respect to a Pension Plan; (b) the withdrawal of the Borrower or any ERISA Affiliate from a Pension Plan subject to Section 4063 of ERISA during a plan year in which such entity was a "substantial employer" as defined in Section 4001(a)(2) of ERISA or a cessation of operations that is treated as such a withdrawal under Section 4062(e) of ERISA; (c) a complete or partial withdrawal by the Borrower or any ERISA Affiliate from a Multiemployer Plan or notification that a Multiemployer Plan is in reorganization; (d) the filing of a notice of intent to terminate, the treatment of a Pension Plan amendment as a termination under Sections 4041 or 4041A of ERISA; (e) the institution by the PBGC of proceedings to terminate a Pension Plan; (f) any event or condition which constitutes grounds under Section 4042 of ERISA for the termination of, or the appointment of a trustee to administer, any Pension Plan; (g) the determination that any Pension Plan is considered an at-risk plan

or a plan in endangered or critical status within the meaning of Sections 430, 431 and 432 of the Internal Revenue Code or Sections 303, 304 and 305 of ERISA; or (h) 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 the Borrower or any ERISA Affiliate.

"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.

"Eurodollar Base Rate" means:

(a) for any Interest Period with respect to a Eurodollar Rate Loan, the rate per annum equal to the London Interbank Offered Rate ("LIBOR") or a comparable or successor rate, which rate is approved by the Administrative Agent, as published on the applicable Bloomberg screen page (or such other commercially available source providing such quotations as may be designated by the Administrative Agent from time to time) at approximately 11:00 a.m., London time, two Business Days prior to the commencement of such Interest Period, for Dollar deposits (for delivery on the first day of such Interest Period) with a term equivalent to such Interest Period; and

(b) for any interest rate calculation with respect to a Base Rate Loan on any date, the rate per annum equal to LIBOR, at approximately 11:00 a.m., London time, determined two Business Days prior to such date for Dollar deposits with a term of one month commencing that date;

provided, that, (i) to the extent a comparable or successor rate is approved by the Administrative Agent in connection herewith, the approved rate shall be applied to the applicable Interest Period in a manner consistent with market practice; and provided, further, that, to the extent such market practice is not administratively feasible for the Administrative Agent, such approved rate shall be applied to the applicable Interest Period as otherwise reasonably determined by the Administrative Agent in reasonable prior consultation with the Borrower and (ii) if the Eurodollar Base Rate shall be less than zero, such rate shall be deemed to be zero for purposes of this Agreement.

"Eurodollar Rate" means (a) for any Interest Period with respect to any Eurodollar Rate Loan, a rate per annum determined by the Administrative Agent to be equal to the quotient obtained by dividing (i) the Eurodollar Base Rate for such Eurodollar Rate Loan for such Interest Period by (ii) one minus the Eurodollar Reserve Percentage for such Eurodollar Rate Loan for such Interest Period and (b) for any day with respect to any Base Rate Loan bearing interest at a rate based on the Eurodollar Rate, a rate per annum determined by the Administrative Agent to be equal to the quotient obtained by dividing (i) the Eurodollar Base Rate for such Base Rate Loan for such day by (ii) one minus the Eurodollar Reserve Percentage for such Base Rate Loan for such day.

"Eurodollar Rate Loan" means a Loan that bears interest at a rate based on clause (a) of the definition of "Eurodollar Rate".

"Eurodollar Reserve Percentage" means, for any day, the reserve percentage (expressed as a decimal, carried out to five decimal places) in effect on such day, whether or not applicable to any Lender, under regulations issued from time to time by the FRB for determining the maximum reserve requirement (including any emergency, supplemental or other marginal reserve requirement) with respect to Eurocurrency funding (currently referred to as "Eurocurrency liabilities"). The Eurodollar Rate for each outstanding Eurodollar Rate Loan and for each outstanding Base Rate Loan the interest on which is

determined by reference to the Eurodollar Rate, in each case, shall be adjusted automatically as of the effective date of any change in the Eurodollar Reserve Percentage.

"Event of Default" has the meaning specified in Section 9.01.

"Excluded Swap Obligation" means, with respect to any Guarantor, any Swap Obligation if, and to the extent that, all or a portion of the Guaranty of such Guarantor of, or the grant under a Loan Document by such Guarantor of a security interest to secure, such Swap Obligation (or any Guarantee thereof) is or becomes illegal under the Commodity Exchange Act (or the application or official interpretation thereof) by virtue of such Guarantor's failure for any reason to constitute an "eligible contract participant" as defined in the Commodity Exchange Act (determined after giving effect to Section 4.08 hereof and any and all guarantees of such Guarantor's Swap Obligations by other Loan Parties) at the time the Guaranty of such Guarantor, or grant by such Guarantor of a security interest, becomes effective with respect to such Swap Obligation. If a Swap Obligation arises under a Master Agreement governing more than one Swap Contract, such exclusion shall apply only to the portion of such Swap Obligation that is attributable to Swap Contracts for which such Guaranty or security interest becomes illegal.

"Excluded Taxes" means any of the following Taxes imposed on or with respect to any Recipient or required to be withheld or deducted from a payment to a Recipient, (a) Taxes imposed on or measured by net income (however denominated), franchise Taxes, and branch profits Taxes, in each case, (i) imposed as a result of such Recipient being organized under the laws of, or having its principal office or, in the case of any Lender, its Lending Office located in, the jurisdiction imposing such Tax (or any political subdivision thereof) or (ii) that are Other Connection Taxes, (b) in the case of a Lender, 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 Borrower under Section 11.13) or (ii) such Lender changes its Lending Office, except in each case to the extent that pursuant to Section 3.01(a)(ii), (a)(iii) or (c), amounts with respect to such Taxes were payable either to such Lender's assignor immediately before such Lender became a party hereto or to such Lender immediately before it changed its Lending Office, (c) Taxes attributable to such Recipient's failure to comply with Section 3.01(e) and (d) any U.S. federal withholding Taxes imposed under FATCA.

"Existing Credit Agreement" means that certain Credit Agreement dated as of December 21, 2012 among the Borrower, the lenders party thereto and KeyBank National Association, as agent, as amended or modified from time to time.

"Extension Amendments" has the meaning specified in Section 11.01.

"Facility Fee" means, for each day during the Availability Period in which the Borrower has exercised its rights under clause (b) of the definition of Applicable Rate, an amount equal to (a) the Aggregate Revolving Commitments for such day (regardless of usage), multiplied by (b) a per annum percentage for such day (as determined for a three hundred sixty (360) day year) equal to the applicable percentage set forth for Facility Fees in the table set forth in clause (b) of the definition of Applicable Rate.

"FATCA" means Sections 1471 through 1474 of the Internal Revenue Code, as of the date of this Agreement (or any amended or successor version that is substantively comparable and not materially more onerous to comply with), any current or future regulations or official interpretations thereof and any agreements entered into pursuant to Section 1471(b)(1) of the Code and any intergovernmental agreements entered into pursuant thereto.

"Federal Funds Rate" means, for any day, the rate per annum equal to the weighted average of the rates on overnight federal funds transactions with members of the Federal Reserve System 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 (rounded upward, if necessary, to a whole multiple of 1/100 of 1%) charged to Bank of America on such day on such transactions as determined by the Administrative Agent.

"Fee Letters" means the Bank of America Fee Letter and the Arranger Fee Letters.

"FFO Percentage" means 95%.

"Fifth Amendment Effective Date" means October 4, 2017.

"Fitch" means Fitch Ratings Inc., and any successor thereto.

"Fixed Charge Coverage Ratio" means, for any four fiscal quarter period, the ratio of (a) Adjusted EBITDA for such four fiscal quarter period to (b) Fixed Charges for such four fiscal quarter period.

"Fixed Charges" means, for the Consolidated Group, without duplication, the sum of (a) Interest Expense, plus (b) scheduled principal payments, exclusive of balloon payments, plus (c) dividends and distributions on preferred stock, if any, plus (d) the Consolidated Group Pro Rata Share of the above attributable to interests in Unconsolidated Affiliates, all for the most recently ended period of four fiscal quarters.

"Foreign Lender" means (a) if the Borrower is a U.S. Person, a Lender that is not a U.S. Person, and (b) if the Borrower is not a U.S. Person, a Lender that is resident or organized under the laws of a jurisdiction other than that in which the Borrower is resident for tax purposes. For purposes of this definition, the United States, each State thereof and the District of Columbia shall be deemed to constitute a single jurisdiction.

"FRB" means the Board of Governors of the Federal Reserve System of the United States.

"Fronting Exposure" means, at any time there is a Defaulting Lender, (a) with respect to a L/C Issuer, such Defaulting Lender's Applicable Percentage of the outstanding L/C Obligations other than L/C Obligations as to which such Defaulting Lender's participation obligation has been reallocated to other Lenders or Cash Collateralized in accordance with the terms hereof and (b) with respect to a Swing Line Lender, such Defaulting Lender's Applicable Percentage of Swing Line Loans other than Swing Line Loans as to which such Defaulting Lender's participation obligation has been reallocated to other Lenders in accordance with the terms hereof.

"Fund" means any Person (other than a natural Person) that is (or will be) engaged in making, purchasing, holding or otherwise investing in commercial loans and similar extensions of credit in the ordinary course of its activities.

"Funds from Operations" means, with respect to any Person for any period, an amount equal to (a) the Net Income of such Person for such period, computed in accordance with GAAP, excluding gains and losses from sales of depreciated property other than out lot sales, non-cash impairment charges, gains

and losses from extinguishment of debt, amortization of above and below market lease adjustments and market debt adjustments, amortization of tenant allowances, amortization of deferred financing costs, other non-cash charges, and gains or losses to the extent non-cash from Swap Contracts, plus (b) depreciation and amortization and non-cash amortization of transaction expenses arising from the creation of new investment funds, and after adjustments for unconsolidated partnerships and joint ventures; provided, that (x) adjustments for unconsolidated partnerships and joint ventures will be recalculated to reflect funds from operations on the same basis, (y) Funds from Operations shall be reported in accordance with the NAREIT policies unless otherwise agreed to above in this definition and (z) costs and fees incurred by the Consolidated Group in connection with the acquisition or disposition of real property assets and transaction costs incurred by the Consolidated Group in connection with any capital markets offering, debt financing, or amendment thereto, redemption or exchange of indebtedness, tender offer, lease termination, business combination, acquisition, exchange listing or delisting, disposition, recapitalization or similar transaction including, without limitation, pursuant to any Permitted Reorganization (regardless of whether such transaction is completed), in each case, shall be excluded from the calculation of Funds from Operations.

"GAAP" means generally accepted accounting principles in the United States set forth in the opinions and pronouncements of the Accounting Principles Board and the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board, consistently applied and as in effect from time to time.

"General Partner" means Phillips Edison Grocery Center OP GP I LLC, a Delaware limited liability company, or any successor general partner of the Borrower approved by the Administrative Agent in accordance with this Agreement.

"Governmental Authority" means the government of the United States 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).

"Guarantee" means, as to any Person, (a) any obligation, contingent or otherwise, of such Person guaranteeing or having the economic effect of guaranteeing any Indebtedness or other obligation payable or performable by another Person (the "primary obligor") in any manner, whether directly or indirectly, and including any obligation of such Person, direct or indirect, (i) to purchase or pay (or advance or supply funds for the purchase or payment of) such Indebtedness or other obligation, (ii) to purchase or lease property, securities or services for the purpose of assuring the obligee in respect of such Indebtedness or other obligation of the payment or performance of such Indebtedness or other obligation, (iii) to maintain working capital, equity capital or any other financial statement condition or liquidity or level of income or cash flow of the primary obligor so as to enable the primary obligor to pay such Indebtedness or other obligation, or (iv) entered into for the purpose of assuring in any other manner the obligee in respect of such Indebtedness or other obligation of the payment or performance thereof or to protect such obligee against loss in respect thereof (in whole or in part), provided that any customary non-recourse carve-out guarantee shall not be deemed a Guarantee hereunder, except, if and to the extent that the guarantor thereunder has acknowledged such liability or it has been determined by a court of competent jurisdiction to be liable for a claim thereunder for which such guarantor is not otherwise indemnified by any third party which has the financial ability to perform with respect to such indemnity and is not disavowing its obligations thereunder, or (b) any Lien on any assets of such Person securing any Indebtedness or other obligation of any other Person, whether or not such Indebtedness or other obligation is assumed by such Person (or any right, contingent or otherwise, of any holder of such Indebtedness to obtain any such Lien). The amount of any Guarantee shall be deemed to be an amount

equal to the stated or determinable amount of the related primary obligation, or portion thereof, in respect of which such Guarantee is made or, if not stated or determinable, the maximum reasonably anticipated liability in respect thereof as determined by the guaranteeing Person in good faith. The term "Guarantee" as a verb has a corresponding meaning.

"Guarantors" means (a) the Parent Entity, (b) any Subsidiary that is required to be a Guarantor pursuant to Section 7.13, (c) with respect to (i) Obligations under any Swap Contract between any Loan Party and a Lender or Affiliate of a Lender, (ii) Obligations under any Treasury Management Agreement between any Loan Party and a Lender or Affiliate of a Lender and (iii) any Swap Obligation of a Specified Loan Party (determined before giving effect to Sections 4.01 and 4.08) under the Guaranty, the Borrower and (d) the successors and permitted assigns of the foregoing.

"Guaranty" means the Guaranty made by the Guarantors in favor of the Administrative Agent, the Lenders and the other holders of the Obligations pursuant to Article IV.

"Hazardous Materials" means all explosive or radioactive substances or wastes and all hazardous or toxic substances, wastes or other pollutants, 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.

"Honor Date" has the meaning set forth in Section 2.03(c).

"Impacted Loans" has the meaning specified in Section 3.03.

"Incremental Term Loan" has the meaning specified in Section 2.16(a).

"Incremental Term Loan Agreement" has the meaning specified in Section 2.16(e).

"Indebtedness" means, for the Consolidated Group, without duplication, all of the following, whether or not included as indebtedness or liabilities in accordance with GAAP:

(a) all obligations for borrowed money and all obligations evidenced by bonds, debentures, notes, loan agreements or other similar instruments.

(b) all direct or contingent obligations under letters of credit (including standby and commercial), bankers' acceptances and similar instruments (including bank guaranties, surety bonds, comfort letters, keep-well agreements and capital maintenance agreements) to the extent such instruments or agreements support financial, rather than performance, obligations.

(c) net obligations under any Swap Contract.

(d) all obligations to pay the deferred purchase price of property or services.

(e) Capitalized Lease Obligations and Synthetic Lease Obligations.

(f) all obligations to purchase, redeem, retire, defease or otherwise make any payment in respect of any equity interest, valued, in the case of a redeemable preferred interest, at the greater of its voluntary or involuntary liquidation preference, plus accrued and unpaid dividends.

(g) indebtedness (excluding prepaid interest thereon) secured by a Lien on property (including indebtedness arising under conditional sales or other title retention agreements) whether or not such indebtedness has been assumed by the grantor of the Lien or is limited in recourse.

(h) all Guarantees in respect of any of the foregoing.

For all purposes hereof, Indebtedness shall include the Consolidated Group Pro Rata Share of the foregoing items and components attributable to Indebtedness of Unconsolidated Affiliates. The amount of any net obligation under any Swap Contract on any date shall be deemed to be the Swap Termination Value thereof as of such date. The amount of any Capitalized Lease Obligation or Synthetic Lease Obligation as of any date shall be deemed to be the amount of Attributable Indebtedness in respect thereof as of such date.

"Indemnified Taxes" means (a) Taxes, other than Excluded Taxes, imposed on or with respect to any payment made by or on account of any obligation of any Loan Party under any Loan Document and (b) to the extent not otherwise described in (a), Other Taxes.

"Indemnitees" has the meaning specified in Section 11.04(b).

"Information" has the meaning specified in Section 11.07.

"Interest Expense" means, without duplication, total interest expense of the Consolidated Group determined in accordance with GAAP; provided that (a) amortization of deferred financing costs shall be excluded, to the extent included in accordance with GAAP and (b) for the avoidance of doubt capitalized interest and interest expense attributable to the Consolidated Group Pro Rata Share in Unconsolidated Affiliates shall be included.

"Interest Payment Date" means (a) as to any Eurodollar Rate Loan, the last day of each Interest Period applicable to such Loan and the applicable Maturity Date; provided, however, that if any Interest Period for a Eurodollar Rate Loan exceeds three months, the respective dates that fall every three months after the beginning of such Interest Period shall also be Interest Payment Dates; and (b) as to any Base Rate Loan (including a Swing Line Loan) or LIBOR Daily Floating Rate Loan, (i) with respect to Revolving Loans, the seventh day of each calendar month (for interest accrued through the last day of the prior calendar month) and the Revolving Maturity Date and (ii) with respect to Term Loans, the first Business Day of each calendar month and the applicable Maturity Date.

"Interest Period" means as to each Eurodollar Rate Loan, the period commencing on the date such Eurodollar Rate Loan is disbursed or converted to or continued as a Eurodollar Rate Loan and ending on the date one, two, three or six months thereafter (in each case, subject to availability), as selected by the Borrower in its Loan Notice; provided that:

(a) any Interest Period that would otherwise end on a day that is not a Business Day shall be extended to the next succeeding Business Day unless, in the case of a Eurodollar Rate Loan, such Business Day falls in another calendar month, in which case such Interest Period shall end on the next preceding Business Day;

(b) any Interest Period pertaining to a Eurodollar Rate Loan that begins on the last Business Day of a calendar month (or on a day for which there is no numerically corresponding day in the calendar month at the end of such Interest Period) shall end on the last Business Day of the calendar month at the end of such Interest Period; and

(c) no Interest Period with respect to any Loan shall extend beyond the applicable Maturity Date.

"Interim Financial Statements" means the unaudited consolidated financial statements of the Consolidated Group for the fiscal quarter ended September 30, 2013, including balance sheets and statements of income or operations, shareholders' equity and cash flows.

"Internal Revenue Code" means the Internal Revenue Code of 1986, as amended.

"Internal Revenue Service" means the United States Internal Revenue Service.

"Investment Grade Rating" means a senior unsecured debt rating of the Parent Entity of BBB- or better from Standard & Poor's or Fitch, or Baa3 or better from Moody's; provided that, with respect to determining the Applicable Rate for Terms Loans, Fitch shall not apply.

"IP Rights" has the meaning specified in Section 6.17.

"ISP" means, with respect to any Letter of Credit, the "International Standby Practices 1998" published by the Institute of International Banking Law & Practice, Inc. (or such later version thereof as may be in effect at the time of issuance).

"Issuer Documents" means with respect to any Letter of Credit, the Letter of Credit Application, and any other document, agreement and instrument entered into by a L/C Issuer and the Borrower (or any Subsidiary) or in favor of such L/C Issuer and relating to any such Letter of Credit.

"Joinder Agreement" means a joinder agreement substantially in the form of Exhibit G executed and delivered by a Subsidiary in accordance with the provisions of Section 7.13.

"Key Agreement" has the meaning set forth in Section 8.03(a).

"Key Principals" means each of Jeffrey S. Edison, Michael C. Phillips and Devin I. Murphy.

"Laws" means, collectively, all international, foreign, federal, state and local statutes, treaties, rules, guidelines, regulations, ordinances, codes and administrative or judicial precedents or authorities, including the interpretation or administration thereof by any Governmental Authority charged with the enforcement, interpretation or administration thereof, and all applicable administrative orders, directed duties, requests, licenses, authorizations and permits of, and agreements with, any Governmental Authority, in each case whether or not having the force of law.

"L/C Advance" means, with respect to each Lender, such Lender's funding of its participation in any L/C Borrowing in accordance with its Applicable Percentage.

"L/C Borrowing" means an extension of credit resulting from a drawing under any Letter of Credit which has not been reimbursed on the date when made or refinanced as a Borrowing of Revolving Loans.

"L/C Commitment" means, as to each L/C Issuer, its obligation to issue Letters of Credit pursuant to Section 2.03 in an aggregate principal amount at any one time outstanding equal to 25.0% of the Letter of Credit Sublimit (or such other amount as agreed to among the Borrower, such L/C Issuer and the Administrative Agent); provided the aggregate L/C Commitments for all L/C Issuers cannot exceed the

Letter of Credit Sublimit. The L/C Commitment of each L/C Issuer on the Fifth Amendment Effective Date is $12,500,000.

"L/C Credit Extension" means, with respect to any Letter of Credit, the issuance thereof or extension of the expiry date thereof, or the increase of the amount thereof.

"L/C Issuer" means each of Bank of America, KeyBank National Association, Wells Fargo Bank, National Association and JPMorgan Chase Bank, N.A., in each case in its capacity as issuer of Letters of Credit hereunder, or any successor issuer of Letters of Credit hereunder.

"L/C Obligations" means, as at any date of determination, the aggregate amount available to be drawn under all outstanding Letters of Credit plus the aggregate of all Unreimbursed Amounts, including all L/C Borrowings. For purposes of computing the amount available to be drawn under any Letter of Credit, the amount of such Letter of Credit shall be determined in accordance with Section 1.06. 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.

"Lenders" means each of the Persons identified as a "Lender" on the signature pages hereto and their successors and assigns and, as the context requires, includes the Swing Line Lenders.

"Lending Office" means, as to any Lender, the office or offices of such Lender described as such in such Lender's Administrative Questionnaire, or such other office or offices as a Lender may from time to time notify the Borrower and the Administrative Agent.

"Letter of Credit" means any standby letter of credit issued hereunder providing for the payment of cash upon the honoring of a presentation thereunder.

"Letter of Credit Application" means an application and agreement for the issuance or amendment of a letter of credit in the form from time to time in use by a L/C Issuer.

"Letter of Credit Expiration Date" means the day that is thirty days prior to the Revolving Maturity Date then in effect (or, if such day is not a Business Day, the next preceding Business Day).

"Letter of Credit Fee" has the meaning specified in Section 2.03(h).

"Letter of Credit Sublimit" means an amount equal to ten percent (10%) of the Aggregate Revolving Commitments. The Letter of Credit Sublimit is part of, and not in addition to, the Aggregate Revolving Commitments.

"Leverage Ratio" means, with respect to the Consolidated Group as of any date of calculation, (a) Total Indebtedness as of such date minus the amount of Balance Sheet Cash as of such date in excess of $25,000,000 to the extent there is an equivalent amount of Total Indebtedness that matures within twenty-four (24) months from such date of calculation divided by (b) Total Asset Value as of such date minus the amount of Balance Sheet Cash deducted in subsection (a) of this definition.

"LIBOR" has the meaning specified in the definition of "Eurodollar Base Rate".

"LIBOR Daily Floating Rate" means the rate per annum equal to (i) LIBOR, at approximately 11:00 a.m., London time determined two (2) London Banking Days prior to such date for Dollar deposits being delivered in the London interbank market for a term of one (1) month commencing that day or

(ii) if such published rate is not available at such time for any reason, the rate per annum determined by the Administrative Agent in reasonable prior consultation with the Borrower to be the rate at which deposits in Dollars for delivery on the date of determination in same day funds in the approximate amount of the LIBOR Daily Floating Rate Loan being made or maintained and with a term equal to one (1) month would be offered by Bank of America's London Branch to major banks in the London interbank eurodollar market at their request at the date and time of determination.

"LIBOR Daily Floating Rate Loan" means a Loan that bears interest based on the LIBOR Daily Floating Rate.

"Lien" means any mortgage, deed of trust, pledge, hypothecation, assignment, deposit arrangement, encumbrance, lien (statutory or other), charge, or preference, priority or other security interest or preferential arrangement in the nature of a security interest of any kind or nature whatsoever (including (i) any conditional sale or other title retention agreement, (ii) any easement, right of way or other encumbrance on title to real Property that materially affects the value of such real Property, and (iii) any financing lease having substantially the same economic effect as any of the foregoing).

"Loan" means an extension of credit by a Lender to the Borrower under Article II in the form of a Revolving Loan, a Term Loan, a Swing Line Loan or an Incremental Term Loan, as applicable.

"Loan Amendment" has the meaning specified in Section 11.01.

"Loan Documents" means this Agreement, each Note, each Issuer Document, each Joinder Agreement, any Incremental Term Loan Agreement, any agreement creating or perfecting rights in Cash Collateral pursuant to the provisions of Section 2.14 of this Agreement and the Fee Letters.

"Loan Modification Offer" has the meaning specified in Section 11.01.

"Loan Notice" means a notice of (a) a Borrowing of Revolving Loans or Term Loans, (b) a conversion of Revolving Loans or Term Loans from one Type to the other, or (c) a continuation of Eurodollar Rate Loans, in each case pursuant to Section 2.02(a), which, if in writing, shall be substantially in the form of Exhibit A.

"Loan Party" means the Borrower or any Guarantor and "Loan Parties" means, collectively, the Borrower and the Guarantors.

"London Banking Day" means any day on which dealings in Dollar deposits are conducted by and between banks in the London interbank eurodollar market.

"Major Tenant" means a tenant of a Loan Party under a lease of Property which entitles it to occupy 15,000 square feet or more of the net rentable area of such Property.

"Master Agreement" has the meaning specified in the definition of "Swap Contract".

"Material Acquisition" means a simultaneous acquisition of assets with a purchase price of 5% or more of Total Asset Value.

"Material Adverse Effect" means any event or circumstance, either individually or in the aggregate, that has had or could reasonably be expected to have (a) a material adverse change in, or a material adverse effect on, the business, properties, liabilities or financial condition of the Consolidated Group, taken as a whole, (B) a material adverse effect on the rights and remedies of the Administrative

Agent or any Lender under any Loan Document, or of the ability of the Borrower and the Guarantors taken as a whole to perform their obligations under any Loan Document, or (C) a material adverse effect upon the legality, validity, binding effect or enforceability against the Borrower or a Guarantor of any Loan Document to which it is a party.

"Maturity Date" means (a) each of the Revolving Maturity Date, the Term Loan A-1 Maturity Date, the Term Loan A-2 Maturity Date and the Term Loan A-3 Maturity and (b) with respect to an outstanding Incremental Term Loan, the maturity date provided in the applicable Incremental Term Loan Agreement.

"Mezzanine Debt Investments" means any mezzanine or subordinated mortgage loans made (or acquired) by a member of the Consolidated Group to entities that own commercial real estate or to the members, partners or stockholders of such entities, which real estate has a value in excess of the sum of (a) (i) if such mezzanine or subordinated mortgage loans was originated by a third party and acquired by such member of the Consolidated Group, the purchase price of such indebtedness with respect to any such indebtedness or (ii) if such mezzanine or subordinated mortgage loans was originated by such member of the Consolidated Group, the amount of such indebtedness plus (b) any senior indebtedness encumbering such commercial real estate, in each case to the extent such mezzanine or subordinated mortgage loans has been designated by the Borrower as a "Mezzanine Debt Investment" in its most recent compliance certificate; provided, however, that (i) any such indebtedness owed by an Unconsolidated Affiliate shall be reduced by the Consolidated Group Pro Rata Share of such indebtedness, and (ii) any such indebtedness owed by a non-wholly owned member of the Consolidated Group shall be reduced by the Consolidated Group Pro Rata Share of such indebtedness.

"Minimum Collateral Amount" means, at any time, (a) with respect to Cash Collateral consisting of cash or deposit account balances provided to reduce or eliminate Fronting Exposure during the existence of a Defaulting Lender, an amount equal to 102% of the Fronting Exposure of any L/C Issuer with respect to Letters of Credit issued and outstanding at such time, (b) with respect to Cash Collateral consisting of cash or deposit account balances provided in accordance with the provisions of Section 2.14(a)(i), (a)(ii) or (a)(iii), an amount equal to 102% of the Outstanding Revolving Amount of all L/C Obligations, and (c) otherwise, an amount determined by the Administrative Agent and the applicable L/C Issuer in their sole discretion.

"MLPFS" means Merrill Lynch, Pierce, Fenner & Smith Incorporated, in its capacity as a joint lead arranger and joint bookrunner.

"Moody's" means Moody's Investors Service, Inc. and any successor thereto.

"Mortgage Receivables" means any investment securities that represent an interest in, or are secured by, one or more pools of commercial mortgage loans or synthetic mortgages.

"Multiemployer Plan" means any employee benefit plan of the type described in Section 4001(a)(3) of ERISA, to which the Borrower or any ERISA Affiliate makes or is obligated to make contributions, or during the preceding five plan years, has made or been obligated to make contributions.

"Multiple Employer Plan" means a Plan which has two or more contributing sponsors (including the Borrower or any ERISA Affiliate) at least two of whom are not under common control, as such a plan is described in Section 4064 of ERISA.

"Negative Pledge" shall mean with respect to a given asset, any provision of a document, instrument or agreement (other than any Loan Document) which prohibits or purports to prohibit the

creation or assumption of any Lien on such asset as security for Indebtedness of the Person owning such asset or any other Person; provided, however, that an agreement that conditions a Person's ability to encumber its assets upon the maintenance of one or more specified ratios that limit such Person's ability to encumber its assets but that do not generally prohibit the encumbrance of its assets, or the encumbrance of specific assets, shall not constitute a Negative Pledge.

"Net Income" means the net income (or loss) of the Consolidated Group for the subject period; provided, however that Net Income shall exclude (a) extraordinary gains and extraordinary losses for such period, (b) the net income of any Subsidiary of the Parent Entity during such period to the extent that the declaration or payment of dividends or similar distributions by such Subsidiary of such income is not permitted by operation of the terms of its Organization Documents or any agreement, instrument or Law applicable to such Subsidiary during such period, except that the Parent Entity's equity in any net loss of any such Subsidiary for such period shall be included in determining Net Income, (c) any income (or loss) from an Unconsolidated Affiliate of the Parent Entity in an amount equal to the aggregate amount of cash actually distributed by such Unconsolidated Affiliate during such period to the Parent Entity or a Subsidiary thereof as a dividend or other distribution (and in the case of a dividend or other distribution to a Subsidiary of the Parent Entity, such Subsidiary is not precluded from further distributing such amount to the Parent Entity as described in clause (b) of this proviso), and (d) any rental income received from leases to Major Tenants in any bankruptcy proceedings, to the extent the relevant leases have been rejected pursuant to such bankruptcy proceedings during the subject period.

"Net Operating Income" means for any Property, for any period, an amount equal to (a) the aggregate gross revenues from the operations of such Property during such period from tenants paying rent (exclusive of any rental income from any leases to Major Tenants in any bankruptcy proceedings, to the extent the relevant leases have been rejected pursuant to such bankruptcy proceedings during the subject period and exclusive of above and below market lease adjustments and amortization of tenant allowance in accordance with GAAP) minus (b) the sum of all expenses and other charges incurred in connection with the operation of such Property during such period (including accruals for real estate taxes and insurance and Property Management Fees, but excluding debt service charges, income taxes, depreciation, amortization and other non-cash expenses), which expenses and accruals shall be calculated in accordance with GAAP.

"New Lenders" has the meaning set forth in Section 2.16(c).

"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 11.01 and (b) has been approved by the Required Lenders.

"Non-Defaulting Lender" means, at any time, each Lender that is not a Defaulting Lender at such time.

"Non-Recourse Debt" means Indebtedness of any member of the Consolidated Group in which the liability of the applicable obligor is limited to such obligor's interest in specified assets securing such Indebtedness, subject to customary nonrecourse carve-outs, including, without limitation, exclusions for claims that are based on fraud, intentional misrepresentation, misapplication of funds, gross negligence or willful misconduct to the extent no claim of liability has been made pursuant to any such carve-outs.

"Non-Stabilized Property" means, for any Property, (a) a Property designated in writing by the Borrower as a Non-Stabilized Property which has not previously been designated as such and (b) the occupancy rate for such designated Property is below 80% at the time of such designation; provided, that, once designated as a Non-Stabilized Property, such Property shall cease to be a Non-Stabilized Property

upon the earlier of (i) Borrower's request or (ii) eight fiscal quarters following the designation of such Property as a Non-Stabilized Property.

"Note" or "Notes" means the Revolving Notes, the Term Notes and/or the Swing Line Note, individually or collectively, as appropriate.

"OFAC" means the Office of Foreign Assets Control of the United States Department of the Treasury.

"Obligations" means all advances to, and debts, liabilities, obligations, covenants and duties of, any Loan Party arising under any Loan Document or otherwise with respect to any Loan or Letter of Credit, whether direct or indirect (including those acquired by assumption), absolute or contingent, due or to become due, now existing or hereafter arising and including interest and fees that accrue after the commencement by or against any Loan Party of any proceeding under any Debtor Relief Laws naming such Person as the debtor in such proceeding, regardless of whether such interest and fees are allowed claims in such proceeding. The foregoing shall also include any Swap Contract and any Treasury Management Agreement between any Loan Party and any Lender or Affiliate of a Lender; provided that the "Obligations" shall exclude any Excluded Swap Obligations.

"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.

"Other Connection Taxes" means, with respect to any Recipient, Taxes imposed as a result of a present or former connection between such Recipient and the jurisdiction imposing such Tax (other than connections arising from such Recipient having executed, delivered, become a party to, performed its obligations under, received payments under, received or perfected a security interest under, engaged in any other transaction pursuant to or enforced any Loan Document, or sold or assigned an interest in any Loan or Loan Document).

"Other Taxes" means all present or future stamp, court or documentary, intangible, recording, filing or similar Taxes that arise from any payment made under, from the execution, delivery, performance, enforcement or registration of, from the receipt or perfection of a security interest under, or otherwise with respect to, any Loan Document, except any such Taxes that are Other Connection Taxes imposed with respect to an assignment (other than an assignment made pursuant to Section 3.06).

"Outstanding Revolving Amount" means (a) with respect to any Revolving Loans and Swing Line Loans on any date, the aggregate outstanding principal amount thereof after giving effect to any borrowings and prepayments or repayments of such Loans occurring on such date; and (b) 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 Extension occurring on such date and any other changes in the aggregate amount of the L/C Obligations as of such date, including as a result of any reimbursements by the Borrower of Unreimbursed Amounts.

"PACE Financings" means (a) any "Property-Assessed Clean Energy" loan or financing or (b) any other indebtedness, without regard to the name given thereto, which is (i) incurred for improvements to a Property for the purpose of increasing energy efficiency, increasing use of renewable energy sources, resource conservation, or a combination of the foregoing, and (ii) repaid through multi-year assessments against such Property.

"Parent Entity" means Phillips Edison Grocery Center REIT I, Inc. or such other entity following any reorganization permitted by Section 8.04.

"Participant" has the meaning specified in Section 11.06(d).

"Participant Register" has the meaning specified in Section 11.06(d).

"Patriot Act" has the meaning set forth in Section 11.17.

"PBGC" means the Pension Benefit Guaranty Corporation or any successor thereto.

"Pension Funding Rules" means the rules of the Code and ERISA regarding minimum required contributions (including any installment payment thereof) to Pension Plans set forth in Section 412, 430, 431, 432 and 436 of the Code and Sections 302, 303, 304 and 305 of ERISA.

"Pension Plan" means any employee pension benefit plan (including a Multiple Employer Plan or a Multiemployer Plan) that is maintained or is contributed to by the Borrower and any ERISA Affiliate and is either covered by Title IV of ERISA or is subject to the minimum funding standards under Section 412 of the Code.

"Permitted Liens" means the following:

(a) Liens pursuant to any Loan Document;

(b) Liens (other than Liens imposed under ERISA) for taxes, assessments or governmental charges or levies not yet delinquent or which are being contested in good faith and by appropriate proceedings diligently conducted, if adequate reserves with respect thereto are maintained on the books of the applicable Person in accordance with GAAP;

(c) statutory Liens of landlords and Liens of carriers, warehousemen, mechanics, materialmen and suppliers and other Liens imposed by law or pursuant to customary reservations or retentions of title arising in the ordinary course of business; provided that such Liens secure only amounts not yet due and payable or, if due and payable, are unfiled and no other action has been taken to enforce the same or are being contested in good faith by appropriate proceedings for which adequate reserves determined in accordance with GAAP have been established;

(d) pledges or deposits in the ordinary course of business in connection with workers' compensation, unemployment insurance and other social security legislation, other than any Lien imposed by ERISA;

(e) deposits to secure the performance of bids, trade contracts and leases (other than Indebtedness), statutory obligations, surety and appeal bonds, performance bonds and other obligations of a like nature incurred in the ordinary course of business;

(f) easements, rights-of-way, restrictions and other similar encumbrances affecting real property which, in the aggregate, are not substantial in amount, and which do not in any case materially detract from the value of the property subject thereto for its current use or materially interfere with the use thereof by the Loan Parties;

(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 9.01(h);

(h) leases or subleases granted to others not interfering in any material respect with the business of any Loan Party or any of its Subsidiaries;

(i) any interest of title of a lessor under, and Liens arising from UCC financing statements relating to, leases permitted by this Agreement;

(j) normal and customary rights of setoff upon deposits of cash in favor of banks or other depository institutions;

(k) Liens of a collection bank arising under Section 4-210 of the Uniform Commercial Code on items in the course of collection;

(l) Liens of sellers of goods to a Loan Party and any of its Subsidiaries 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 2.14(a); and

(n) Liens securing PACE Financings in an amount not to exceed (a) $1,000,000 in any one year and (b) $2,500,000, in the aggregate, during the term of this Agreement.

"Permitted Reorganization" means any or all of the following: (a) the corporate reorganization of the Consolidated Group and any related mergers with respect thereto (including, without limitation, any merger, purchase, contribution or assumption of assets and/or liabilities or other similar transaction with any Affiliate), (b) the internalization (in whole or in part, whether by merger, purchase, contribution or assumption of assets and/or liabilities or other similar transaction) of the existing external manager of the Parent Entity and the Borrower, (c) the initial public offering of the Parent Entity and/or the listing of the Parent Entity on a recognized US stock exchange, and (d) the issuance of additional Equity Interests of the Borrower and/or the conversion of Equity Interests of the Borrower into Equity Interests of the Parent Entity; provided that after giving effect to any Permitted Reorganization (i) the Parent Entity shall remain a Guarantor, (ii) the Parent Entity shall continue to own, directly or indirectly, a majority of the Voting Stock and economic and beneficial interests of the Borrower, (iii) Phillips Edison Grocery Center Operating Partnership I, L.P., a Delaware limited partnership, shall remain as the Borrower, and (iv) the Borrower shall deliver to the Administrative Agent, (x) a written certificate reasonably satisfactory to the Administrative Agent showing, in reasonable detail, that the Consolidated Group will be in pro forma compliance with the financial covenants in Section 8.11 after giving effect to any Permitted Reorganization and (y) all documentation and other information required by bank regulatory authorities under applicable "know-your-customer" and anti-money laundering rules and regulations, including, without limitation, the Patriot Act.

"Person" means any natural person, corporation, limited liability company, trust, joint venture, association, company, partnership, Governmental Authority or other entity.

"Plan" means any employee benefit plan within the meaning of Section 3(3) of ERISA (including a Pension Plan), maintained for employees of the Borrower or any such Plan to which the Borrower is required to contribute on behalf of any of its employees.

"Platform" has the meaning specified in Section 7.02.

"PNC Agreement" has the meaning set forth in Section 8.03(a).

"Property" means any real estate asset directly owned by any member of the Consolidated Group, any of its Subsidiaries or any Unconsolidated Affiliate.

"Property Management Fees" means, with respect to each Property for any period, 3% of the aggregate base rent and percentage rent due and payable under leases with tenants at such Property.

"Public Lender" has the meaning specified in Section 7.02.

"Qualified ECP Guarantor" means, at any time, each Loan Party with total assets exceeding $10,000,000 or that qualified at such time as an "eligible contract participant" under the Commodity Exchange Act and can cause another Person to qualify as an "eligible contract participant" at such time under Section 1a(18)(A)(v)(II) of the Commodity Exchange Act.

"Qualified Fees" means, to the extent earned on a current basis (i.e. expected to be paid or settled in 30 days but excluding any payments made with Equity Interests) and are not deferred (except as set forth in (vii) below) by (a) the Borrower, (b) a wholly-owned Subsidiary of the Borrower or (c) a majority owned Subsidiary of the Borrower in which the Borrower, directly or indirectly, has the sole discretion to distribute any Qualified Fees at such Subsidiary to the Borrower (for clarification purposes, with respect to any non-wholly owned Subsidiary, only the pro rata portion of those fees that can be distributed to the Borrower shall constitute Qualified Fees for the purposes hereunder), all amounts consisting of the following: (i) property management fees, (ii) asset management fees, (iii) leasing commissions, (iv) tenant improvement oversight fees, (v) property acquisition fees, (vi) property financing fees and (vii) deferred asset management fees; provided that if the Qualified Fees attributable to the fees incurred with respect to clauses (v), (vi) and (vii) above accounts for more than 40% of the aggregate Qualified Fees, the amount of such property acquisition fees, property financing fees and deferred asset management fees that exceeds such limit shall be deducted from Qualified Fees. With respect to a transaction that constitutes the acquisition of any Person or any management contracts, for the purpose of calculating Total Asset Value and Unencumbered Asset Value for the quarter during which the acquisition occurs and each of the next three full fiscal quarter periods subsequent to such acquisition, the Qualified Fees with respect to the acquired Person or management contracts, if any, shall be determined as follows: (1) for the quarter in which such acquisition occurs, the Qualified Fees for the last full quarter period prior to such acquisition multiplied by four, (2) for the first full quarter period subsequent to such acquisition, the actual Qualified Fees for such quarter multiplied by four, (3) for the first two full quarter period subsequent to such acquisition, the actual Qualified Fees for such two quarter period multiplied by two and (4) for the first three full quarter period subsequent to such acquisition, the actual Qualified Fees for such three quarter period multiplied by 4/3.

"Recipient" means the Administrative Agent, any Lender or any L/C Issuer.

"Recourse Debt" means any Indebtedness (other than Non-Recourse Debt) of any member of the Consolidated Group for which such Person has personal liability; provided that any customary non-recourse carve-outs with respect to such Indebtedness shall not be deemed Recourse Debt hereunder, except, if and to the extent that the obligor thereunder has acknowledged such liability or it has been determined, by a court of competent jurisdiction to be liable for a claim thereunder for which such obligor is not otherwise indemnified by any third party which has the financial ability to perform with respect to such indemnity and is not disavowing its obligations thereunder.

"Register" has the meaning specified in Section 11.06(c).

"REIT" means a "real estate investment trust" under Sections 856-860 of the Internal Revenue Code.

"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.

"Reportable Event" means any of the events set forth in Section 4043(c) of ERISA, other than events for which the thirty-day notice period has been waived.

"Request for Credit Extension" means (a) with respect to a Borrowing, conversion or continuation of Revolving Loans or Term Loans, a Loan Notice, (b) with respect to an L/C Credit Extension, a Letter of Credit Application and (c) with respect to a Swing Line Loan, a Swing Line Loan Notice.

"Required Lenders" means, at any time, Lenders having Total Credit Exposures representing more than 50% of the Total Credit Exposures of all Lenders. The Total Credit Exposure of any Defaulting Lender shall be disregarded in determining Required Lenders at any time; provided that, the amount of any participation in any Swing Line Loan and Unreimbursed Amounts that such Defaulting Lender has failed to fund that have not been reallocated to and funded by another Lender shall be deemed to be held by the Lender that is a Swing Line Lender or a L/C Issuer, as the case may be, in making such determination.

"Responsible Officer" means the chief executive officer, president (including co-president) vice-president, chief financial officer, treasurer, assistant treasurer or controller of a Loan Party and, solely for purposes of the delivery of certificates pursuant to Sections 5.01 or 7.13, the secretary or any assistant secretary of a Loan Party. Any document delivered hereunder that is signed by a Responsible Officer of a Loan Party shall be conclusively presumed to have been authorized by all necessary corporate, partnership and/or other action on the part of such Loan Party and such Responsible Officer shall be conclusively presumed to have acted on behalf of such Loan Party.

"Restricted Payment" means any dividend or other distribution (whether in cash, securities or other property) with respect to any Equity Interests of any Loan Party or any Subsidiary, or any payment (whether in cash, securities or other property), including any sinking fund or similar deposit, on account of the purchase, redemption, retirement, acquisition, cancellation or termination of any such Equity Interests or on account of any return of capital to the Borrower's stockholders, partners or members (or the equivalent Person thereof), or any setting apart of funds or property for any of the foregoing.

"Revolving Borrowing" means a borrowing consisting of simultaneous Revolving Loans of the same Type and, in the case of Eurodollar Rate Loans, having the same Interest Period made by each of the Lenders pursuant to Section 2.01(a).

"Revolving Commitment" means, as to each Lender, its obligation to (a) make Revolving Loans to the Borrower pursuant to Section 2.01(a), (b) purchase participations in L/C Obligations and (c) purchase participations in Swing Line Loans, in an aggregate principal amount at any one time outstanding not to exceed the amount set forth opposite such Lender's name on Schedule 2.01 or in the Assignment and Assumption pursuant to which such Lender becomes a party hereto, as applicable, as such amount may be adjusted from time to time in accordance with this Agreement.

"Revolving Credit Exposure" means, as to any Lender at any time, the aggregate principal amount at such time of its outstanding Revolving Loans and such Lender's participation in L/C Obligations and Swing Line Loans at such time.

"Revolving Facility" means the Revolving Commitments and the extensions of credit made thereunder.

"Revolving Loan" has the meaning specified in Section 2.01(a).

"Revolving Maturity Date" means, with respect to the Revolving Facility, October 4, 2021, as such date may be adjusted from time to time in accordance with Section 2.17; provided, however, that if such date is not a Business Day, the Revolving Maturity Date shall be the immediately preceding Business Day.

"Revolving Note" has the meaning specified in Section 2.11(a).

"S&P" means Standard & Poor's Financial Services LLC, a subsidiary of The McGraw-Hill Companies, Inc., and any successor thereto.

"Sale and Leaseback Transaction" means any arrangement pursuant to which any Loan Party, directly or indirectly, becomes liable as lessee, guarantor or other surety with respect to any lease, whether an operating lease or a capital lease, of any Property (a) which such Person has sold or transferred (or is to sell or transfer) to another Person which is not a Loan Party or (b) which such Person intends to use for substantially the same purpose as any other Property which has been sold or transferred (or is to be sold or transferred) by such Person to another Person which is not a Loan Party in connection with such lease.

"Sanctions" means any international economic sanction administered or enforced by the United States government (including, without limitation, OFAC) the United Nations Security Council, the European Union, Her Majesty's Treasury or other relevant sanctions authority.

"SEC" means the Securities and Exchange Commission, or any Governmental Authority succeeding to any of its principal functions.

"Secured Indebtedness" means, for any Person, Indebtedness of such Person that is secured by a Lien; provided that (a) direct Indebtedness (as opposed to a Guarantee) that is secured solely by a Lien on Equity Interests and (b) PACE Financings, in each case, shall not be deemed to be Secured Indebtedness for the purposes of this Agreement.

"Secured Leverage Ratio" means, with respect to the Consolidated Group as of any date of calculation, (a) Total Secured Indebtedness as of such date minus the amount of Balance Sheet Cash as of such date in excess of $25,000,000 to the extent there is an equivalent amount of Total Secured Indebtedness that matures within twenty-four (24) months from the applicable date of calculation divided

by (b) Total Asset Value as of such date minus the amount of Balance Sheet Cash deducted in subsection (a) of this definition.

"Shareholders' Equity" means an amount equal to shareholders' equity or net worth of the Consolidated Group, as determined in accordance with GAAP.

"Solvent" or "Solvency" means, with respect to any Person as of a particular date, that on such date (a) such Person is able to pay its debts and other liabilities, contingent obligations and other commitments as they mature in the ordinary course of business, (b) such Person does not intend to, and does not believe that it will, incur debts or liabilities beyond such Person's ability to pay as such debts and liabilities mature in their ordinary course, (c) such Person is not engaged in a business or a transaction, and is not about to engage in a business or a transaction, for which such Person's property would constitute unreasonably small capital after giving due consideration to the prevailing practice in the industry in which such Person is engaged or is to engage, (d) the fair value of the property of such Person is greater than the total amount of liabilities, including, without limitation, contingent liabilities, of such Person and (e) the present fair salable value of the assets of such Person is not less than the amount that will be required to pay the probable liability of such Person on its debts as they become absolute and matured. In computing the amount of contingent liabilities at any time, it is intended that such liabilities will be computed at the amount which, in light of all the facts and circumstances existing at such time, represents the amount that can reasonably be expected to become an actual or matured liability.

"Specified Loan Party" has the meaning set forth in Section 4.08.

"Subsidiary" of a Person means a corporation, partnership, joint venture, limited liability company or other business entity of which a majority of the shares of Voting Stock is at the time beneficially owned, or the management of which is otherwise controlled, directly, or indirectly through one or more intermediaries, or both, by such Person. Unless otherwise specified, all references herein to a "Subsidiary" or to "Subsidiaries" shall refer to a Subsidiary or Subsidiaries of the Parent Entity.

"Subsidiary Guarantors" means any Subsidiary who becomes a Guarantor hereunder.

"Swap Contract" means (a) any and all rate swap transactions, basis swaps, credit derivative transactions, forward rate transactions, commodity swaps, commodity options, forward commodity contracts, equity or equity index swaps or options, bond or bond price or bond index swaps or options or forward bond or forward bond price or forward bond index transactions, interest rate options, forward foreign exchange transactions, cap transactions, floor transactions, collar transactions, currency swap transactions, cross-currency rate swap transactions, currency options, spot contracts, or any other similar transactions or any combination of any of the foregoing (including any options to enter into any of the foregoing), whether or not any such transaction is governed by or subject to any master agreement, and (b) any and all transactions of any kind, and the related confirmations, which are subject to the terms and conditions of, or governed by, any form of master agreement published by the International Swaps and Derivatives Association, Inc., any International Foreign Exchange Master Agreement, or any other master agreement (any such master agreement, together with any related schedules, a "Master Agreement"), including any such obligations or liabilities under any Master Agreement.

"Swap Obligation" means with respect to any Guarantor any obligation to pay or perform under any agreement, contract or transaction that constitutes a "swap" within the meaning of Section 1a(47) of the Commodity Exchange Act.

"Swap Termination Value" means, after taking into account the effect of any legally enforceable netting agreement relating to any Swap Contract, (a) for any date on or after the date such Swap Contract

has been closed out and termination value(s) determined in accordance therewith, such termination value(s), and (b) for any date prior to the date referenced in clause (a), the amount(s) determined as the mark-to-market value(s) for such Swap Contract, as determined based upon one or more mid-market or other readily available quotations provided by any recognized dealer in such Swap Contracts (which may include a Lender or any affiliate of a Lender).

"Swing Line Commitment" means, as to each Swing Line Lender, its obligation to make Swing Line Loans to the Borrower pursuant to Section 2.04 in an aggregate principal amount at any one time outstanding equal to 25.0% of the Swing Line Sublimit (or such other amount as agreed to among the Borrower, such Swing Line Lender and the Administrative Agent); provided the aggregate Swing Line Commitments for all Swing Line Lenders cannot exceed the Swing Line Sublimit. The Swing Line Commitment of each Swing Line Lender on the Fifth Amendment Effective Date is $12,500,000.

"Swing Line Lender" means each of Bank of America, KeyBank National Association, Wells Fargo Bank, National Association and JPMorgan Chase Bank, N.A. and any other Lender that agrees to provide Swing Line Loans with the consent of such Lender, the Borrower and the Administrative Agent, in each case in its capacity as provider of Swing Line Loans up to its Swing Line Commitment.

"Swing Line Loan" has the meaning specified in Section 2.04(a).

"Swing Line Loan Notice" means a notice of a Borrowing of Swing Line Loans pursuant to Section 2.04(b), which, if in writing, shall be substantially in the form of Exhibit B.

"Swing Line Note" has the meaning specified in Section 2.11(a).

"Swing Line Sublimit" means an amount equal to ten percent (10%) of the Aggregate Revolving Commitments. The Swing Line Sublimit is part of, and not in addition to, the Aggregate Revolving Commitments.

"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).

"Tangible Net Worth" means, for the Consolidated Group as of any date of determination, (a) total equity (including, without limitation, redeemable Equity Interests) determined in accordance with GAAP, minus (b) all intangible assets determined in accordance with GAAP (except for intangible assets related to the value of the acquired in-place leases), plus (c) all accumulated depreciation and amortization determined in accordance with GAAP.

"Taxes" means all present or future taxes, levies, imposts, duties, deductions, withholdings (including backup withholding), assessments, fees or other charges imposed by any Governmental Authority, including any interest, additions to tax or penalties applicable thereto.

"Term Borrowing" means a borrowing consisting of simultaneous Term Loans of the same tranche, the same Type and, in the case of Eurodollar Rate Loans, having the same Interest Period made by each of the Lenders pursuant to Section 2.01(b), Section 2.01(c), Section 2.01(d) or Section 2.16.

"Term Loan A-1" has the meaning specified in Section 2.01(b).

"Term Loan A-1 Commitment" means, as to each Lender, its obligation to make its portion of the Term Loan A-1 to the Borrower on the Third Amendment Effective Date pursuant to Section 2.01(b), in the principal amount set forth opposite such Lender's name on Schedule 2.01; provided that if the Term Loan A-1 is not drawn on or before the earlier of (a) 30 days after the Third Amendment Effective Date and (b) October 10, 2015, the Term Loan A-1 Commitment shall expire. The aggregate principal amount of the Term Loan A-1 Commitments of all Lenders as in effect on the Third Amendment Effective Date is $100,000,000.

"Term Loan A-1 Maturity Date" means, with respect to the Term Loan A-1, February 1, 2019, as such date may be adjusted from time to time in accordance with Section 2.17; provided, however, that if such date is not a Business Day, the Term Loan A-1 Maturity Date shall be the immediately preceding Business Day.

"Term Loan A-1 Note" has the meaning specified in Section 2.11(a).

"Term Loan A-2" has the meaning specified in Section 2.01(c).

"Term Loan A-2 Commitment" means, as to each Lender, its obligation to make its portion of the Term Loan A-2 to the Borrower on the Third Amendment Effective Date pursuant to Section 2.01(c), in the principal amount set forth opposite such Lender's name on Schedule 2.01; provided that if the Term Loan A-2 is not drawn on or before the earlier of (a) 30 days after the Third Amendment Effective Date and (b) October 10, 2015, the Term Loan A-2 Commitment shall expire. The aggregate principal amount of the Term Loan A-2 Commitments of all Lenders as in effect on the Third Amendment Effective Date is $175,000,000.

"Term Loan A-2 Maturity Date" means, with respect to the Term Loan A-2, February 3, 2020, as such date may be adjusted from time to time in accordance with Section 2.17; provided, however, that if such date is not a Business Day, the Term Loan A-2 Maturity Date shall be the immediately preceding Business Day.

"Term Loan A-2 Note" has the meaning specified in Section 2.11(a).

"Term Loan A-3" has the meaning specified in Section 2.01(d).

"Term Loan A-3 Commitment" means, as to each Lender, its obligation to make its portion of the Term Loan A-3 to the Borrower on the Third Amendment Effective Date pursuant to Section 2.01(d), in the principal amount set forth opposite such Lender's name on Schedule 2.01; provided that if the Term Loan A-3 is not drawn on or before the earlier of (a) 30 days after the Third Amendment Effective Date and (b) October 10, 2015, the Term Loan A-3 Commitment shall expire. The aggregate principal amount of the Term Loan A-3 Commitments of all Lenders as in effect on the Third Amendment Effective Date is $125,000,000.

"Term Loan A-3 Maturity Date" means, with respect to the Term Loan A-3, February 1, 2021; provided, however, that if such date is not a Business Day, the Term A-3 Maturity Date shall be the immediately preceding Business Day.

"Term Loan A-3 Note" has the meaning specified in Section 2.11(a).

"Term Loans" means the Term Loan A-1, the Term Loan A-2, the Term Loan A-3 or any Incremental Term Loan, as the context may require.

"Term Notes" means the Term A-1 Note, the Term A-2 Note, the Term A-3 Note and any note in connection with an Incremental Term Loan.

"Third Amendment Effective Date" means September 15, 2015.

"Threshold Amount" means $20,000,000.

"Total Asset Value" means, at any time for the Consolidated Group, without duplication, the sum of the following: (a) an amount equal to (i) Net Operating Income for the most recently ended four fiscal quarters from all Properties (other than Non-Stabilized Properties) owned by the Consolidated Group for four full fiscal quarters or longer (which amount for each individual Property as well as the aggregate amount for all Properties shall not be less than zero) divided by (ii) the Capitalization Rate, plus (b) the aggregate acquisition cost of all Properties acquired by the Consolidated Group during the then most recently ended four fiscal quarter period, plus (c) the undepreciated book value of Non-Stabilized Properties; provided that, if the Total Asset Value attributable to Non-Stabilized Properties accounts for more than 15% of Total Asset Value, the amount of undepreciated book value of such Non-Stabilized Properties that exceeds such limit shall be deducted from Total Asset Value, plus (d) the product of (i) Qualified Fees for the most recently ended four fiscal quarter period multiplied by (ii) six (6); provided that if the Total Asset Value attributable to Qualified Fees calculated pursuant to this clause (d) accounts for more than 10% of Total Asset Value, the amount of Qualified Fees calculated pursuant to this clause (d) that exceeds such limit shall be deducted from Total Asset Value, plus (e) cash from like-kind exchanges on deposit with a qualified intermediary ("1031 proceeds"), plus (f) the value of Mezzanine Debt Investments and the value of Mortgage Receivables owned by the Consolidated Group, in each case that are not more than ninety (90) days past due determined in accordance with GAAP and are not with an obligor subject to a bankruptcy or insolvency proceeding; provided that if the Total Asset Value attributable to Mezzanine Debt Investments and Mortgage Receivables accounts for more than 10% of Total Asset Value, the amount of Mezzanine Debt Investments and Mortgage Receivables that exceeds such limit shall be deducted from Total Asset Value, plus (g) the aggregate undepreciated book value of all Unimproved Land and Construction in Progress owned by the Consolidated Group, plus (h) the Consolidated Group Pro Rata Share of the foregoing items and components attributable to interests in Unconsolidated Affiliates, plus (i) Total Cash; provided that, to the extent that Total Asset Value attributable to investments in Mezzanine Debt Investments, Mortgage Receivables, 1031 proceeds, Unimproved Land, Unconsolidated Affiliates, and Construction in Progress accounts for more than 25% of Total Asset Value, in the aggregate, the amount that exceeds such limit shall be deducted from Total Asset Value.

"Total Cash" means all cash and Cash Equivalents of the Consolidated Group, including, cash and Cash Equivalents held as collateral, in escrow in a bank account by a lender, creditor or contract counterparty and from like-kind exchanges (including cash from like-kind exchanges on deposit with a qualified intermediary).

"Total Credit Exposure" means, as to any Lender at any time, the sum of the unused Revolving Commitment of such Lender, the Revolving Credit Exposure of such Lender and the outstanding unpaid principal amount of Term Loans and unused Term Loan Commitment of such Lender at such time.

"Total Indebtedness" means (a) all Indebtedness of the Consolidated Group determined on a consolidated basis plus (b) the Consolidated Group Pro Rata Share of Indebtedness attributable to interests in Unconsolidated Affiliates.

"Total Revolving Outstandings" means the aggregate Outstanding Revolving Amount of all Revolving Loans, all Swing Line Loans and all L/C Obligations.

"Total Secured Indebtedness" means (a) all Secured Indebtedness of the Consolidated Group determined on a consolidated basis plus (b) the Consolidated Group Pro Rata Share of Secured Indebtedness attributable to interests in Unconsolidated Affiliates.

"Treasury Management Agreement" means any agreement governing the provision of treasury or cash management services, including deposit accounts, overdraft, credit or debit card, funds transfer, automated clearinghouse, zero balance accounts, returned check concentration, controlled disbursement, lockbox, account reconciliation and reporting and trade finance services and other cash management services.

"Type" means, with respect to any Loan, its character as a Base Rate Loan, a Eurodollar Rate Loan or a LIBOR Daily Floating Rate Loan.

"Unconsolidated Affiliates" means an Affiliate of the Parent Entity or any other member of the Consolidated Group whose financial statements are not required to be consolidated with the financial statements of the Parent Entity in accordance with GAAP.

"Undrawn Amount" means, for each day during the term hereof, an amount equal to (a) the Aggregate Revolving Commitments existing as of the end of such day, less (b) the aggregate Outstanding Revolving Amount of Revolving Loans and L/C Obligations (but specifically excluding Swing Line Loans (other than to the extent the risk participation in a Swing Line Loan has been funded in cash by a Lender)) as of the end of such day.

"Unencumbered Asset Value" means, at any time for the Consolidated Group, without duplication, the sum of the following: (a) an amount equal to (i) Unencumbered NOI from all Unencumbered Properties (other than Non-Stabilized Properties and acquisition properties described in clause (b) below) that have been owned by the Consolidated Group for four full fiscal quarter periods or longer (which amount for each individual Unencumbered Property as well as the aggregate amount for all Unencumbered Properties shall not be less than zero) divided by (ii) the Capitalization Rate, plus (b) the aggregate acquisition cost of all Unencumbered Properties acquired during the then most recently ended four fiscal quarter period, plus (c) the undepreciated book value of Unencumbered Properties that are Non-Stabilized Properties; provided that if the Unencumbered Asset Value attributable to Non-Stabilized Properties accounts for more than 15% of Unencumbered Asset Value, the amount of undepreciated book value of such Non-Stabilized Properties that exceeds such limit shall be deducted from Unencumbered Asset Value, plus (d) cash from like-kind exchanges on deposit with a qualified intermediary ("1031 proceeds"), plus (e) the value of Mezzanine Debt Investments and Mortgage Receivables owned by the Consolidated Group that are not more than ninety (90) days past due determined in accordance with GAAP, in each case that are not subject to a Lien or Negative Pledge; provided that if the Unencumbered Asset Value attributable to Mezzanine Debt Investments and Mortgage Receivables accounts for more than 10% of Unencumbered Asset Value, the amount of Mezzanine Debt Investments and Mortgage Receivables that exceeds such limit shall be deducted from Unencumbered Asset Value, plus (f) the undepreciated book value of all Unimproved Land and Construction in Progress owned by the Consolidated Group to the extent any such assets are not subject to a Lien or Negative Pledge, plus (g) Balance Sheet Cash; provided that, to the extent that Unencumbered Asset Value attributable to investments in Mezzanine Debt Investments, Mortgage Receivables, 1031 proceeds, Unimproved Land, and Construction in Progress account for more than 25% of Unencumbered Asset Value, in the aggregate, the amount that exceeds such limit shall be deducted from Unencumbered Asset Value. For clarification purposes, in determining whether clause (a) or clause (b) above applies, the date a Property will be deemed to have been acquired is the date it was acquired by the Consolidated Group or any prior Affiliate of the Consolidated Group.

"Unencumbered NOI" means (a) for Unencumbered Properties that have been owned for four full fiscal quarters or longer, the Net Operating Income from such Unencumbered Property asset for the four fiscal quarter period minus the Annual Capital Expenditure Adjustment with respect to such Unencumbered Property, (b) for Unencumbered Properties that have been owned for at least one full fiscal quarter but less than four full fiscal quarters, the Net Operating Income from such Unencumbered Property for the most recently ended fiscal quarter, multiplied by four minus the Annual Capital Expenditure Adjustment with respect to such Unencumbered Property, (c) for Unencumbered Properties that have not been owned for at least one full fiscal quarter, but owned for at least one month, the Net Operating Income from such Unencumbered Property for the most recently ended calendar month, multiplied by twelve minus the Annual Capital Expenditure Adjustment with respect to such Unencumbered Property and (d) for Unencumbered Properties that have been owned for less than one month, the average daily Net Operating Income from such Unencumbered Property for the period of ownership of such Unencumbered Property, multiplied by 30, multiplied by 12 minus the Annual Capital Expenditure Adjustment with respect to such Unencumbered Property; provided that (x) the Net Operating Income of a Property that is sold by a member of the Consolidated Group within the most recently ended fiscal quarter will be excluded in calculating Unencumbered NOI, (y) income from Major Tenants in bankruptcy will be excluded from the calculation to the extent the relevant leases have been rejected pursuant to such bankruptcy proceedings and (z) if the Net Operating Income related to ground leases in connection with Unencumbered Properties accounts for more than 5% of the aggregate Unencumbered NOI, the amount of Net Operating Income that exceeds such limit shall be deducted from the aggregate Unencumbered NOI.

"Unencumbered Properties" means a Property that: (a) is one hundred percent (100%) fee owned by a member of the Consolidated Group or subject to a ground lease approved by the Administrative Agent (such approval not to be unreasonably withheld or delayed); provided, that if such property is subject to a ground lease and the Unencumbered NOI related to such ground lease does not exceed twenty percent (20%) of the aggregate Net Operating Income of such property, such ground lease shall be deemed approved by the Administrative Agent; (b) is located in the United States; (c) is not subject to any Liens other than Permitted Liens or any Negative Pledges and the owner thereof has (i) not granted a Negative Pledge to any other creditor that would affect the Lenders' ability to take a Lien on such property and (ii) not agreed to guarantee or otherwise become liable for any Indebtedness of another party; (d) if such Property is a single tenant Property, it is one hundred percent (100%) occupied, (e) is a shopping center retail property or such other type of property consented to by the Lenders; (f) is not subject to any material environmental, title or structural problems; (g) is not subject to any leases that are in payment or bankruptcy default, after giving effect to any notice or cure periods set forth therein; provided that, in the case of multi-tenant Properties, the qualification in this clause (g) shall be limited to leases of anchor tenants in payment or bankruptcy default; (h) is insured in accordance with the requirements under the Loan Documents and (i) is not owned by a Subsidiary that, if such Subsidiary was subject to Section 9.01(f) or (g), would cause an Event of Default under either such Section.

"Unimproved Land" means Properties which have not been developed for any type of commercial, industrial, residential or other income-generating use and are not, as of such date, under development.

"United States" and "U.S." mean the United States of America.

"Unreimbursed Amount" has the meaning specified in Section 2.03(c)(i).

"Unsecured Indebtedness" means all Indebtedness which is not secured by a Lien; provided that (a) direct Indebtedness (as opposed to a Guarantee) that is secured solely by a Lien on Equity Interests

and (b) PACE Financings, in each case, shall be deemed Unsecured Indebtedness for the purposes of this Agreement.

"Unused Fee" means, for each day during any Availability Period in which the Borrower has not exercised its rights under clause (b) of the definition of Applicable Rate, an amount equal to (a) the Undrawn Amount for such day, multiplied by (b) a per annum percentage for such day (as determined for a three hundred sixty (360) day year) equal to (i) for any day where the Undrawn Amount is equal to or greater than 50% of the Aggregate Revolving Commitments, 0.25% and (ii) for any day where the Undrawn Amount is less than 50% of the Aggregate Revolving Commitments, 0.15%.

"U.S. Person" means any Person that is a "United States Person" as defined in Section 7701(a)(30) of the Internal Revenue Code.

"U.S. Tax Compliance Certificate" has the meaning specified in Section 3.01(e)(ii)(B)(III).

"Voting Stock" means, with respect to any Person, Equity Interests issued by such Person the holders of which are ordinarily, in the absence of contingencies, entitled to vote for the election of directors (or persons performing similar functions) of such Person, even though the right so to vote has been suspended by the happening of such a contingency.

"Wells Agreement" has the meaning set forth in Section 8.03(a).

"Write-Down and Conversion Powers" means, with respect to any EEA Resolution Authority, the write-down and conversion powers of such EEA Resolution Authority from time to time under the Bail-In Legislation for the applicable EEA Member Country, which write-down and conversion powers are described in the EU Bail-In Legislation Schedule.

1.02 Other Interpretive Provisions.

With reference to this Agreement and each other Loan Document, unless otherwise specified herein or in such other Loan Document:

(h) The definitions of terms herein shall apply equally to the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words "include," "includes" and "including" shall be deemed to be followed by the phrase "without limitation." The word "will" shall be construed to have the same meaning and effect as the word "shall." Unless the context requires otherwise, (i) any definition of or reference to any agreement, instrument or other document (including the Loan Documents and any Organization Document) shall be construed as referring to such agreement, instrument or other document as from time to time amended, modified, extended, restated, replaced or supplemented from time to time (subject to any restrictions on such amendments, supplements or modifications set forth herein or in any other Loan Document), (ii) any reference herein to any Person shall be construed to include such Person's successors and assigns, (iii) the words "hereto", "herein," "hereof" and "hereunder," and words of similar import when used in any Loan Document, shall be construed to refer to such Loan Document in its entirety and not to any particular provision thereof, (iv) all references in a Loan Document to Articles, Sections, Preliminary Statements, Exhibits and Schedules shall be construed to refer to Articles and Sections of, and Preliminary Statements, Exhibits and Schedules to, the Loan Document in which such references appear, (v) any reference to any law shall include all statutory and regulatory rules, regulations, orders and provisions consolidating, amending, replacing or interpreting such law and any reference to any law or regulation shall,

unless otherwise specified, refer to such law or regulation as amended, modified, extended, restated, replaced or supplemented from time to time, and (vi) the words "asset" and "property" shall be construed to have the same meaning and effect and to refer to any and all real and personal property and tangible and intangible assets and properties, including cash, securities, accounts and contract rights.

(b) In the computation of periods of time from a specified date to a later specified date, the word "from" means "from and including;" the words "to" and "until" each mean "to but excluding;" and the word "through" means "to and including."

(c) Section headings herein and in the other Loan Documents are included for convenience of reference only and shall not affect the interpretation of this Agreement or any other Loan Document.

1.03 Accounting Terms.

(i) Generally. All accounting terms not specifically or completely defined herein shall be construed in conformity with, and all financial data (including financial ratios and other financial calculations) required to be submitted pursuant to this Agreement shall be prepared in conformity with, GAAP applied on a consistent basis, as in effect from time to time, applied in a manner consistent with that used in preparing the Audited Financial Statements, except as otherwise specifically prescribed herein. Notwithstanding any other provision contained herein, all terms of an accounting or financial nature used herein shall be construed, and all computations of amounts and ratios referred to herein shall be made, (i) without giving effect to any election under Accounting Standards Codification 825 (or any other Financial Accounting Standard or Accounting Standards Codification having a similar result or effect) to value any Indebtedness or other liabilities of the Consolidated Group or any Unconsolidated Affiliate at "fair value," as defined therein and (ii) any change to lease accounting rules from those in effect pursuant to FASB ASC 840 and other related lease accounting guidance as in effect on the Closing Date.

(j) Changes in GAAP. If at any time any change in GAAP (including the adoption of IFRS) would affect the computation of any financial ratio or requirement set forth in any Loan Document, and either the Borrower or the Required Lenders shall so request, the Administrative Agent, the Lenders and the Borrower shall negotiate in good faith to amend such ratio or requirement to preserve the original intent thereof in light of such change in GAAP (subject to the approval of the Required Lenders); provided that, until so amended, (i) such ratio or requirement shall continue to be computed in accordance with GAAP prior to such change therein and (ii) the Borrower shall provide to the Administrative Agent and the Lenders financial statements and other documents required under this Agreement or as requested hereunder setting forth a reconciliation between calculations of such ratio or requirement made before and after giving effect to such change in GAAP.

(k) Consolidation of Variable Interest Entities. All references herein to consolidated financial statements of the Consolidated Group or to the determination of any amount for the Consolidated Group on a consolidated basis or any similar reference shall, in each case, be deemed to include each variable interest entity that the Parent Entity is required to consolidate pursuant to FASB ASC 810 as if such variable interest entity were a Subsidiary as defined herein.

1.04 Rounding.

Any financial ratios required to be maintained pursuant to this Agreement shall be calculated by dividing the appropriate component by the other component, carrying the result to one place more than the number of places by which such ratio is expressed herein and rounding the result up or down to the nearest number (with a rounding-up if there is no nearest number).

1.05 Times of Day; Rates

(a) Times of Day. Unless otherwise specified, all references herein to times of day shall be references to Eastern time (daylight or standard, as applicable).

(b) Rates. The Administrative Agent does not warrant, nor accept responsibility, nor shall the Administrative Agent have any liability with respect to, the administration, submission or any other matter related to the rates in the definition of "Eurodollar Base Rate" or with respect to any comparable or successor rate thereto.

1.06 Letter of Credit Amounts.

Unless otherwise specified herein, the amount of a Letter of Credit at any time shall be deemed to be the stated amount of such Letter of Credit in effect at such time; provided, however, that with respect to any Letter of Credit that, by its terms or the terms of any Issuer Document related thereto, provides for one or more automatic increases in the stated amount thereof, the amount of such Letter of Credit shall be deemed to be the maximum stated amount of such Letter of Credit after giving effect to all such increases, whether or not such maximum stated amount is in effect at such time.

ARTICLE II
THE COMMITMENTS AND CREDIT EXTENSIONS

2.01 Commitments.

(a) Revolving Loans. Subject to the terms and conditions set forth herein, each Lender severally agrees to make loans (each such loan, a "Revolving Loan") to the Borrower in Dollars from time to time on any Business Day during the Availability Period in an aggregate amount not to exceed at any time outstanding the amount of such Lender's Revolving Commitment; provided, however, that after giving effect to any Borrowing of Revolving Loans, (a) the Total Revolving Outstandings shall not exceed the Aggregate Revolving Commitments and (b) the Revolving Credit Exposure of any Lender shall not exceed such Lender's Revolving Commitment. Within the limits of each Lender's Revolving Commitment, and subject to the other terms and conditions hereof, the Borrower may borrow under this Section 2.01(a), prepay under Section 2.05, and reborrow under this Section 2.01(a). Revolving Loans may be Base Rate Loans, Eurodollar Rate Loans or LIBOR Daily Floating Rate Loans, or a combination thereof, as further provided herein, provided, however, all Revolving Borrowings made on the Fifth Amendment Effective Date shall be made as LIBOR Daily Floating Rate Loans.

(b) Term Loan A-1. Subject to the terms and conditions set forth herein, each Lender severally agrees to make its portion of a term loan (the "Term Loan A-1") to the Borrower in Dollars, on any Business Day from the Third Amendment Effective Date to the date that is 30 days subsequent thereto but in no event later than October 10, 2015, in an amount equal to such Lender's Term Loan A-1 Commitment; it being understood that the Term Loan A-1 must be drawn in one Borrowing. Amounts borrowed under this Section 2.01(b) and repaid or prepaid may not be reborrowed. The Term

Loan A-1 may be composed of Base Rate Loans, Eurodollar Rate Loans or LIBOR Daily Floating Rate Loans, or a combination thereof, as further provided herein.

(c) Term Loan A-2. Subject to the terms and conditions set forth herein, each Lender severally agrees to make its portion of a term loan (the "Term Loan A-2") to the Borrower in Dollars, on any Business Day from the Third Amendment Effective Date to the date that is 30 days subsequent thereto but in no event later than October 10, 2015, in an amount equal to such Lender's Term Loan A-2 Commitment; it being understood that the Term Loan A-2 must be drawn in one Borrowing. Amounts borrowed under this Section 2.01(c) and repaid or prepaid may not be reborrowed. The Term Loan A-2 may be composed of Base Rate Loans, Eurodollar Rate Loans or LIBOR Daily Floating Rate Loans, or a combination thereof, as further provided herein.

(d) Term Loan A-3. Subject to the terms and conditions set forth herein, each Lender severally agrees to make its portion of a term loan (the "Term Loan A-3") to the Borrower in Dollars, on any Business Day from the Third Amendment Effective Date to the date that is 30 days subsequent thereto but in no event later than October 10, 2015, in an amount equal to such Lender's Term Loan A-3 Commitment; it being understood that the Term Loan A-3 must be drawn in one Borrowing. Amounts borrowed under this Section 2.01(d) and repaid or prepaid may not be reborrowed. The Term Loan A-3 may be composed of Base Rate Loans, Eurodollar Rate Loans or LIBOR Daily Floating Rate Loans, or a combination thereof, as further provided herein.

2.02 Borrowings, Conversions and Continuations of Loans.

(l) Each Borrowing, each conversion of Loans from one Type to the other, and each continuation of Eurodollar Rate Loans shall be made upon the Borrower's irrevocable notice to the Administrative Agent, which may be given by telephone. Each such notice must be received by the Administrative Agent not later than 11:00 a.m. (i) three Business Days prior to the requested date of any Borrowing of, conversion to or continuation of, Eurodollar Rate Loans or of any conversion of Eurodollar Rate Loans to Base Rate Loans, and (ii) on the requested date of any Borrowing of Base Rate Loans or LIBOR Daily Floating Rate Loans. Each telephonic notice by the Borrower pursuant to this Section 2.02(a) must be confirmed promptly by delivery to the Administrative Agent of a written Loan Notice, appropriately completed and signed by a Responsible Officer of the Borrower. Each Borrowing of, conversion to or continuation of Eurodollar Rate Loans shall be in a principal amount of $1,000,000 or a whole multiple of $100,000 in excess thereof. Each Borrowing of, conversion to or continuation of LIBOR Daily Floating Rate Loans shall be in a principal amount of $2,000,000 or a whole multiple of $100,000 in excess thereof. Except as provided in Sections 2.03(c) and 2.04(c), each Borrowing of or conversion to Base Rate Loans shall be in a principal amount of $1,000,000 or a whole multiple of $500,000 in excess thereof. Each Loan Notice (whether telephonic or written) shall specify (i) whether the Borrower is requesting a Borrowing, a conversion of Loans from one Type to the other, or a continuation of Loans, as the case may be, (ii) whether such Borrowing is a Term Borrowing (and which tranche of Term Loans) or a Revolving Borrowing, (iii) the requested date of the Borrowing, conversion or continuation, as the case may be (which shall be a Business Day), (iv) the principal amount of Loans to be borrowed, converted or continued, (v) the Type of Loans to be borrowed or to which existing Loans are to be converted, (vi) if applicable, the duration of the Interest Period with respect thereto, and (vii) if requesting a Borrowing, a certification that such Borrowing complies with Section 2.01. If the Borrower fails to specify a Type of a Loan in a Loan Notice or if the Borrower fails to give a timely notice requesting a conversion or continuation, then the applicable Loans shall be made as, or converted to, Base Rate Loans. Any such automatic conversion to Base Rate Loans shall be effective as of the last day of the Interest Period then in effect with respect to the applicable Eurodollar Rate Loans. If

the Borrower requests a Borrowing of, conversion to, or continuation of Eurodollar Rate Loans in any Loan Notice, but fails to specify an Interest Period, it will be deemed to have specified an Interest Period of one month.

(b) Following receipt of a Loan Notice, the Administrative Agent shall promptly notify each Lender of the amount of its Applicable Percentage of the applicable Loans, and if no timely notice of a conversion or continuation is provided by the Borrower, the Administrative Agent shall notify each Lender of the details of any automatic conversion to Base Rate Loans as described in the preceding subsection. In the case of a Borrowing, each Lender shall make the amount of its Loan available to the Administrative Agent in immediately available funds at the Administrative Agent's Office not later than 1:00 p.m. on the Business Day specified in the applicable Loan Notice. Upon satisfaction or waiver of the applicable conditions set forth in Section 5.02 (and, if such Borrowing is the initial Credit Extension, Section 5.01), the Administrative Agent shall make all funds so received available to the Borrower in like funds as received by the Administrative Agent either by (i) crediting the account of the Borrower on the books of Bank of America with the amount of such funds or (ii) wire transfer of such funds, in each case in accordance with instructions provided to (and acceptable to) the Administrative Agent by the Borrower; provided, however, that if, on the date of a Borrowing of Revolving Loans, there are L/C Borrowings outstanding, then the proceeds of such Borrowing, first, shall be applied to the payment in full of any such L/C Borrowings and second, shall be made available to the Borrower as provided above.

(c) Except as otherwise provided herein, a Eurodollar Rate Loan may be continued or converted only on the last day of the Interest Period for such Eurodollar Rate Loan. During the existence of a Default, no Loans may be requested as, converted to or continued as Eurodollar Rate Loans without the consent of the Required Lenders, and the Required Lenders may demand that any or all of the then outstanding Eurodollar Rate Loans be converted immediately to Base Rate Loans.

(d) The Administrative Agent shall promptly notify the Borrower and the Lenders of the interest rate applicable to any Interest Period for Eurodollar Rate Loans upon determination of such interest rate. At any time that Base Rate Loans are outstanding, the Administrative Agent shall notify the Borrower and the Lenders of any change in Bank of America's prime rate used in determining the Base Rate promptly following the public announcement of such change. At any time that LIBOR Daily Floating Rate Loans are outstanding, the Administrative Agent shall notify the Borrower and the Lenders of any change in such rate promptly following any change in such published rate.

(e) After giving effect to all Borrowings, all conversions of Loans from one Type to the other, and all continuations of Loans as the same Type, there shall not be more than eight (8) Interest Periods in effect with respect to all Loans.

2.03 Letters of Credit.

(m) The Letter of Credit Commitment.

(i) Subject to the terms and conditions set forth herein, (A) each L/C Issuer agrees, in reliance upon the agreements of the Lenders set forth in this Section 2.03, (1) from time to time on any Business Day during the period from the Closing Date until the Letter of Credit Expiration Date, to issue Letters of Credit denominated in Dollars for the account of the Borrower or any of its Subsidiaries, and to amend or extend Letters of

Credit previously issued by it, in accordance with subsection (b) below, and (2) to honor drawings under the Letters of Credit; and (B) the Lenders severally agree to participate in Letters of Credit issued for the account of the Borrower or its Subsidiaries and any drawings thereunder; provided that after giving effect to any L/C Credit Extension with respect to any Letter of Credit, (w) the Total Revolving Outstandings shall not exceed the Aggregate Revolving Commitments, (x) the Revolving Credit Exposure of any Lender shall not exceed such Lender's Revolving Commitment, (y) the Outstanding Revolving Amount of the L/C Obligations of any L/C Issuer shall not exceed such L/C Issuer's L/C Commitment and (z) the Outstanding Revolver Amount of all L/C Obligations shall not exceed the Letter of Credit Sublimit. Each request by the Borrower for the issuance or amendment of a Letter of Credit shall be deemed to be a representation by the Borrower that the L/C Credit Extension so requested complies with the conditions set forth in the proviso to the preceding sentence. Within the foregoing limits, and subject to the terms and conditions hereof, the Borrower's ability to obtain Letters of Credit shall be fully revolving, and accordingly the Borrower may, during the foregoing period, obtain Letters of Credit to replace Letters of Credit that have expired or that have been drawn upon and reimbursed.

(ii) A L/C Issuer shall not issue any Letter of Credit if:

(A) subject to Section 2.03(b)(iii), the expiry date of such requested Letter of Credit would occur more than twelve months after the date of issuance or last extension, unless the Required Lenders have approved such expiry date; or

(B) subject to clause (vii) below, the expiry date of such requested Letter of Credit would occur after the Letter of Credit Expiration Date.

(iii) A L/C Issuer shall not be under any obligation to issue any Letter of Credit if:

(A) any order, judgment or decree of any Governmental Authority or arbitrator shall by its terms purport to enjoin or restrain a L/C Issuer from issuing such Letter of Credit, or any Law applicable to a L/C Issuer or any request or directive (whether or not having the force of law) from any Governmental Authority with jurisdiction over a L/C Issuer shall prohibit, or request that a L/C Issuer refrain from, the issuance of letters of credit generally or such Letter of Credit in particular or shall impose upon a L/C Issuer with respect to such Letter of Credit any restriction, reserve or capital requirement (for which a L/C Issuer is not otherwise compensated hereunder) not in effect on the Closing Date, or shall impose upon a L/C Issuer any unreimbursed loss, cost or expense which was not applicable on the Closing Date and which a L/C Issuer in good faith deems material to it;

(B) the issuance of such Letter of Credit would violate one or more policies of a L/C Issuer applicable to letters of credit generally;

(C) except as otherwise agreed by the Administrative Agent and a L/C Issuer, such Letter of Credit is in an initial stated amount less than $50,000;

(D) such Letter of Credit is to be denominated in a currency other than Dollars; or

(E) any Lender is at that time a Defaulting Lender, unless a L/C Issuer has entered into arrangements, including the delivery of Cash Collateral, reasonably satisfactory to a L/C Issuer (in its sole discretion) with the Borrower or such Lender to eliminate a L/C Issuer's actual or potential Fronting Exposure (after giving effect to Section 2.15(a)(iv)) with respect to the Defaulting Lender arising from either the Letter of Credit then proposed to be issued or that Letter of Credit and all other L/C Obligations as to which a L/C Issuer has actual or potential Fronting Exposure, as it may elect in its sole discretion.

(iv) A L/C Issuer shall not amend any Letter of Credit if such L/C Issuer would not be permitted at such time to issue the Letter of Credit in its amended form under the terms hereof.

(v) A L/C Issuer shall be under no obligation to amend any Letter of Credit if (A) such L/C Issuer would have no obligation at such time to issue such Letter of Credit in its amended form under the terms hereof, or (B) the beneficiary of such Letter of Credit does not accept the proposed amendment to such Letter of Credit.

(vi) A L/C Issuer shall act on behalf of the Lenders with respect to any Letters of Credit issued by it and the documents associated therewith, and such L/C Issuer shall have all of the benefits and immunities (A) provided to the Administrative Agent in Article X with respect to any acts taken or omissions suffered by such L/C Issuer in connection with Letters of Credit issued by it or proposed to be issued by it and Issuer Documents pertaining to such Letters of Credit as fully as if the term "Administrative Agent" as used in Article X included such L/C Issuer with respect to such acts or omissions, and (B) as additionally provided herein with respect to such L/C Issuer.

(vii) Notwithstanding the foregoing, a L/C Issuer, will, if requested by the Borrower, issue one or more Letters of Credit hereunder, with expiry dates no later than twelve months after the Letter of Credit Expiration Date, based upon the Borrower's agreement to provide Cash Collateral (in the full amount of such Letters of Credit and all obligations related thereto) to such L/C Issuer (or, if agreed upon, the Administrative Agent) relating to such Letters of Credit on or before the Letter of Credit Expiration Date in accordance with the terms of Section 2.14 and subject to documentation satisfactory to such L/C Issuer or the Administrative Agent, as applicable (and, upon receipt of such Cash Collateral by a L/C Issuer or the Administrative Agent, as applicable, the Lenders' participation interests in such Letters of Credit shall terminate on the Revolving Maturity Date). In the event the Borrower fails to Cash Collateralize the outstanding Letter of Credit exposure on the Letter of Credit Expiration Date, each outstanding Letter of Credit shall automatically be deemed to be drawn in full, and the Borrower shall be deemed to have requested a Base Rate Loan to be funded by the Lenders on the Letter of Credit Expiration Date to reimburse such drawing (with the proceeds of such Base Rate Loan being used to Cash Collateralize outstanding Letter of Credit exposure as set forth in Section 2.14) in accordance with the provisions of Section 2.03(c). The funding by a Lender of its Applicable Percentage of such Base Rate Loan, to Cash Collateralize the outstanding Letter of Credit exposure on the Letter of Credit Expiration Date shall be deemed payment by such Lender in respect of its participation interest in such Letters of Credit.

(b) Procedures for Issuance and Amendment of Letters of Credit; Auto-Extension Letters of Credit.

(i) Each Letter of Credit shall be issued or amended, as the case may be, upon the request of the Borrower delivered to a L/C Issuer (with a copy to the Administrative Agent) in the form of a Letter of Credit Application, appropriately completed and signed by a Responsible Officer of the Borrower. Such Letter of Credit Application may be sent by facsimile, by United States mail, by overnight courier, by electronic transmission using the system provided by a L/C Issuer, by personal delivery or by any other means acceptable to a L/C Issuer. Such Letter of Credit Application must be received by a L/C Issuer and the Administrative Agent not later than 11:00 a.m. at least five (5) Business Days (or such later date and time as the Administrative Agent and a L/C Issuer may agree in a particular instance in their sole discretion) prior to the proposed issuance date or date of amendment, as the case may be. In the case of a request for an initial issuance of a Letter of Credit, such Letter of Credit Application shall specify in form and detail reasonably satisfactory to a L/C Issuer: (A) the proposed issuance date of the requested Letter of Credit (which shall be a Business Day); (B) the amount thereof; (C) the expiry date thereof; (D) the name and address of the beneficiary thereof; (E) the documents to be presented by such beneficiary in case of any drawing thereunder; (F) the full text of any certificate to be presented by such beneficiary in case of any drawing thereunder; (G) the purpose and nature of the requested Letter of Credit; and (H) such other matters as a L/C Issuer may require. In the case of a request for an amendment of any outstanding Letter of Credit, such Letter of Credit Application shall specify in form and detail reasonably satisfactory to a L/C Issuer (A) the Letter of Credit to be amended; (B) the proposed date of amendment thereof (which shall be a Business Day); (C) the nature of the proposed amendment; and (D) such other matters as a L/C Issuer may require. Additionally, the Borrower shall furnish to a L/C Issuer and the Administrative Agent such other documents and information pertaining to such requested Letter of Credit issuance or amendment, including any Issuer Documents, as a L/C Issuer or the Administrative Agent may require.

(ii) Promptly after receipt of any Letter of Credit Application, a L/C Issuer will confirm with the Administrative Agent (by telephone or in writing) that the Administrative Agent has received a copy of such Letter of Credit Application from the Borrower and, if not, a L/C Issuer will provide the Administrative Agent with a copy thereof. Unless a L/C Issuer has received written notice from any Lender, the Administrative Agent or any Loan Party, at least one Business Day prior to the requested date of issuance or amendment of the applicable Letter of Credit, that one or more applicable conditions contained in Article V shall not be satisfied, then, subject to the terms and conditions hereof, a L/C Issuer shall, on the requested date, issue a Letter of Credit for the account of the Borrower or the applicable Subsidiary or enter into the applicable amendment, as the case may be, in each case in accordance with a L/C Issuer's usual and customary business practices. Immediately upon the issuance of each Letter of Credit, each Lender shall be deemed to, and hereby irrevocably and unconditionally agrees to, purchase from a L/C Issuer a risk participation in such Letter of Credit in an amount equal to the product of such Lender's Applicable Percentage times the amount of such Letter of Credit.

(iii) If the Borrower so requests in any applicable Letter of Credit Application, a L/C Issuer may, in its sole discretion, agree to issue a Letter of Credit that has automatic extension provisions (each, an "Auto-Extension Letter of Credit");

provided that any such Auto-Extension Letter of Credit must permit a L/C Issuer to prevent any such extension at least once in each twelve-month period (commencing with the date of issuance of such Letter of Credit) by giving prior notice to the beneficiary thereof not later than a day (the "Non-Extension Notice Date") in each such twelve-month period to be agreed upon at the time such Letter of Credit is issued. Unless otherwise directed by a L/C Issuer, the Borrower shall not be required to make a specific request to a L/C Issuer for any such extension. Once an Auto-Extension Letter of Credit has been issued, the Lenders shall be deemed to have authorized (but may not require) a L/C Issuer to permit the extension of such Letter of Credit at any time to an expiry date not later than the Letter of Credit Expiration Date; provided, however, that a L/C Issuer shall not permit any such extension if (A) a L/C Issuer has determined that it would not be permitted, or would have no obligation, at such time to issue such Letter of Credit in its revised form (as extended) under the terms hereof (by reason of the provisions of clause (ii) or (iii) of Section 2.03(a) or otherwise), or (B) it has received notice (which may be by telephone or in writing) on or before the day that is seven Business Days before the Non-Extension Notice Date (1) from the Administrative Agent that the Required Lenders have elected not to permit such extension or (2) from the Administrative Agent, any Lender or the Borrower that one or more of the applicable conditions specified in Section 5.02 is not then satisfied, and in each case directing a L/C Issuer not to permit such extension.

(iv) Promptly after its delivery of any Letter of Credit or any amendment to a Letter of Credit to an advising bank with respect thereto or to the beneficiary thereof, a L/C Issuer will also deliver to the Borrower and the Administrative Agent a true and complete copy of such Letter of Credit or amendment.

(c) Drawings and Reimbursements; Funding of Participations.

(i) Upon receipt from the beneficiary of any Letter of Credit of any notice of drawing under such Letter of Credit, a L/C Issuer shall notify the Borrower and the Administrative Agent thereof. Not later than 11:00 a.m. on the date of any payment by a L/C Issuer under a Letter of Credit (each such date, an "Honor Date"), the Borrower shall reimburse such L/C Issuer through the Administrative Agent in an amount equal to the amount of such drawing. If the Borrower fails to so reimburse such L/C Issuer by such time, the Administrative Agent shall promptly notify each Lender with a Revolving Commitment of the Honor Date, the amount of the unreimbursed drawing (the "Unreimbursed Amount"), and the amount of such Lender's Applicable Percentage thereof. In such event, the Borrower shall be deemed to have requested a Borrowing of Base Rate Loans to be disbursed on the Honor Date in an amount equal to the Unreimbursed Amount, without regard to the minimum and multiples specified in Section 2.02 for the principal amount of Base Rate Loans, but subject to the conditions set forth in Section 5.02 (other than the delivery of a Loan Notice) and provided that, after giving effect to such Borrowing, the Total Revolving Outstandings shall not exceed the Aggregate Revolving Commitments. Any notice given by a L/C Issuer or the Administrative Agent pursuant to this Section 2.03(c)(i) may be given by telephone if immediately confirmed in writing; provided that the lack of such an immediate confirmation shall not affect the conclusiveness or binding effect of such notice.

(ii) Each Lender with a Revolving Commitment shall upon any notice pursuant to Section 2.03(c)(i) make funds available (and the Administrative Agent may apply Cash Collateral provided for this purpose) to the Administrative Agent for the

account of a L/C Issuer at the Administrative Agent's Office in an amount equal to its Applicable Percentage of the Unreimbursed Amount not later than 1:00 p.m. on the Business Day specified in such notice by the Administrative Agent, whereupon, subject to the provisions of Section 2.03(c)(iii), each Lender that so makes funds available shall be deemed to have made a Base Rate Loan to the Borrower in such amount. The Administrative Agent shall remit the funds so received to the applicable L/C Issuer.

(iii) With respect to any Unreimbursed Amount that is not fully refinanced by a Borrowing of Base Rate Loans because the conditions set forth in Section 5.02 cannot be satisfied or for any other reason, the Borrower shall be deemed to have incurred from the applicable L/C Issuer an L/C Borrowing in the amount of the Unreimbursed Amount that is not so refinanced, which L/C Borrowing shall be due and payable on demand (together with interest) and shall bear interest at the Default Rate. In such event, each Lender's payment to the Administrative Agent for the account of such L/C Issuer pursuant to Section 2.03(c)(ii) shall be deemed payment in respect of its participation in such L/C Borrowing and shall constitute an L/C Advance from such Lender in satisfaction of its participation obligation under this Section 2.03.

(iv) Until each Lender with a Revolving Commitment funds its Revolving Loan or L/C Advance pursuant to this Section 2.03(c) to reimburse a L/C Issuer for any amount drawn under any Letter of Credit, interest in respect of such Lender's Applicable Percentage of such amount shall be solely for the account of such L/C Issuer.

(v) Each Lender with a Revolving Commitment's obligation to make Revolving Loans or L/C Advances to reimburse a L/C Issuer for amounts drawn under Letters of Credit, as contemplated by this Section 2.03(c), shall be absolute and unconditional and shall not be affected by any circumstance, including (A) any setoff, counterclaim, recoupment, defense or other right which such Lender may have against such L/C Issuer, the Borrower or any other Person for any reason whatsoever; (B) the occurrence or continuance of a Default, or (C) any other occurrence, event or condition, whether or not similar to any of the foregoing; provided, however, that each Lender's obligation to make Revolving Loans pursuant to this Section 2.03(c) is subject to the conditions set forth in Section 5.02 (other than delivery by the Borrower of a Loan Notice). No such making of an L/C Advance shall relieve or otherwise impair the obligation of the Borrower to reimburse a L/C Issuer for the amount of any payment made by such L/C Issuer under any Letter of Credit, together with interest as provided herein.

(vi) If any Lender with a Revolving Commitment fails to make available to the Administrative Agent for the account of a L/C Issuer any amount required to be paid by such Lender pursuant to the foregoing provisions of this Section 2.03(c) by the time specified in Section 2.03(c)(ii), then, without limiting the other provisions of this Agreement, such L/C Issuer shall be entitled to recover from such Lender (acting through the Administrative Agent), on demand, such amount with interest thereon for the period from the date such payment is required to the date on which such payment is immediately available to such L/C Issuer at a rate per annum equal to the greater of the Federal Funds Rate and a rate determined by such L/C Issuer in accordance with banking industry rules on interbank compensation. A certificate of a L/C Issuer submitted to any Lender (through the Administrative Agent) with respect to any amounts owing under this clause (vi) shall be conclusive absent manifest error.

(d) Repayment of Participations.

(i) At any time after a L/C Issuer has made a payment under any Letter of Credit and has received from any Lender such Lender's L/C Advance in respect of such payment in accordance with Section 2.03(c), if the Administrative Agent receives for the account of such L/C Issuer any payment in respect of the related Unreimbursed Amount or interest thereon (whether directly from the Borrower or otherwise, including proceeds of Cash Collateral applied thereto by the Administrative Agent), the Administrative Agent will distribute to such Lender its Applicable Percentage thereof (appropriately adjusted, in the case of interest payments, to reflect the period of time during which such Lender's L/C Advance was outstanding) in the same funds as those received by the Administrative Agent.

(ii) If any payment received by the Administrative Agent for the account of a L/C Issuer pursuant to Section 2.03(c)(i) is required to be returned under any of the circumstances described in Section 11.05 (including pursuant to any settlement entered into by a L/C Issuer in its discretion), each Lender shall pay to the Administrative Agent for the account of such L/C Issuer its Applicable Percentage thereof on demand of the Administrative Agent, plus interest thereon from the date of such demand to the date such amount is returned by such Lender, at a rate per annum equal to the Federal Funds Rate from time to time in effect. The obligations of the Lenders under this clause shall survive the payment in full of the Obligations and the termination of this Agreement.

(e) Obligations Absolute. The obligation of the Borrower to reimburse a L/C Issuer for each drawing under each Letter of Credit and to repay each L/C Borrowing shall be absolute, unconditional and irrevocable, and shall be paid strictly in accordance with the terms of this Agreement under all circumstances, including the following:

(i) any lack of validity or enforceability of such Letter of Credit, this Agreement or any other Loan Document

(ii) the existence of any claim, counterclaim, setoff, defense or other right that the Borrower or any Subsidiary may have at any time against any beneficiary or any transferee of such Letter of Credit (or any Person for whom any such beneficiary or any such transferee may be acting), a L/C Issuer or any other Person, whether in connection with this Agreement, the transactions contemplated hereby or by such Letter of Credit or any agreement or instrument relating thereto, or any unrelated transaction;

(iii) any draft, demand, certificate or other document presented under such Letter of Credit proving to be forged, fraudulent, invalid or insufficient in any respect or any statement therein being untrue or inaccurate in any respect; or any loss or delay in the transmission or otherwise of any document required in order to make a drawing under such Letter of Credit;

(iv) waiver by a L/C Issuer of any requirement that exists for a L/C Issuer's protection and not the protection of the Borrower or any waiver by a L/C Issuer which does not in fact materially prejudice the Borrower;

(v) honor of a demand for payment presented electronically even if such Letter of Credit requires that demand be in the form of a draft;

(vi) any payment made by a L/C Issuer in respect of an otherwise complying item presented after the date specified as the expiration date of, or the date by which documents must be received under such Letter of Credit if presentation after such date is authorized by the ISP;

(vii) any payment by a L/C Issuer under such Letter of Credit against presentation of a draft or certificate that does not strictly comply with the terms of such Letter of Credit; or any payment made by a L/C Issuer under such Letter of Credit to any Person purporting to be a trustee in bankruptcy, debtor-in-possession, assignee for the benefit of creditors, liquidator, receiver or other representative of or successor to any beneficiary or any transferee of such Letter of Credit, including any arising in connection with any proceeding under any Debtor Relief Law; or

(viii) any other circumstance or happening whatsoever, whether or not similar to any of the foregoing, including any other circumstance that might otherwise constitute a defense available to, or a discharge of, the Borrower or any Subsidiary.

The Borrower shall promptly examine a copy of each Letter of Credit and each amendment thereto that is delivered to it and, in the event of any claim of noncompliance with the Borrower's instructions or other irregularity, the Borrower will immediately notify the applicable L/C Issuer. The Borrower shall be conclusively deemed to have waived any such claim against a L/C Issuer and its correspondents unless such notice is given as aforesaid.

(f) Role of L/C Issuer. Each Lender and the Borrower agree that, in paying any drawing under a Letter of Credit, a L/C Issuer shall not have any responsibility to obtain any document (other than any sight draft, certificates and documents expressly required by such Letter of Credit) or to ascertain or inquire as to the validity or accuracy of any such document or the authority of the Person executing or delivering any such document. None of the L/C Issuers, the Administrative Agent, any of their respective Related Parties nor any correspondent, participant or assignee of a L/C Issuer shall be liable to any Lender for (i) any action taken or omitted in connection herewith at the request or with the approval of the Lenders or the Required Lenders, as applicable; (ii) any action taken or omitted in the absence of gross negligence or willful misconduct; or (iii) the due execution, effectiveness, validity or enforceability of any document or instrument related to any Letter of Credit or Issuer Document. The Borrower hereby assumes all risks of the acts or omissions of any beneficiary or transferee with respect to its use of any Letter of Credit; provided, however, that this assumption is not intended to, and shall not, preclude the Borrower's pursuing such rights and remedies as it may have against the beneficiary or transferee at law or under any other agreement. None of the L/C Issuers, the Administrative Agent, any of their respective Related Parties nor any correspondent, participant or assignee of a L/C Issuer shall be liable or responsible for any of the matters described in clauses (i) through (viii) of Section 2.03(e); provided, however, that anything in such clauses to the contrary notwithstanding, the Borrower may have a claim against a L/C Issuer, and a L/C Issuer may be liable to the Borrower, to the extent, but only to the extent, of any direct, as opposed to consequential or exemplary, damages suffered by the Borrower which the Borrower proves were caused by a L/C Issuer's willful misconduct or gross negligence or a L/C Issuer's willful failure to pay under any Letter of Credit after the presentation to it by the beneficiary of a sight draft and certificate(s) strictly complying with the terms and conditions of a Letter of Credit unless a L/C Issuer is prevented or prohibited from so paying as a result of any order or directive of any court or other Governmental Authority. In furtherance and not in limitation of the foregoing, a L/C Issuer may accept documents that appear on their face to be in order, without responsibility for further investigation, regardless of any notice or information to the contrary, and a L/C Issuer

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. A L/C Issuer may send a Letter of Credit or conduct any communication to or from the beneficiary via the Society for Worldwide Interbank Financial Telecommunication ("SWIFT") message or overnight courier, or any other commercially reasonable means of communicating with a beneficiary.

(g) Applicability of ISP; Limitation of Liability. Unless otherwise expressly agreed by a L/C Issuer and the Borrower when a Letter of Credit is issued the rules of the ISP shall apply to each standby Letter of Credit. Notwithstanding the foregoing, a L/C Issuer shall not be responsible to the Borrower for, and a L/C Issuer's rights and remedies against the Borrower shall not be impaired by, any action or inaction of a L/C Issuer required or permitted under any law, order, or practice that is required or permitted to be applied to any Letter of Credit or this Agreement, including the Law or any order of a jurisdiction where a L/C Issuer or the beneficiary is located, the practice stated in the ISP, or in the decisions, opinions, practice statements, or official commentary of the ICC Banking Commission, the Bankers Association for Finance and Trade - International Financial Services Association (BAFT-IFSA), or the Institute of International Banking Law & Practice, whether or not any Letter of Credit chooses such law or practice.

(h) Letter of Credit Fees. The Borrower shall pay to the Administrative Agent for the account of each Lender in accordance, subject to Section 2.15, with its Applicable Percentage a Letter of Credit fee (the "Letter of Credit Fee") for each Letter of Credit equal to the Applicable Rate times the daily maximum amount available to be drawn under such Letter of Credit. For purposes of computing the daily amount available to be drawn under any Letter of Credit, the amount of such Letter of Credit shall be determined in accordance with Section 1.06. Letter of Credit Fees shall be (i) computed on a quarterly basis in arrears and (ii) due and payable on the first Business Day after the end of each March, June, September and December, commencing with the first such date to occur after the issuance of such Letter of Credit, on the Letter of Credit Expiration Date and thereafter on demand. If there is any change in the Applicable Rate during any quarter, the daily amount available to be drawn under each Letter of Credit shall be computed and multiplied by the Applicable Rate separately for each period during such quarter that such Applicable Rate was in effect. Notwithstanding anything to the contrary contained herein, upon the request of the Required Lenders while any Event of Default exists, all Letter of Credit Fees shall accrue at the Default Rate.

(i) Fronting Fee and Documentary and Processing Charges Payable to L/C Issuer. The Borrower shall pay directly to each L/C Issuer for its own account a fronting fee with respect to each Letter of Credit issued by such L/C Issuer, at the rate per annum specified in any fee letter or as otherwise mutually agreed, computed on the actual daily maximum amount available to be drawn under such Letter of Credit (whether or not such maximum amount is then in effect under such Letter of Credit) and on a quarterly basis in arrears. Such fronting fee shall be due and payable on the tenth Business Day after the end of each March, June, September and December in respect of the most recently-ended quarterly period (or portion thereof, in the case of the first payment), commencing with the first such date to occur after the issuance of such Letter of Credit, on the Letter of Credit Expiration Date and thereafter on demand. For purposes of computing the daily amount available to be drawn under any Letter of Credit, the amount of such Letter of Credit shall be determined in accordance with Section 1.06. In addition, the Borrower shall pay directly to a L/C Issuer for its own account the customary issuance, presentation, amendment and other processing fees, and other standard costs and charges, of such L/C Issuer

relating to letters of credit as from time to time in effect. Such customary fees and standard costs and charges are due and payable on demand and are nonrefundable.

(j) Conflict with Issuer Documents. In the event of any conflict between the terms hereof and the terms of any Issuer Document, the terms hereof shall control.

(k) Letters of Credit Issued for Members of the Consolidated Group. Notwithstanding that a Letter of Credit issued or outstanding hereunder is in support of any obligations of, or is for the account of, any member of the Consolidated Group, the Borrower shall be obligated to reimburse a L/C Issuer hereunder for any and all drawings under such Letter of Credit. The Borrower hereby acknowledges that the issuance of Letters of Credit for the account of any member of the Consolidated Group inures to the benefit of the Borrower, and that the Borrower's business derives substantial benefits from the businesses of such member of the Consolidated Group.

(l) L/C Issuer Reports to the Administrative Agent. Unless otherwise agreed by the Administrative Agent, each L/C Issuer shall, in addition to its notification obligations set forth elsewhere in this Section, provide the Administrative Agent a Letter of Credit report, as set forth below:

(i) reasonably prior to the time that such L/C Issuer issues, amends, renews, increases or extends a Letter of Credit, the date of such issuance, amendment, renewal, increase or extension and the stated amount of the applicable Letters of Credit after giving effect to such issuance, amendment, renewal or extension (and whether the amounts thereof shall have changed);

(ii) on each Business Day on which such L/C Issuer makes a payment pursuant to a Letter of Credit, the date and amount of such payment;

(iii) on any Business Day on which the Borrower fails to reimburse a payment made pursuant to a Letter of Credit required to be reimbursed to such L/C Issuer on such day, the date of such failure and the amount of such payment;

(iv) on any Business Day that such L/C Issuer agrees to increase its L/C Commitment and the amount of such increase;

(v) on any other Business Day, such other information as the Administrative Agent shall reasonably request as to the Letters of Credit issued by such L/C Issuer; and

(vi) for so long as any Letter of Credit issued by a L/C Issuer is outstanding, such L/C Issuer shall deliver to the Administrative Agent (A) on the last Business Day of each calendar month, (B) at all other times a Letter of Credit report is required to be delivered pursuant to this Agreement, and (C) on each date that (1) an L/C Credit Extension occurs or (2) there is any expiration, cancellation and/or disbursement, in each case, with respect to any such Letter of Credit, a Letter of Credit report appropriately completed with the information for every outstanding Letter of Credit issued by such L/C Issuer.

2.04 Swing Line Loans.

(a) Swing Line Facility. Subject to the terms and conditions set forth herein, each Swing Line Lender, in reliance upon the agreements of the other Lenders set forth in this Section 2.04, shall unless (i) any Lender at such time is a Defaulting Lender and (ii) a Swing Line Lender has not entered into arrangements satisfactory to it with the Borrower or such Defaulting Lender to eliminate such Swing Line Lender's actual or potential Fronting Exposure (after giving effect to Section 2.15(a)(iv)) with respect to such Defaulting Lender (in which case a Swing Line Lender may in its discretion) make loans (each such loan, a "Swing Line Loan") to the Borrower in Dollars from time to time on any Business Day during the Availability Period in an aggregate amount not to exceed at any time outstanding the amount of its Swing Line Commitment; provided, however, that (x) after giving effect to any Swing Line Loan, (A) the Total Revolving Outstandings shall not exceed the Aggregate Revolving Commitments, (B) the Revolving Credit Exposure of any Lender shall not exceed such Lender's Revolving Commitment, (C) the outstanding principal amount of Swing Line Loans of any Swing Line Lender shall not exceed such Swing Line Lender's Swing Line Commitment and (D) the outstanding principal amount of all Swing Line Loans shall not exceed the Swing Line Sublimit, (y) the Borrower shall not use the proceeds of any Swing Line Loan to refinance any outstanding Swing Line Loan and (z) each Swing Line Lender shall not be under any obligation to make any Swing Line Loan if it shall determine (which determination shall be conclusive and binding absent manifest error) that it has, or by such Credit Extension may have, Fronting Exposure. Within the foregoing limits and subject to the other terms and conditions hereof, the Borrower may borrow under this Section 2.04, prepay under Section 2.05, and reborrow under this Section 2.04. Each Swing Line Loan shall be a Base Rate Loan. Immediately upon the making of a Swing Line Loan, each Lender shall be deemed to, and hereby irrevocably and unconditionally agrees to, purchase from the applicable Swing Line Lender a risk participation in such Swing Line Loan in an amount equal to the product of such Lender's Applicable Percentage times the amount of such Swing Line Loan.

(b) Borrowing Procedures. Each Borrowing of Swing Line Loans shall be made upon the Borrower's irrevocable notice to the applicable Swing Line Lender and the Administrative Agent, which may be given by telephone. Each such notice must be received by the applicable Swing Line Lender and the Administrative Agent not later than 1:00 p.m. on the requested borrowing date, and shall specify (i) the amount to be borrowed, which shall be a minimum principal amount of $100,000, and (ii) the requested borrowing date, which shall be a Business Day. Each such telephonic notice must be confirmed promptly by delivery to the applicable Swing Line Lender and the Administrative Agent of a written Swing Line Loan Notice, appropriately completed and signed by a Responsible Officer of the Borrower, including a certification that such Borrowing complies with Section 2.04(a). Promptly after receipt by the applicable Swing Line Lender of any telephonic Swing Line Loan Notice, such Swing Line Lender will confirm with the Administrative Agent (by telephone or in writing) that the Administrative Agent has also received such Swing Line Loan Notice and, if not, such Swing Line Lender will notify the Administrative Agent (by telephone or in writing) of the contents thereof. Unless the applicable Swing Line Lender has received notice (by telephone or in writing) from the Administrative Agent (including at the request of any Lender) prior to 2:00 p.m. on the date of the proposed Borrowing of Swing Line Loans (A) directing a Swing Line Lender not to make such Swing Line Loan as a result of the limitations set forth in the first proviso to the first sentence of Section 2.04(a), or (B) that one or more of the applicable conditions specified in Article V is not then satisfied, then, subject to the terms and conditions hereof, the applicable Swing Line Lender will, not later than 3:00 p.m. on the borrowing date specified in such Swing Line Loan Notice, make the amount of its Swing Line Loan available to the Borrower.

(c) Refinancing of Swing Line Loans.

(i) Each Swing Line Lender at any time in its sole discretion may request, on behalf of the Borrower (which hereby irrevocably requests and authorizes each Swing Line Lender to so request on its behalf), that each Lender make a Base Rate Loan in an amount equal to such Lender's Applicable Percentage of the amount of Swing Line Loans made by such Swing Line Lender then outstanding. Such request shall be made in writing (which written request shall be deemed to be a Loan Notice for purposes hereof) and in accordance with the requirements of Section 2.02, without regard to the minimum and multiples specified therein for the principal amount of Base Rate Loans, but subject to the conditions set forth in Section 5.02 (other than the delivery of a Loan Notice) and provided that, after giving effect to such Borrowing, the Total Revolving Outstandings shall not exceed the Aggregate Revolving Commitments. The applicable Swing Line Lender shall furnish the Borrower with a copy of the applicable Loan Notice promptly after delivering such notice to the Administrative Agent. Each Lender shall make an amount equal to its Applicable Percentage of the amount specified in such Loan Notice available to the Administrative Agent in immediately available funds (and the Administrative Agent may apply Cash Collateral available with respect to the applicable Swing Line Loan) for the account of the applicable Swing Line Lender at the Administrative Agent's Office not later than 1:00 p.m. on the day specified in such Loan Notice, whereupon, subject to Section 2.04(c)(ii), each Lender that so makes funds available shall be deemed to have made a Base Rate Loan to the Borrower in such amount. The Administrative Agent shall remit the funds so received to the applicable Swing Line Lender.

(ii) If for any reason any Swing Line Loan cannot be refinanced by such a Borrowing of Revolving Loans in accordance with Section 2.04(c)(i), the request for Base Rate Loans submitted by the applicable Swing Line Lender as set forth herein shall be deemed to be a request by the applicable Swing Line Lender that each of the Lenders fund its risk participation in the relevant Swing Line Loan and each Lender's payment to the Administrative Agent for the account of the applicable Swing Line Lender pursuant to Section 2.04(c)(i) shall be deemed payment in respect of such participation.

(iii) If any Lender fails to make available to the Administrative Agent for the account of a Swing Line Lender any amount required to be paid by such Lender pursuant to the foregoing provisions of this Section 2.04(c) by the time specified in Section 2.04(c)(i), such Swing Line Lender shall be entitled to recover from such Lender (acting through the Administrative Agent), on demand, such amount with interest thereon for the period from the date such payment is required to the date on which such payment is immediately available to such Swing Line Lender at a rate per annum equal to the greater of the Federal Funds Rate and a rate determined by such Swing Line Lender in accordance with banking industry rules on interbank compensation. A certificate of the applicable Swing Line Lender submitted to any Lender (through the Administrative Agent) with respect to any amounts owing under this clause (iii) shall be conclusive absent manifest error.

(iv) Each Lender's obligation to make Revolving Loans or to purchase and fund risk participations in Swing Line Loans pursuant to this Section 2.04(c) shall be absolute and unconditional and shall not be affected by any circumstance, including (A) any setoff, counterclaim, recoupment, defense or other right that such Lender may have against a Swing Line Lender, the Borrower or any other Person for any reason

whatsoever, (B) the occurrence or continuance of a Default, or (C) any other occurrence, event or condition, whether or not similar to any of the foregoing; provided, however, that each Lender's obligation to make Revolving Loans pursuant to this Section 2.04(c) is subject to the conditions set forth in Section 5.02. No such purchase or funding of risk participations shall relieve or otherwise impair the obligation of the Borrower to repay Swing Line Loans, together with interest as provided herein.

(d) Repayment of Participations.

(i) At any time after any Lender has purchased and funded a risk participation in a Swing Line Loan, if a Swing Line Lender receives any payment on account of such Swing Line Loan, such Swing Line Lender will distribute to such Lender its Applicable Percentage of such payment (appropriately adjusted, in the case of interest payments, to reflect the period of time during which such Lender's risk participation was funded) in the same funds as those received by such Swing Line Lender.

(ii) If any payment received by a Swing Line Lender in respect of principal or interest on any Swing Line Loan is required to be returned by such Swing Line Lender under any of the circumstances described in Section 11.05 (including pursuant to any settlement entered into by the applicable Swing Line Lender in its discretion), each Lender shall pay to applicable Swing Line Lender its Applicable Percentage thereof on demand of the Administrative Agent, plus interest thereon from the date of such demand to the date such amount is returned, at a rate per annum equal to the Federal Funds Rate. The Administrative Agent will make such demand upon the request of the applicable Swing Line Lender. The obligations of the Lenders under this clause shall survive the payment in full of the Obligations and the termination of this Agreement.

(e) Interest for Account of Swing Line Lender. Each Swing Line Lender shall be responsible for invoicing the Borrower for interest on the Swing Line Loans. Until each Lender funds its Revolving Loans that are Base Rate Loans or risk participation pursuant to this Section 2.04 to refinance such Lender's Applicable Percentage of any Swing Line Loan, interest in respect of such Applicable Percentage shall be solely for the account of the applicable Swing Line Lender.

(f) Payments Directly to Swing Line Lender. The Borrower shall make all payments of principal and interest in respect of the Swing Line Loans directly to the applicable Swing Line Lender.

(g) Swing Line Lender Reports to the Administrative Agent. Unless otherwise agreed by the Administrative Agent, each Swing Line Lender shall, in addition to its notification obligations set forth elsewhere in this Section, provide the Administrative Agent a Swing Line Loan report, as set forth below:

(i) reasonably prior to the time that such Swing Line Lender makes a Swing Line Loan, the date of such Swing Line Loan and the amount thereof;

(ii) on each Business Day on which the Borrower makes a payment with respect to a Swing Line Loan, the date and amount of such payment;

(iii) on any Business Day on which the Borrower fails to make a required payment with respect to a Swing Line Loan and the amount of such required payment;

(iv) on any Business Day that such Swing Line Lender agrees to increase its Swing Line Loan Commitment and the amount of such increase;

(v) on any other Business Day, such other information as the Administrative Agent shall reasonably request as to the Swing Line Loans made by such Swing Line Lender; and

(vi) each Swing Line Lender shall deliver to the Administrative Agent (A) on the last Business Day of each calendar month and (B) at all other times a Swing Line Lender report is required to be delivered pursuant to this Agreement, a Swing Line Loan report appropriately completed with the information for every outstanding Swing Line Loan made by such Swing Line Lender.

2.05 Prepayments.

(a) Voluntary Prepayments.

(i) Revolving Loans. The Borrower may, upon notice from the Borrower to the Administrative Agent, at any time or from time to time voluntarily prepay Revolving Loans in whole or in part without premium or penalty; provided that (A) such notice must be received by the Administrative Agent not later than 11:00 a.m. (1) three Business Days prior to any date of prepayment of Eurodollar Rate Loans and (2) on the date of prepayment of Base Rate Loans and LIBOR Daily Floating Rate Loans; (B) any such prepayment of Eurodollar Rate Loans shall be in a principal amount of $1,000,000 or a whole multiple of $1,000,000 in excess thereof (or, if less, the entire principal amount thereof then outstanding); (C) any such prepayment of LIBOR Daily Floating Rate Loans shall be in a principal amount of $500,000 or a whole multiple of $100,000 in excess thereof (or, if less, the entire principal amount thereof then outstanding); and (D) any prepayment of Base Rate Loans shall be in a principal amount of $500,000 or a whole multiple of $100,000 in excess thereof (or, if less, the entire principal amount thereof then outstanding). Each such notice shall specify the date and amount of such prepayment and the Type(s) of Revolving Loans to be prepaid. The Administrative Agent will promptly notify each applicable Lender of its receipt of each such notice, and of the amount of such Lender's Applicable Percentage of such prepayment. If such notice is given by the Borrower, the Borrower shall make such prepayment and the payment amount specified in such notice shall be due and payable on the date specified therein. Any prepayment of a Eurodollar Rate Loan shall be accompanied by all accrued interest on the amount prepaid, together with any additional amounts required pursuant to Section 3.05. Subject to Section 2.15, each such prepayment shall be applied to the Revolving Loans of the Lenders in accordance with their respective Applicable Percentages.

(ii) Swing Line Loans. The Borrower may, upon notice to the applicable Swing Line Lender (with a copy to the Administrative Agent), at any time or from time to time, voluntarily prepay Swing Line Loans in whole or in part without premium or penalty; provided that (i) such notice must be received by the applicable Swing Line Lender and the Administrative Agent not later than 1:00 p.m. on the date of the prepayment, and (ii) any such prepayment shall be in a minimum principal amount of $100,000 or a whole multiple of $100,000 in excess thereof (or, if less, the entire principal thereof then outstanding). Each such notice shall specify the date and amount

of such prepayment. If such notice is given by the Borrower, the Borrower shall make such prepayment and the payment amount specified in such notice shall be due and payable on the date specified therein.

(iii) Term Loans. The Borrower may, upon notice from the Borrower to the Administrative Agent, at any time or from time to time voluntarily prepay any Term Loan tranche in whole or in part without premium or penalty; provided that (A) such notice must be received by the Administrative Agent not later than 11:00 a.m. (1) three Business Days prior to any date of prepayment of Eurodollar Rate Loans and (2) on the date of prepayment of Base Rate Loans and LIBOR Daily Floating Rate Loans; (B) any such prepayment of Eurodollar Rate Loans shall be in a principal amount of $1,000,000 or a whole multiple of $1,000,000 in excess thereof (or, if less, the entire principal amount thereof then outstanding); (C) any such prepayment of LIBOR Daily Floating Rate Loans shall be in a principal amount of $500,000 or a whole multiple of $100,000 in excess thereof (or, if less, the entire principal amount thereof then outstanding); and (D) any prepayment of Base Rate Loans shall be in a principal amount of $500,000 or a whole multiple of $100,000 in excess thereof (or, if less, the entire principal amount thereof then outstanding). Each such notice shall specify the date and amount of such prepayment, the tranche of Terms Loans to be prepaid and the Type(s) of Term Loans to be prepaid. The Administrative Agent will promptly notify each applicable Lender of its receipt of each such notice, and of the amount of such Lender's Applicable Percentage of such prepayment. If such notice is given by the Borrower, the Borrower shall make such prepayment and the payment amount specified in such notice shall be due and payable on the date specified therein. Any prepayment of a Eurodollar Rate Loan shall be accompanied by all accrued interest on the amount prepaid, together with any additional amounts required pursuant to Section 3.05. Subject to Section 2.15, each such prepayment shall be applied to the applicable tranche of Term Loans of the Lenders in accordance with their respective Applicable Percentages.

(b) Mandatory Prepayments of Loans.

(i) Revolving Commitments. If for any reason the Total Revolving Outstandings at any time exceed the Aggregate Revolving Commitments then in effect, the Borrower shall immediately prepay Revolving Loans and/or the Swing Line Loans and/or Cash Collateralize the L/C Obligations in an aggregate amount equal to such excess; provided, however, that the Borrower shall not be required to Cash Collateralize the L/C Obligations pursuant to this Section 2.05(b)(i) unless after the prepayment in full of the Revolving Loans and the Swing Line Loans the Total Revolving Outstandings exceed the Aggregate Revolving Commitments then in effect. All amounts required to be paid pursuant to this Section 2.05(b)(i) shall be applied ratably to Revolving Loans and Swing Line Loans and (after all Revolving Loans and Swing Line Loans have been repaid) to Cash Collateralize L/C Obligations.

(ii) Swing Line Commitments. If for any reason (A) the aggregate amount of Swing Line Loans to any Swing Line Lender exceeds its Swing Line Commitment or (B) the aggregate amount of all Swing Line Loans exceeds the Swing Line Sublimit then in effect, the Borrower shall immediately prepay Swing Line Loans in an aggregate amount equal to such excess. All amounts required to be paid pursuant to (1) Section 2.05(b)(ii)(A) shall be applied to such Swing Line Lender and (2) Section 2.05(b)(ii)(B) shall be applied ratably to outstanding Swing Line Loans.

(iii) L/C Obligations. If for any reason (A) the aggregate amount of L/C Obligations to any L/C Issuer exceeds its L/C Commitment or (B) the aggregate amount of all L/C Obligations exceeds the Letter of Credit Sublimit then in effect, the Borrower shall immediately Cash Collateralize the L/C Obligations in an aggregate amount equal to such excess. All amounts required to be Cash Collateralized pursuant to (1) Section 2.05(b)(iii)(A) shall be applied to such L/C Issuer and (2) Section 2.05(b)(iii)(B) shall be applied ratably to outstanding L/C Obligations.

Within the parameters of the applications set forth above, prepayments shall be applied, as applicable, first to Base Rate Loans, second to LIBOR Daily Floating Rate Loans and then to Eurodollar Rate Loans in direct order of Interest Period maturities. All prepayments under this Section 2.05(b) shall be subject to Section 3.05, but otherwise without premium or penalty, and shall be accompanied by interest on the principal amount prepaid through the date of prepayment.

2.06 Termination or Reduction of Aggregate Revolving Commitments.

(a) Optional Reductions. The Borrower may, upon notice to the Administrative Agent, terminate the Aggregate Revolving Commitments, or from time to time permanently reduce the Aggregate Revolving Commitments to an amount not less than the Outstanding Revolving Amount of Revolving Loans, Swing Line Loans and L/C Obligations; provided that (i) any such notice shall be received by the Administrative Agent not later than 1:00 p.m., five (5) Business Days prior to the date of termination or reduction, (ii) any such partial reduction shall be in an aggregate amount of $2,000,000 or any whole multiple of $1,000,000 in excess thereof and (iii) the Borrower shall not terminate or reduce (A) the Aggregate Revolving Commitments if, after giving effect thereto and to any concurrent prepayments hereunder, the Total Revolving Outstandings would exceed the Aggregate Revolving Commitments, (B) the Letter of Credit Sublimit if, after giving effect thereto, the Outstanding Revolving Amount of L/C Obligations not fully Cash Collateralized hereunder would exceed the Letter of Credit Sublimit, or (C) the Swing

Line Sublimit if, after giving effect thereto and to any concurrent prepayments hereunder, the Outstanding Revolving Amount of Swing Line Loans would exceed the Swing Line Sublimit.

(b) Mandatory Reductions. If after giving effect to any reduction or termination of Aggregate Revolving Commitments under this Section 2.06, the Letter of Credit Sublimit or the Swing Line Sublimit exceeds the Aggregate Revolving Commitments at such time, the Letter of Credit Sublimit or the Swing Line Sublimit, as the case may be, shall be automatically reduced by the amount of such excess.

(c) Notice. The Administrative Agent will promptly notify the Lenders of any termination or reduction of the Letter of Credit Sublimit, Swing Line Sublimit or the Aggregate Revolving Commitments under this Section 2.06. Upon any reduction of the Aggregate Revolving Commitments, the Revolving Commitment of each Lender shall be reduced by such Lender's Applicable Percentage of such reduction amount. All fees in respect of the Aggregate Revolving Commitments accrued until the effective date of any termination of the Aggregate Revolving Commitments shall be paid on the effective date of such termination.

2.07 Repayment of Loans.

(a) Revolving Loans. The Borrower shall repay to the Lenders on the Revolving Maturity Date the aggregate principal amount of all Revolving Loans outstanding on such date.

(b) Swing Line Loans. The Borrower shall repay each Swing Line Loan on the earliest to occur of (i) the date within one (1) Business Day of demand therefor by the applicable Swing Line Lender, (ii) the date five Business Days after such Swing Line Loan is made and (iii) the Revolving Maturity Date.

(c) Term Loans. The Borrower shall repay to the Lenders (i) on the Term Loan A-1 Maturity Date the aggregate principal amount of Term Loan A-1 outstanding on such date, (ii) on the Term Loan A-2 Maturity Date, the aggregate principal amount of Term Loan A-2 outstanding on such date, (iii) on the Term Loan A-3 Maturity Date, the aggregate principal amount of Term Loan A-3 outstanding on such date and (iv) any Incremental Term Loan on the applicable maturity date thereof as set forth in the applicable Incremental Term Loan Agreement, together, in each case, with all accrued and unpaid interest in respect thereto.

2.08 Interest.

(a) Subject to the provisions of subsection (b) below, (i) each Eurodollar Rate Loan shall bear interest on the outstanding principal amount thereof for each Interest Period at a rate per annum equal to the sum of the Eurodollar Rate for such Interest Period plus the Applicable Rate, (ii) each LIBOR Daily Floating Rate Loan shall bear interest on the outstanding principal amount thereof from the applicable borrowing date at a rate per annum equal to the LIBOR Daily Floating Rate plus the Applicable Rate, (iii) each Base Rate Loan shall bear interest on the outstanding principal amount thereof from the applicable borrowing date at a rate per annum equal to the Base Rate plus the Applicable Rate and (iv) each Swing Line Loan shall bear interest on the outstanding principal amount thereof from the applicable borrowing date at a rate per annum equal to the Base Rate plus the Applicable Rate.

(b) (i) If any amount of principal of any Loan is not paid when due (without regard to any applicable grace periods), whether at stated maturity, by acceleration or otherwise or if any Event of Default has occurred under Section 9.01(f), all outstanding

Obligations hereunder shall thereafter bear interest at a fluctuating interest rate per annum at all times equal to the Default Rate to the fullest extent permitted by applicable Laws.

(ii) If any amount (other than principal of any Loan) is not paid when due (after giving effect to any applicable grace periods), whether at stated maturity, by acceleration or otherwise, then upon the request of the Required Lenders, such amount shall thereafter bear interest at a fluctuating interest rate per annum at all times equal to the Default Rate to the fullest extent permitted by applicable Laws.

(iii) Upon the request of the Required Lenders, while any Event of Default exists, the Borrower shall pay interest on the principal amount of all outstanding Obligations hereunder at a fluctuating interest rate per annum at all times equal to the Default Rate to the fullest extent permitted by applicable Laws.

(iv) Accrued and unpaid interest on past due amounts (including interest on past due interest) shall be due and payable upon demand.

(c) Interest on each Loan shall be due and payable in arrears on each Interest Payment Date applicable thereto and at such other times as may be specified herein. Interest hereunder shall be due and payable in accordance with the terms hereof before and after judgment, and before and after the commencement of any proceeding under any Debtor Relief Law.

2.09 Fees.

In addition to certain fees described in subsections (h) and (i) of Section 2.03:

(a) Unused Fees. For each day during the term hereof that the Applicable Rate is determined pursuant to clause (a) of the definition of Applicable Rate, the Borrower shall pay a fee to the Administrative Agent for the pro rata benefit of the Lenders in an amount equal to the Unused Fee for such day. The Unused Fee shall be payable quarterly in arrears on the first Business Day of each calendar quarter and as of the Revolving Maturity Date.

(b) Facility Fees. For each day during the term hereof that the Applicable Rate is determined pursuant to clause (b) of the definition of Applicable Rate, the Borrower shall pay a fee to the Administrative Agent for the pro rata benefit of the Lenders in an amount equal to the Facility Fee for such day. The Facility Fee shall be payable quarterly in arrears on the first Business Day of each calendar quarter and as of the Revolving Maturity Date.

(c) Other Fees.

(i) The Borrower shall pay to the Arrangers and the Administrative Agent for their own respective accounts fees in the amounts and at the times specified in the Fee Letters. Such fees shall be fully earned when paid and shall not be refundable for any reason whatsoever.

(ii) The Borrower shall pay to the Lenders such fees as shall have been separately agreed upon in writing in the amounts and at the times so specified. Such fees shall be fully earned when paid and shall not be refundable for any reason whatsoever.

2.10 Computation of Interest and Fees; Retroactive Adjustments of Applicable Rate.

(a) All computations of interest for Base Rate Loans (including Base Rate Loans determined by reference to the Eurodollar Rate) shall be made on the basis of a year of 365 or 366 days, as the case may be, and actual days elapsed. All other computations of fees and interest shall be made on the basis of a 360-day year and actual days elapsed (which results in more fees or interest, as applicable, being paid than if computed on the basis of a 365-day year). Interest shall accrue on each Loan for the day on which the Loan is made, and shall not accrue on a Loan, or any portion thereof, for the day on which the Loan or such portion is paid, provided that any Loan that is repaid on the same day on which it is made shall, subject to Section 2.12(a), bear interest for one day. Each determination by the Administrative Agent of an interest rate or fee hereunder shall be conclusive and binding for all purposes, absent manifest error.

(b) If, as a result of any restatement of or other adjustment to the financial statements of the Consolidated Group or for any other reason, the Borrower or the Lenders determine that (i) the Leverage Ratio as calculated by the Borrower as of any applicable date was inaccurate and (ii) a proper calculation of the Leverage Ratio would have resulted in higher pricing for such period, the Borrower shall immediately and retroactively be obligated to pay to the Administrative Agent for the account of the applicable Lenders or the applicable L/C Issuer, as the case may be, promptly on demand by the Administrative Agent (or, after the occurrence of an actual or deemed entry of an order for relief with respect to the Borrower under the Bankruptcy Code of the United States, automatically and without further action by the Administrative Agent, any Lender or a L/C Issuer), 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. This paragraph shall not limit the rights of the Administrative Agent, any Lender or a L/C Issuer, as the case may be, under Section 2.03(c)(iii), 2.03(i) or 2.08(b) or under Article IX. The Borrower's obligations under this paragraph shall survive the termination of the Commitments of all of the Lenders and the repayment of all other Obligations hereunder.

2.11 Evidence of Debt.

(a) The Credit Extensions made by each Lender shall be evidenced by one or more accounts or records maintained by such Lender and by the Administrative Agent in the ordinary course of business. The accounts or records maintained by the Administrative Agent and each Lender shall be conclusive absent manifest error of the amount of the Credit Extensions made by the Lenders to the Borrower and the interest and payments thereon. Any failure to so record or any error in doing so shall not, however, limit or otherwise affect the obligation of the Borrower hereunder to pay any amount owing with respect to the Obligations. In the event of any conflict between the accounts and records maintained by any Lender and the accounts and records of the Administrative Agent in respect of such matters, the accounts and records of the Administrative Agent shall control in the absence of manifest error. Upon the request of any Lender made through the Administrative Agent, the Borrower shall execute and deliver to such Lender (through the Administrative Agent) a promissory note, which shall evidence such Lender's Loans in addition to such accounts or records. Each such promissory note shall (i) in the case of Revolving Loans, be in the form of Exhibit C (a "Revolving Note"), (ii) in the case of Swing Line Loans, be in the form of Exhibit D (a "Swing Line Note"), (iii) in the case of a Term A-1 Loan, be in the form of Exhibit F-1 (a "Term A-1 Note"), (iv) in the case of a Term A-2 Loan, be in the form of Exhibit F-2 (a "Term A-2 Note") and (v) in the case of a Term A-3 Loan, be in the form of Exhibit F-3 (a "Term A-3 Note"). Each Lender may attach schedules to its Note and endorse thereon the date, Type (if applicable), amount and maturity of its Loans and payments with respect thereto.

(b) In addition to the accounts and records referred to in subsection (a), each Lender and the Administrative Agent shall maintain in accordance with its usual practice accounts or records evidencing the purchases and sales by such Lender of participations in Letters of Credit and Swing Line Loans. In the event of any conflict between the accounts and records maintained by the Administrative Agent and the accounts and records of any Lender in respect of such matters, the accounts and records of the Administrative Agent shall control in the absence of manifest error.

2.12 Payments Generally; Administrative Agent's Clawback.

(a) General. All payments to be made by the Borrower shall be made free and clear of and without condition or deduction for any counterclaim, defense, recoupment or setoff. Except as otherwise expressly provided herein, all payments by the Borrower hereunder shall be made to the Administrative Agent, for the account of the respective Lenders to which such payment is owed, at the Administrative Agent's Office in Dollars and in immediately available funds not later than 2:00 p.m. on the date specified herein. The Administrative Agent will promptly distribute to each Lender its Applicable Percentage (or other applicable share as provided herein) of such payment in like funds as received by wire transfer to such Lender's Lending Office. All payments received by the Administrative Agent after 2:00 p.m. shall be deemed received on the next succeeding Business Day and any applicable interest or fee shall continue to accrue. Subject to the definition of "Interest Period", if any payment to be made by the Borrower shall come due on a day other than a Business Day, payment shall be made on the next following Business Day, and such extension of time shall be reflected in computing interest or fees, as the case may be.

(b) (i) Funding by Lenders; Presumption by Administrative Agent. Unless the Administrative Agent shall have received notice from a Lender prior to the proposed date of any Borrowing of Eurodollar Rate Loans (or, in the case of any Borrowing of Base Rate Loans or LIBOR Daily Floating Rate Loans, prior to 12:00 noon on the date of such Borrowing) that such Lender will not make available to the Administrative Agent such Lender's share of such Borrowing, the Administrative Agent may assume that such Lender has made such share available on such date in accordance with Section 2.02 (or, in the case of any Borrowing of Base Rate Loans or LIBOR Daily Floating Rate Loans, that such Lender has made such share available in accordance with and at the time required by Section 2.02) and may, in reliance upon such assumption, make available to the Borrower a corresponding amount. In such event, if a Lender has not in fact made its share of the applicable Borrowing available to the Administrative Agent, then the applicable Lender and the Borrower 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 Borrower to but excluding the date of payment to the Administrative Agent, at (A) in the case of a payment to be made by such Lender, the greater of the Federal Funds Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation and (B) in the case of a payment to be made by the Borrower, the interest rate applicable to Base Rate Loans. If the Borrower and such Lender shall pay such interest to the Administrative Agent for the same or an overlapping period, the Administrative Agent shall promptly remit to the Borrower the amount of such interest paid by the Borrower for such period. If such Lender pays its share of the applicable Borrowing to the Administrative Agent, then the amount so paid shall constitute such Lender's Loan included in such Borrowing. Any payment by the

Borrower shall be without prejudice to any claim the Borrower may have against a Lender that shall have failed to make such payment to the Administrative Agent.

(ii) Payments by Borrower; Presumptions by Administrative Agent. Unless the Administrative Agent shall have received notice from the Borrower prior to the date on which any payment is due to the Administrative Agent for the account of the Lenders or a L/C Issuer hereunder that the Borrower will not make such payment, the Administrative Agent may assume that the Borrower has made such payment on such date in accordance herewith and may, in reliance upon such assumption, distribute to the Lenders or a L/C Issuer, as the case may be, the amount due. In such event, if the Borrower has not in fact made such payment, then each of the Lenders or a L/C Issuer, as the case may be, severally agrees to repay to the Administrative Agent forthwith on demand the amount so distributed to such Lender or a L/C Issuer, 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 and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation.

A notice of the Administrative Agent to any Lender or the Borrower with respect to any amount owing under this subsection (b) shall be conclusive, absent manifest error.

(c) Failure to Satisfy Conditions Precedent. If any Lender makes available to the Administrative Agent funds for any Loan to be made by such Lender as provided in the foregoing provisions of this Article II, and such funds are not made available to the Borrower by the Administrative Agent because the conditions to the applicable Credit Extension set forth in Article V are not satisfied or waived in accordance with the terms hereof, the Administrative Agent shall return such funds (in like funds as received from such Lender) to such Lender, without interest.

(d) Obligations of Lenders Several. The obligations of the Lenders hereunder to make Loans, to fund participations in Letters of Credit and Swing Line Loans and to make payments pursuant to Section 11.04(c) are several and not joint. The failure of any Lender to make any Loan, to fund any such participation or to make any payment under Section 11.04(c) on any date required hereunder shall not relieve any other Lender of its corresponding obligation to do so on such date, and no Lender shall be responsible for the failure of any other Lender to so make its Loan, to purchase its participation or to make its payment under Section 11.04(c).

(e) Funding Source. Nothing herein shall be deemed to obligate any Lender to obtain the funds for any Loan in any particular place or manner or to constitute a representation by any Lender that it has obtained or will obtain the funds for any Loan in any particular place or manner.

2.13 Sharing of Payments by Lenders.

If any Lender shall, by exercising any right of setoff or counterclaim or otherwise, obtain payment in respect of any principal of or interest on any of the Loans made by it, or the participations in L/C Obligations or in Swing Line Loans held by it (excluding any amounts applied by a Swing Line Lender to outstanding Swing Line Loans) resulting in such Lender's receiving payment of a proportion of the aggregate amount of such Loans or participations and accrued interest thereon greater than its pro rata share thereof as provided herein, then the Lender receiving such greater proportion shall (a) notify the

Administrative Agent of such fact, and (b) purchase (for cash at face value) participations in the Loans and subparticipations in L/C Obligations and Swing Line Loans of the other Lenders, or make such other adjustments as shall be equitable, so that the benefit of all such payments shall be shared by the Lenders ratably in accordance with the aggregate amount of principal of and accrued interest on their respective Loans and other amounts owing them, provided that:

(i) if any such participations or subparticipations are purchased and all or any portion of the payment giving rise thereto is recovered, such participations or subparticipations shall be rescinded and the purchase price restored to the extent of such recovery, without interest; and

(ii) the provisions of this Section shall not be construed to apply to (x) any payment made by or on behalf of the Borrower pursuant to and in accordance with the express terms of this Agreement (including the application of funds arising from the existence of a Defaulting Lender), (y) the application of Cash Collateral provided for in Section 2.14 or (z) any payment obtained by a Lender as consideration for the assignment of or sale of a participation in any of its Loans or subparticipations in L/C Obligations or Swing Line Loans to any assignee or participant, other than an assignment to the Borrower or any Subsidiary 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.

2.14 Cash Collateral.

(a) Certain Credit Support Events. If (i) a L/C Issuer has honored any full or partial drawing request under any Letter of Credit and such drawing has resulted in an L/C Borrowing, (ii) as of the Letter of Credit Expiration Date, any L/C Obligation for any reason remains outstanding, (iii) the Borrower shall be required to provide Cash Collateral pursuant to Section 9.02(c), or (iv) there shall exist a Defaulting Lender, the Borrower shall within one Business Day following any request by the Administrative Agent or a L/C Issuer, provide Cash Collateral in an amount not less than the applicable Minimum Collateral Amount (determined in the case of Cash Collateral provided pursuant to clause (iv) above, after giving effect to Section 2.15(a)(iv) and any Cash Collateral provided by the Defaulting Lender).

(b) Grant of Security Interest. The Borrower, and to the extent provided by any Defaulting Lender, such Defaulting Lender, hereby grants to (and subjects to the control of) the Administrative Agent, for the benefit of the Administrative Agent, the L/C Issuers and the Lenders, and agrees to maintain, a first priority security interest in all such cash, deposit accounts and all balances therein, and all other property so provided as collateral pursuant hereto, and in all proceeds of the foregoing, all as security for the obligations to which such Cash Collateral is permitted to be applied pursuant to Section 2.14(c). If at any time the Administrative Agent determines that Cash Collateral is subject to any right or claim of any Person other than the Administrative Agent or a L/C Issuer as herein provided, or that the total amount of such Cash Collateral is less than the Minimum Collateral Amount, the Borrower will, promptly upon demand by the Administrative Agent, pay or provide to the Administrative Agent additional Cash Collateral in an amount sufficient to eliminate such deficiency. All Cash Collateral (other than credit support not constituting funds subject to deposit) shall be maintained in blocked, non-

interest bearing deposit accounts at Bank of America. The Borrower shall pay on demand therefor from time to time all customary account opening, activity and other administrative fees and charges in connection with the maintenance and disbursement of Cash Collateral.

(c) Application. Notwithstanding anything to the contrary contained in this Agreement, Cash Collateral provided under any of this Section 2.14 or Sections 2.03, 2.05, 2.15 or 9.02 in respect of Letters of Credit shall be held and applied in satisfaction of the specific L/C Obligations, obligations to fund participations therein (including, as to Cash Collateral provided by a Defaulting Lender, any interest accrued on such obligation) and other obligations for which the Cash Collateral was so provided, prior to any other application of such property as may otherwise be provided for herein.

(d) Release. Cash Collateral (or the appropriate portion thereof) provided to reduce Fronting Exposure or to secure other obligations shall be released promptly following (i) the elimination of the applicable Fronting Exposure or other obligations giving rise thereto (including by the termination of Defaulting Lender status of the applicable Lender) (or, as appropriate, its assignee following compliance with Section 11.06(b)(vi)) or (ii) the determination by the Administrative Agent and a L/C Issuer that there exists excess Cash Collateral; provided, however, (x) any such release shall be without prejudice to, and any disbursement or other transfer of Cash Collateral shall be and remain subject to, any other Lien conferred under the Loan Documents and the other applicable provisions of the Loan Documents, and (y) the Person providing Cash Collateral and a L/C Issuer may agree that Cash Collateral shall not be released but instead held to support future anticipated Fronting Exposure or other obligations.

2.15 Defaulting Lenders.

(a) Adjustments. Notwithstanding anything to the contrary contained in this Agreement, if any Lender becomes a Defaulting Lender, then, until such time as that Lender is no longer a Defaulting Lender, to the extent permitted by applicable Law:

(i) Waivers and Amendment. 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" and Section 11.01.

(ii) Defaulting Lender Waterfall. Any payment of principal, interest, fees or other amount received by the Administrative Agent for the account of such Defaulting Lender (whether voluntary or mandatory, at maturity, pursuant to Article IX or otherwise) or received by the Administrative Agent from a Defaulting Lender pursuant to Section 11.08, shall be applied at such time or times as may be determined by the Administrative Agent as follows: first, to the payment of any amounts owing by 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 a L/C Issuer or Swing Line Lender hereunder; third, to Cash Collateralize a L/C Issuer's Fronting Exposure with respect to such Defaulting Lender in accordance with Section 2.14; fourth, as the Borrower 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 Borrower, to be held in a deposit account and released pro rata in order to (x) satisfy such Defaulting Lender's potential future funding obligations with respect to Loans under this Agreement and (y) Cash Collateralize a L/C Issuer's future Fronting Exposure with respect to such Defaulting Lender with respect to future Letters of Credit issued under this Agreement, in accordance with Section 2.14; sixth, to the payment of any amounts owing to the Lenders, a L/C Issuer or a Swing Line Lender as a result of any judgment of a court of competent jurisdiction obtained by any Lender, a L/C Issuer or a Swing Line Lender against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement; seventh, so long as no Default or Event of Default exists, to the payment of any amounts owing to the Borrower as a result of any judgment of a court of competent jurisdiction obtained by the Borrower against that Defaulting Lender as a result of that 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 Borrowings 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 5.02 were satisfied or waived, such payment shall be applied solely to pay the Loans of, and L/C Obligations owed to, all Non-Defaulting Lenders on a pro rata basis prior to being applied to the payment of any Loans of, or L/C Obligations owed to, such Defaulting Lender until such time as all Loans and funded and unfunded participations in L/C Obligations and Swing Line Loans are held by the Lenders pro rata in accordance with the Commitments hereunder without giving effect to Section 2.15(a)(iv). Any payments, prepayments or other amounts paid or payable to a Defaulting Lender that are applied (or held) to pay amounts owed by a Defaulting Lender or to post Cash Collateral pursuant to this Section 2.15(a)(ii) shall be deemed paid to and redirected by such Defaulting Lender, and each Lender irrevocably consents hereto.

(iii) Certain Fees.

(A) No Defaulting Lender shall be entitled to receive a Facility Fee and/or Unused Fee for any period during which that Lender is a Defaulting Lender (and the Borrower shall not be required to pay any such fee that otherwise would have been required to have been paid to that Defaulting Lender); provided that each Defaulting Lender shall be entitled to receive the Facility Fee to the extent allocable to the sum of (1) the outstanding principal amount of the Loans funded by it, and (2) its Applicable Percentage of the stated amount of Letters of Credit for which it has provided Cash Collateral pursuant to Section 2.14.

(B) No Defaulting Lender shall be entitled to receive any Letter of Credit Fee for any period during which that Lender is a Defaulting Lender (and the Borrower shall not be required to pay any such fee that otherwise would have been required to have been paid to that Defaulting Lender); provided, however, notwithstanding the above, each Defaulting Lender shall be entitled to receive Letter of Credit Fees for any period during which such Lender is a Defaulting Lender to the extent allocable to its Applicable Percentage of the stated amount of Letters of Credit for which it has provided Cash Collateral pursuant to Section 2.14.

(C) (1) With respect to any Letter of Credit Fee not required to be paid to any Defaulting Lender pursuant to clause (B) above, the Borrower shall (x) pay to each Non-Defaulting Lender that portion of any such fee otherwise payable to such Defaulting Lender with respect to such Defaulting Lender's participation in L/C Obligations that has been reallocated to such Non-Defaulting Lender pursuant to clause (iv) below, (y) pay to a L/C Issuer the remaining amount of any such fee otherwise payable to such Defaulting

Lender after giving effect to the amount paid in clause (x) to the extent allocable to such L/C Issuer's Fronting Exposure to such Defaulting Lender and (z) not be required to pay the remaining amount of any such fee. (2) With respect to any fee payable under Section 2.09(a) not required to be paid to any Defaulting Lender pursuant to clause (A) above, the Borrower shall (x) pay to a L/C Issuer the amount of any such fee otherwise payable to such Defaulting Lender to the extent allocable to such L/C Issuer's Fronting Exposure to such Defaulting Lender, and (y) not be required to pay the remaining amount of any such fee.

(iv) Reallocation of Applicable Percentages to Reduce Fronting Exposure. All or any part of such Defaulting Lender's participation in L/C Obligations and Swing Line Loans shall be reallocated among the Non-Defaulting Lenders in accordance with their respective Applicable Percentages (calculated without regard to such Defaulting Lender's Revolving Commitment) but only to the extent that (x) the conditions set forth in Section 5.02 are satisfied at the time of such reallocation (and, unless the Borrower shall have otherwise notified the Administrative Agent at such time, the Borrower shall be deemed to have represented and warranted that such conditions are satisfied at such time), and (y) such reallocation does not cause the aggregate Revolving Credit Exposure of any Non-Defaulting Lender to exceed such Non-Defaulting Lender's Revolving Commitment. Subject to Section 11.19, no reallocation hereunder shall constitute a waiver or release of any claim of any party hereunder against a Defaulting Lender arising from that Lender having become a Defaulting Lender, including any claim of a Non-Defaulting Lender as a result of such Non-Defaulting Lender's increased exposure following such reallocation.

(v) Cash Collateral, Repayment of Swing Line Loans. If the reallocation described in clause (a)(iv) above cannot, or can only partially, be effected, the Borrower shall, without prejudice to any right or remedy available to it hereunder or under applicable Law, (x) first, prepay Swing Line Loans, pro rata, in any amount equal to each Swing Line Lenders' Fronting Exposure and (y) second, Cash Collateralize a L/C Issuers' Fronting Exposure in accordance with the procedures set forth in Section 2.14.

(b) Defaulting Lender Cure. If the Borrower, the Administrative Agent, the Swing Line Lenders and the L/C Issuers 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 the Loans and funded and unfunded participations in Letters of Credit and Swing Line Loans to be held on a pro rata basis by the Lenders in accordance with their Applicable Percentages (without giving effect to Section 2.15(a)(iv)), whereupon such Lender will cease to be a Defaulting Lender; provided, that, no adjustments will be made retroactively with respect to fees accrued or payments made by or on behalf of the Borrower while that Lender was a Defaulting Lender; provided, further, that, except to the extent otherwise expressly agreed by the affected parties, no change hereunder from Defaulting Lender to Lender will constitute a waiver or release of any claim of any party hereunder arising from that Lender having been a Defaulting Lender.

2.16 Increase in Commitments.

(a) Request for Increase. Provided there exists no Default, upon notice to the Administrative Agent (which shall promptly notify the Lenders), the Borrower may from time to time, request (x) an increase in the Aggregate Revolving Commitments, Term Loan A-1, Term Loan A-2 or Term Loan A-3 or (y) a new term loan (an "Incremental Term Loan"); provided that (i) any such request shall be in a minimum amount of $25,000,000, (ii) the aggregate amount of all such requested increases and Incremental Term Loans may not exceed $400,000,000 and (iii) the sum of the Aggregate Revolving Commitments plus the principal amount of all outstanding Term Loans may not exceed $1,300,000,000 at any one time. At the time of sending such notice, the Borrower (in consultation with the Administrative Agent) shall specify the time period within which each Lender is requested to respond (which shall in no event be less than ten (10) Business Days from the date of delivery of such notice to the Lenders).

(b) Lender Elections to Increase. Each Lender shall notify the Administrative Agent within the time period specified by the Borrower pursuant to Section 2.16(a) whether or not it agrees to increase its Revolving Commitment or any Term Loan or agrees to participate in an Incremental Term Loan and, if so, whether by an amount equal to, greater than, or less than its Applicable Percentage of such requested increase. Any Lender not responding within such time period shall be deemed to have declined to increase its Revolving Commitment or any Term Loan or participate in an Incremental Term Loan.

(c) Notification by Administrative Agent; Additional Lenders. The Administrative Agent shall notify the Borrower and each Lender of the Lenders' responses to each request made hereunder. To achieve the full amount of a requested increase, and subject to the approval of the Administrative Agent, the L/C Issuers and the Swing Line Lenders, the Borrower may also invite additional Eligible Assignees to become Lenders pursuant to a joinder agreement ("New Lenders") in form and substance reasonably satisfactory to the Administrative Agent.

(d) Effective Date and Allocations. If the Aggregate Revolving Commitments are increased, a Term Loan is increased or an Incremental Term Loan is added in accordance with this Section, the Administrative Agent and the Borrower shall determine the effective date (the "Increase Effective Date") and the final allocation of such increase or Incremental Term Loan. The Administrative Agent shall promptly notify the Borrower and the Lenders and the New Lenders, if any, of the final allocation of such increase or Incremental Term Loan and the Increase Effective Date.

(e) Conditions to Effectiveness of Increase. As a condition precedent to such increase, the Borrower shall deliver to the Administrative Agent (i) a certificate of each Loan Party dated as of the Increase Effective Date (in sufficient copies for each Lender) signed by a Responsible Officer of such Loan Party (A) certifying and attaching the resolutions adopted by such Loan Party approving or consenting to such increase, and (B) in the case of the Borrower, certifying that, before and after giving effect to such increase, (1) the representations and warranties contained in Article VI and the other Loan Documents are true and correct in all material respects (unless already qualified by materiality or Material Adverse Effect, in which case they shall be true and correct in all respects), on and as of the Increase Effective Date, except to the extent that such representations refer to an earlier date, in which case they are true and correct in all material respects as of such earlier date, and except that for purposes of this Section, the representations and warranties contained in subsections (a) and (b) of Section 6.05 shall be deemed to refer to the most recent statements furnished pursuant to clauses (a) and (b), respectively, of Section 7.01, and (2) both before and after giving effect to the increase, no

Default exists and (ii) if such increase is in the form of an Incremental Term Loan, an agreement, in form and substance reasonably satisfactory to the Administrative Agent, duly executed by each applicable Lender and New Lender, the Borrower and the Administrative Agent (each such agreement, an "Incremental Term Loan Agreement") setting forth the Applicable Rate and the maturity date for such Incremental Term Loan. The Borrower shall deliver or cause to be delivered any other customary documents (including, without limitation, customary legal opinions) as reasonably requested by the Administrative Agent in connection with any such increase in the Aggregate Revolving Commitments or a Term Loan or the making of an Incremental Term Loan. If the Aggregate Revolving Commitments are increased, the Borrower shall prepay any Revolving Loans outstanding on the Increase Effective Date (and pay any additional amounts required pursuant to Section 3.05) to the extent necessary to keep the outstanding Revolving Loans ratable with any revised Applicable Percentages arising from any nonratable increase in the Aggregate Revolving Commitments under this Section.

(f) Conflicting Provisions. This Section shall supersede any provisions in Section 2.13 or 11.01 to the contrary.

2.17 Extension of Maturity Date.

(a) Requests for Extension.

(i) The Borrower may, by notice to the Administrative Agent and the Lenders not earlier than 90 days and not later than 45 days prior to the applicable Maturity Date (each, an "Existing Maturity Date"), request that the Lenders extend (x) the Revolving Maturity Date for an additional six month period from the applicable Existing Maturity Date, (y) the Term Loan A-1 Maturity Date for an additional twelve month period from the applicable Existing Maturity Date and (z) the Term Loan A-2 Maturity Date for an additional twelve month period (each, an "Applicable Extended Maturity Date").

(ii) The Borrower may, by notice to the Administrative Agent and the Lenders not earlier than 90 days and not later than 45 days prior to (x) the relevant Applicable Extended Maturity Date with respect to Revolving Loans, request that the Lenders extend such Applicable Extended Maturity Date for an additional six months and (y) the relevant Applicable Extended Maturity Date with respect to Term Loan A-1, request that the Lenders extend such Applicable Extended Maturity Date for an additional twelve months.

(iii) For clarification purposes, it is understood and agreed that pursuant to this Section 2.17(a), the Borrower may request two six month extensions with respect to the Revolving Maturity Date, two twelve month extensions with respect to the Term Loan A-1 Maturity Date and one twelve month extension with respect to the Term Loan A-2 Maturity Date.

(b) Conditions to Effectiveness of Extension. As a condition precedent to any such extension, the Borrower shall (i) deliver to the Administrative Agent a certificate of each Loan Party dated as of the applicable Existing Maturity Date or Applicable Extended Maturity Date, as applicable, signed by a Responsible Officer of such Loan Party (A) certifying and attaching the resolutions adopted by such Loan Party approving or consenting to such extension and (B) certifying that, before and after giving effect to such extension, (x) the representations and warranties contained in Article VI and the other Loan Documents are true and correct in all

material respects (unless already qualified by materiality or Material Adverse Effect, in which case they shall be true and correct in all respects) on and as of the applicable Existing Maturity Date or the Applicable Extended Maturity Date, as applicable, 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 (unless already qualified by materiality or Material Adverse Effect, in which case they shall be true and correct in all respects) as of such earlier date, and except that for purposes of this Section 2.17, the representations and warranties contained in subsections (a) and (b) of Section 6.05 shall be deemed to refer to the most recent statements furnished pursuant to subsections (a) and (b), respectively, of Section 7.01, and (y) no Default exists and (ii) pay a fee to the Administrative Agent, for the pro rata benefit of the applicable Lenders, equal to (A) if the extension relates to Revolving Loans, 0.075% on the amount of the Aggregate Revolving Commitments at the time of each such extension or (B) if the extension relates to Term Loan A-1 or Term Loan A-2, 0.15% on the principal amount of the then outstanding Term Loan A-1 and Term Loan A-2, as applicable, at the time of such extension.

ARTICLE III
TAXES, YIELD PROTECTION AND ILLEGALITY

3.01 Taxes.

(a) Payments Free of Taxes; Obligation to Withhold; Payments on Account of Taxes.

(i) Any and all payments by or on account of any obligation of any Loan Party under any Loan Document shall be made without deduction or withholding for any Taxes, except as required by applicable Laws. If any applicable Laws (as determined in the good faith discretion of the Administrative Agent or a Loan Party, as applicable) require the deduction or withholding of any Tax from any such payment by the Administrative Agent or a Loan Party, then the Administrative Agent or such Loan Party shall be entitled to make such deduction or withholding, upon the basis of the information and documentation to be delivered pursuant to subsection (e) below.

(ii) If any Loan Party or the Administrative Agent shall be required by the Internal Revenue Code to withhold or deduct any Taxes, including both United States Federal backup withholding and withholding taxes, from any payment, then (A) the Administrative Agent shall withhold or make such deductions as are determined by the Administrative Agent to be required based upon the information and documentation it has received pursuant to subsection (e) below, (B) the Administrative Agent shall timely pay the full amount withheld or deducted to the relevant Governmental Authority in accordance with the Internal Revenue Code, and (C) to the extent that the withholding or deduction is made on account of Indemnified Taxes, the sum payable by the applicable Loan Party shall be increased as necessary so that after any required withholding or the making of all required deductions (including deductions applicable to additional sums payable under this Section 3.01) the applicable Recipient receives an amount equal to the sum it would have received had no such withholding or deduction been made.

(iii) If any Loan Party or the Administrative Agent shall be required by any applicable Laws other than the Internal Revenue Code to withhold or deduct any Taxes from any payment, then (A) such Loan Party or the Administrative Agent, as required by

such Laws, shall withhold or make such deductions as are determined by it to be required based upon the information and documentation it has received pursuant to subsection (e) below, (B) such Loan Party or the Administrative Agent, to the extent required by such Laws, shall timely pay the full amount withheld or deducted to the relevant Governmental Authority in accordance with such Laws, and (C) to the extent that the withholding or deduction is made on account of Indemnified Taxes, the sum payable by the applicable Loan Party shall be increased as necessary so that after any required withholding or the making of all required deductions (including deductions applicable to additional sums payable under this Section 3.01) the applicable Recipient receives an amount equal to the sum it would have received had no such withholding or deduction been made.

(b) Payment of Other Taxes by the Loan Parties. Without limiting the provisions of subsection (a) above, the Loan Parties shall timely pay to the relevant Governmental Authority in accordance with applicable law, or at the option of the Administrative Agent timely reimburse it for the payment of, any Other Taxes.

(c) Tax Indemnifications. (i) Each of the Loan Parties shall, and does hereby, jointly and severally indemnify each Recipient, and shall make payment in respect thereof within 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 3.01) 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 Borrower by a Lender or a L/C Issuer (with a copy to the Administrative Agent), or by the Administrative Agent on its own behalf or on behalf of a Lender or a L/C Issuer, shall be conclusive absent manifest error.

(ii) Each Lender and a L/C Issuer shall, and does hereby, severally indemnify, and shall make payment in respect thereof within 10 days after demand therefor, (x) the Administrative Agent against any Indemnified Taxes attributable to such Lender or a L/C Issuer (but only to the extent that any Loan Party has not already indemnified the Administrative Agent for such Indemnified Taxes and without limiting the obligation of the Loan Parties to do so), (y) the Administrative Agent against any Taxes attributable to such Lender's failure to comply with the provisions of Section 11.06(d) relating to the maintenance of a Participant Register and (z) the Administrative Agent against any Excluded Taxes attributable to such Lender or a L/C Issuer, in each case, that are payable or paid by the Administrative Agent in connection with any Loan Document, and any reasonable expenses arising therefrom or with respect thereto, whether or not such Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to any Lender by the Administrative Agent shall be conclusive absent manifest error. Each Lender and a L/C Issuer hereby authorizes the Administrative Agent to set off and apply any and all amounts at any time owing to such Lender or a L/C Issuer, as the case may be, under this Agreement or any other Loan Document against any amount due to the Administrative Agent under this clause (ii).

(d) Evidence of Payments. Upon request by any Loan Party or the Administrative Agent, as the case may be, after any payment of Taxes by any Loan Party or by the

Administrative Agent to a Governmental Authority as provided in this Section 3.01, each Loan Party shall deliver to the Administrative Agent or the Administrative Agent shall deliver to the Borrower, as the case may be, the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment, a copy of any return required by Laws to report such payment or other evidence of such payment reasonably satisfactory to the Borrower or the Administrative Agent, as the case may be.

(e) Status of Lenders; Tax Documentation. (i) Any Lender that is entitled to an exemption from or reduction of withholding Tax with respect to payments made under any Loan Document shall deliver to the Borrower and the Administrative Agent, at the time or times reasonably requested by the Borrower or the Administrative Agent, such properly completed and executed documentation reasonably requested by the Borrower 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 Borrower or the Administrative Agent, shall deliver such other documentation prescribed by applicable Law or reasonably requested by the Borrower or the Administrative Agent as will enable the Borrower 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 in Section 3.01(e)(ii)(A), (ii)(B) and (ii)(D) below) shall not be required if in the Lender's reasonable judgment such completion, execution or submission would subject such Lender to any material unreimbursed cost or expense or would materially prejudice the legal or commercial position of such Lender.

(ii) Without limiting the generality of the foregoing, in the event that the Borrower is a U.S. Person,

(A) any Lender that is a U.S. Person shall deliver to the Borrower and the Administrative Agent on or prior to the date on which such Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower or the Administrative Agent), executed copies of Internal Revenue Service Form W-9 certifying that such Lender is exempt from U.S. federal backup withholding Tax;

(B) any Foreign Lender (or any successor Administrative Agent that is not a U.S. Person) shall, to the extent it is legally entitled to do so, deliver to the Borrower and the Administrative Agent (in such number of copies as shall be requested by the recipient) on or prior to the date on which such Foreign Lender becomes a Lender under this Agreement or on which such successor Administrative Agent becomes the Administrative Agent under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower or the Administrative Agent), whichever of the following is applicable:

(I) in the case of a Foreign Lender claiming the benefits of an income tax treaty to which the United States is a party (x) with respect to payments of interest under any Loan Document, executed copies of Internal Revenue Service Form W-8BEN or W-8BEN-E, as applicable, establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the "interest" article of such tax treaty and (y) with respect to any other applicable payments under any Loan

Document, Internal Revenue Service 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;

(II) executed copies of Internal Revenue Service Form W-8ECI,

(III) in the case of a Foreign Lender claiming the benefits of the exemption for portfolio interest under Section 881(c) of the Internal Revenue Code, (x) a certificate substantially in the form of Exhibit I-1 to the effect that such Foreign Lender is not a "bank" within the meaning of Section 881(c)(3)(A) of the Internal Revenue Code, a "10 percent shareholder" of the Borrower within the meaning of Section 881(c)(3)(B) of the Internal Revenue Code, or a "controlled foreign corporation" described in Section 881(c)(3)(C) of the Internal Revenue Code (a "U.S. Tax Compliance Certificate") and (y) executed copies of Internal Revenue Service Form W-8BEN or W-8BEN-E, as applicable; or

(IV) to the extent a Foreign Lender is not the beneficial owner, executed copies of Internal Revenue Service Form W-8IMY, accompanied by Internal Revenue Service Form W-8ECI, Internal Revenue Service Form W-8BEN or W-8BEN-E, as applicable, a U.S. Tax Compliance Certificate substantially in the form of Exhibit I-2 or Exhibit I-3, Internal Revenue Service 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 I-4 on behalf of each such direct and indirect partner;

(C) any Foreign Lender shall, to the extent it is legally entitled to do so, deliver to the Borrower and the Administrative Agent (in such number of copies as shall be requested by the recipient) on or prior to the date on which such Foreign Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower 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 Borrower or the Administrative Agent to determine the withholding or deduction required to be made; and

(D) if a payment made to a Lender under any Loan Document would be subject to U.S. federal withholding Tax imposed by FATCA if such Lender were to fail to comply with the applicable reporting requirements of FATCA (including those contained in Section 1471(b) or 1472(b) of the Internal Revenue Code, as applicable), such Lender shall deliver to the Borrower and the Administrative Agent at the time or times prescribed by Law and at such time or times reasonably requested by the Borrower or the Administrative Agent such documentation prescribed by applicable Law (including as prescribed by Section

1471(b)(3)(C)(i) of the Internal Revenue Code) and such additional documentation reasonably requested by the Borrower or the Administrative Agent as may be necessary for the Borrower and the Administrative Agent to comply with their obligations under FATCA and to determine that such Lender has complied with such Lender's obligations under FATCA or to determine the amount to deduct and withhold from such payment. Solely for purposes of this clause (D), "FATCA" shall include any amendments made to FATCA after the date of this Agreement.

(iii) Each Lender agrees that if any form or certification it previously delivered pursuant to this Section 3.01 expires or becomes obsolete or inaccurate in any respect, it shall update such form or certification or promptly notify the Borrower and the Administrative Agent in writing of its legal inability to do so.

(f) Treatment of Certain Refunds. Unless required by applicable Laws, at no time shall the Administrative Agent have any obligation to file for or otherwise pursue on behalf of a Lender or a L/C Issuer, or have any obligation to pay to any Lender or a L/C Issuer, any refund of Taxes withheld or deducted from funds paid for the account of such Lender or a L/C Issuer, as the case may be. If any Recipient determines, in its sole discretion exercised in good faith, that it has received a refund of any Taxes as to which it has been indemnified by any Loan Party or with respect to which any Loan Party has paid additional amounts pursuant to this Section 3.01, it shall pay to the Loan Party an amount equal to such refund (but only to the extent of indemnity payments made, or additional amounts paid, by a Loan Party under this Section 3.01 with respect to the Taxes giving rise to such refund), net of all out-of-pocket expenses (including Taxes) incurred by such Recipient, and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund), provided that the Loan Party, upon the request of the Recipient, agrees to repay the amount paid over to the Loan Party (plus any penalties, interest or other charges imposed by the relevant Governmental Authority) to the Recipient in the event the Recipient is required to repay such refund to such Governmental Authority. Notwithstanding anything to the contrary in this subsection, in no event will the applicable Recipient be required to pay any amount to the Loan Party pursuant to this subsection the payment of which would place the Recipient in a less favorable net after-Tax position than such Recipient would have been in if the Tax subject to indemnification and giving rise to such refund had not been deducted, withheld or otherwise imposed and the indemnification payments or additional amounts with respect to such Tax had never been paid. This subsection shall not be construed to require any Recipient to make available its Tax returns (or any other information relating to its Taxes that it deems confidential) to any Loan Party or any other Person.

(g) Survival. Each party's obligations under this Section 3.01 shall survive the resignation or replacement of the Administrative Agent or any assignment of rights by, or the replacement of, a Lender or a L/C Issuer, the termination of the Commitments and the repayment, satisfaction or discharge of all other Obligations.

(h) FATCA Treatment. For purposes of determining withholding Taxes imposed under the Foreign Account Tax Compliance Act (FATCA), from and after the Third Amendment Effective Date, the Borrower and the Administrative Agent shall treat (and the Lenders hereby authorize the Administrative Agent to treat) this Agreement as not qualifying as a "grandfathered obligation" within the meaning of Treasury Regulation Section 1.1471-2(b)(2)(i).

3.02 Illegality.

If any Lender determines that any Law has made it unlawful, or that any Governmental Authority has asserted that it is unlawful, for any Lender or its Lending Office to make, maintain or fund Loans whose interest is determined by reference to the Eurodollar Rate or the LIBOR Daily Floating Rate, or to determine or charge interest rates based upon the Eurodollar Rate or LIBOR Daily Floating Rate, or any Governmental Authority has imposed material restrictions on the authority of such Lender to purchase or sell, or to take deposits of, Dollars in the London interbank market, then, on notice thereof by such Lender to the Borrower through the Administrative Agent, (i) any obligation of such Lender to make or continue Eurodollar Rate Loans or LIBOR Daily Floating Rate Loans or to convert Base Rate Loans to Eurodollar Rate Loans or LIBOR Daily Floating Rate Loans shall be suspended and (ii) if such notice asserts the illegality of such Lender making or maintaining Base Rate Loans the interest rate on which is determined by reference to the Eurodollar Rate component of the Base Rate, the interest rate on which Base Rate Loans of such Lender shall, if necessary to avoid such illegality, be determined by the Administrative Agent without reference to the Eurodollar Rate component of the Base Rate, in each case until such Lender notifies the Administrative Agent and the Borrower that the circumstances giving rise to such determination no longer exist. Upon receipt of such notice, (x) the Borrower shall, upon demand from such Lender (with a copy to the Administrative Agent), prepay or, if applicable, convert all Eurodollar Rate Loans and LIBOR Daily Floating Rate Loans of such Lender to Base Rate Loans (the interest rate on which Base Rate Loans of such Lender shall, if necessary to avoid such illegality, be determined by the Administrative Agent without reference to the Eurodollar Rate component of the Base Rate), either, in the case of LIBOR Daily Floating Rate Loans, immediately, or, in the case of Eurodollar Rate Loans, on the last day of the Interest Period therefor, if such Lender may lawfully continue to maintain such Eurodollar Rate Loans to such day, or immediately, if such Lender may not lawfully continue to maintain such Eurodollar Rate Loans, and (y) if such notice asserts the illegality of such Lender determining or charging interest rates based upon the Eurodollar Rate or the LIBOR Daily Floating Rate for any period, the Administrative Agent shall during the period of such suspension compute the Base Rate applicable to such Lender without reference to the Eurodollar Rate component thereof until the Administrative Agent is advised in writing by such Lender that it is no longer illegal for such Lender to determine or charge interest rates based upon the Eurodollar Rate. Upon any such prepayment or conversion, the Borrower shall also pay accrued interest on the amount so prepaid or converted.

3.03 Inability to Determine Rates.

If in connection with any request for a Eurodollar Rate Loan or a conversion to or continuation thereof or otherwise, (a) the Administrative Agent determines that (i) Dollar deposits are not being offered to banks in the London interbank eurodollar market for such currency for the applicable amount and Interest Period of such Eurodollar Rate Loan or (ii) adequate and reasonable means do not exist for determining (a) the LIBOR Daily Floating Rate or (b) the Eurodollar Base Rate for any requested Interest Period with respect to a proposed Eurodollar Rate Loan or in connection with an existing or proposed Base Rate Loan (in each case with respect to this clause (a), "Impacted Loans"), or (b) the Administrative Agent or the Required Lenders determine that for any reason the Eurodollar Base Rate for any requested Interest Period with respect to a proposed Eurodollar Rate Loan does not adequately and fairly reflect the cost to the Lenders of funding such Loan, the Administrative Agent will promptly notify the Borrower and all Lenders. Thereafter, (i) the obligation of the Lenders to make or maintain Eurodollar Rate Loans with an Interest Period having the duration of such Interest Period shall be suspended, and (ii) in the event of a determination described in the preceding sentence with respect to the LIBOR Daily Floating Rate or the Eurodollar Rate component of the Base Rate, the utilization of the LIBOR Daily Floating Rate or the Eurodollar Rate component in determining the Base Rate shall be suspended, in each case until the Administrative Agent (upon the instruction of the Required Lenders) revokes such notice. Upon receipt of such notice, the Borrower may revoke any pending request for a Borrowing, conversion or

continuation of Eurodollar Rate Loans (to the extent of the affected Eurodollar Rate Loans or Interest Periods) or, failing that, will be deemed to have converted such request into a request for a Borrowing of Base Rate Loans in the amount specified therein.

Notwithstanding the foregoing, if the Administrative Agent has made the determination described in clause (a) of this Section 3.03, the Administrative Agent, in consultation with the Borrower and the affected Lenders, may establish an alternative interest rate for the applicable Impacted Loans, in which case, such alternative interest rate shall apply with respect to such Impacted Loans until (1) the Administrative Agent revokes the notice delivered with respect to the applicable Impacted Loans under the first sentence of this Section 3.03, (2) the Administrative Agent notifies the Borrower that such alternative interest rate does not adequately and fairly reflect the cost to such Lenders of funding the applicable Impacted Loans, or (3) any Lender determines that any Law has made it unlawful, or that any Governmental Authority has asserted that it is unlawful, for such Lender or its applicable Lending Office to make, maintain or fund Loans whose interest is determined by reference to such alternative interest rate or to determine or charge interest rates based upon such rate or any Governmental Authority has imposed material restrictions on the ability of such Lender to do any of the foregoing and, in each case, such Lender provides the Administrative Agent and the Borrower written notice thereof.

3.04 Increased Costs.

(a) Increased Costs Generally. If any Change in Law shall:

(i) impose, modify or deem applicable any reserve, special deposit, compulsory loan, insurance charge or similar requirement against assets of, deposits with or for the account of, or credit extended or participated in by, any Lender (except any reserve requirement reflected in the Eurodollar Rate) or a L/C Issuer;

(ii) subject any Recipient to any Taxes (other than (A) Indemnified Taxes, (B) Taxes described in clauses (b) through (d) of the definition of Excluded Taxes, (C) Connection Income Taxes and (D) Taxes imposed as a penalty for a Lender's failure to comply with non-U.S. legislation implementing FATCA) on its loans, loan principal, letters of credit, commitments, or other obligations, or its deposits, reserves, other liabilities or capital attributable thereto; or

(iii) impose on any Lender or a L/C Issuer or the London interbank market any other condition, cost or expense affecting this Agreement or Eurodollar Rate Loans made by such Lender or any Letter of Credit or participation therein;

and the result of any of the foregoing shall be to increase the cost to such Lender of making, converting to, continuing or maintaining any Loan the interest on which is determined by reference to the Eurodollar Rate (or of maintaining its obligation to make any such Loan), or to increase the cost to such Lender or a L/C Issuer of participating in, issuing or maintaining any Letter of Credit (or of maintaining its obligation to participate in or to issue any Letter of Credit), or to reduce the amount of any sum received or receivable by such Lender or a L/C Issuer hereunder (whether of principal, interest or any other amount) then, upon request of such Lender or a L/C Issuer, the Borrower will pay to such Lender or a L/C Issuer, as the case may be, such additional amount or amounts as will compensate such Lender or a L/C Issuer, as the case may be, for such additional costs incurred or reduction suffered.

(b) Capital Requirements. If any Lender or a L/C Issuer determines that any Change in Law affecting such Lender or a L/C Issuer or any Lending Office of such Lender or such

Lender's or a L/C Issuer's holding company, if any, regarding capital or liquidity ratios or requirements has or would have the effect of reducing the rate of return on such Lender's or a L/C Issuer's capital or on the capital of such Lender's or a L/C Issuer's holding company, if any, as a consequence of this Agreement, the Commitments of such Lender or the Loans made by, or participations in Letters of Credit or Swing Line Loans held by, such Lender, or the Letters of Credit issued by a L/C Issuer, to a level below that which such Lender or a L/C Issuer or such Lender's or a L/C Issuer's holding company could have achieved but for such Change in Law (taking into consideration such Lender's or a L/C Issuer's policies and the policies of such Lender's or a L/C Issuer's holding company with respect to capital adequacy), then from time to time the Borrower will pay to such Lender or a L/C Issuer, as the case may be, such additional amount or amounts as will compensate such Lender or a L/C Issuer or such Lender's or a L/C Issuer's holding company for any such reduction suffered.

(c) Certificates for Reimbursement. A certificate of a Lender or a L/C Issuer setting forth the amount or amounts necessary to compensate such Lender or a L/C Issuer or its holding company, as the case may be, as specified in subsection (a) or (b) of this Section and delivered to the Borrower shall be conclusive absent manifest error. The Borrower shall pay such Lender or a L/C Issuer, as the case may be, the amount shown as due on any such certificate within 10 days after receipt thereof.

(d) Delay in Requests. Failure or delay on the part of any Lender or a L/C Issuer to demand compensation pursuant to the foregoing provisions of this Section shall not constitute a waiver of such Lender's or a L/C Issuer's right to demand such compensation, provided that the Borrower shall not be required to compensate a Lender or a L/C Issuer pursuant to the foregoing provisions of this Section for any increased costs incurred or reductions suffered more than nine months prior to the date that such Lender or a L/C Issuer, as the case may be, notifies the Borrower of the Change in Law giving rise to such increased costs or reductions and of such Lender's or a L/C Issuer's intention to claim compensation therefor (except that, if the Change in Law giving rise to such increased costs or reductions is retroactive, then the nine-month period referred to above shall be extended to include the period of retroactive effect thereof).

3.05 Compensation for Losses.

Upon demand of any Lender (with a copy to the Administrative Agent) from time to time, the Borrower shall promptly compensate such Lender for and hold such Lender harmless from any loss, cost or expense incurred by it as a result of:

(a) any continuation, conversion, payment or prepayment of any Loan other than a Base Rate Loan or a LIBOR Daily Floating Rate Loan on a day other than the last day of the Interest Period for such Loan (whether voluntary, mandatory, automatic, by reason of acceleration, or otherwise);

(b) any failure by the Borrower (for a reason other than the failure of such Lender to make a Loan) to prepay, borrow, continue or convert any Loan other than a Base Rate Loan or a LIBOR Daily Floating Rate Loan on the date or in the amount notified by the Borrower; or

(c) any assignment of a Eurodollar Rate Loan on a day other than the last day of the Interest Period therefor as a result of a request by the Borrower pursuant to Section 11.13;

including any loss of anticipated profits and any loss or expense arising from the liquidation or reemployment of funds obtained by it to maintain such Loan or from fees payable to terminate the

deposits from which such funds were obtained. The Borrower shall also pay any customary administrative fees charged by such Lender in connection with the foregoing.

For purposes of calculating amounts payable by the Borrower to the Lenders under this Section 3.05, each Lender shall be deemed to have funded each Eurodollar Rate Loan made by it at the Eurodollar Base Rate used in determining the Eurodollar Rate for such Loan by a matching deposit or other borrowing in the London interbank eurodollar market for a comparable amount and for a comparable period, whether or not such Eurodollar Rate Loan was in fact so funded.

3.06 Mitigation Obligations; Replacement of Lenders.

(a) Designation of a Different Lending Office. If any Lender requests compensation under Section 3.04, or requires the Borrower to pay any Indemnified Taxes or additional amounts to any Lender, a L/C Issuer or any Governmental Authority for the account of any Lender or a L/C Issuer pursuant to Section 3.01, or if any Lender gives a notice pursuant to Section 3.02, then at the request of the Borrower such Lender or a L/C Issuer shall, as applicable, use reasonable efforts to designate a different Lending Office for funding or booking its Loans hereunder or to assign its rights and obligations hereunder to another of its offices, branches or affiliates, if, in the judgment of such Lender or a L/C Issuer, such designation or assignment (i) would eliminate or reduce amounts payable pursuant to Section 3.01 or 3.04, as the case may be, in the future, or eliminate the need for the notice pursuant to Section 3.02, as applicable, and (ii) in each case, would not subject such Lender or a L/C Issuer, as the case may be, to any unreimbursed cost or expense and would not otherwise be disadvantageous to such Lender or a L/C Issuer, as the case may be. The Borrower hereby agrees to pay all reasonable costs and expenses incurred by any Lender or a L/C Issuer in connection with any such designation or assignment.

(b) Replacement of Lenders. If any Lender requests compensation under Section 3.04, or if the Borrower is required to pay any Indemnified Taxes or additional amounts to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 3.01 and, in each case, such Lender has declined or is unable to designate a different lending office in accordance with Section 3.06(a), the Borrower may replace such Lender in accordance with Section 11.13.

3.07 Survival.

All of the Borrower's obligations under this Article III shall survive termination of the Aggregate Revolving Commitments, repayment of all other Obligations hereunder and resignation of the Administrative Agent.

ARTICLE IV

GUARANTY

4.01 The Guaranty.

Each of the Guarantors hereby jointly and severally guarantees to each Lender, each Affiliate of a Lender party to a Swap Contract or Treasury Management Agreement with a Loan Party, and the Administrative Agent as hereinafter provided, as primary obligor and not as surety, the prompt payment of all Obligations in full when due

(whether at stated maturity, as a mandatory prepayment, by acceleration, as a mandatory Cash Collateralization or otherwise) strictly in accordance with the terms thereof. The Guarantors hereby further agree that if any of the Obligations are not paid in full when due (whether at stated maturity, as a mandatory prepayment, by acceleration, as a mandatory Cash Collateralization or otherwise), the Guarantors will, jointly and severally, promptly pay the same, without any demand or notice whatsoever, and that in the case of any extension of time of payment or renewal of any of the Obligations, the same will be promptly paid in full when due (whether at extended maturity, as a mandatory prepayment, by acceleration, as a mandatory Cash Collateralization or otherwise) in accordance with the terms of such extension or renewal.

Notwithstanding any provision to the contrary contained herein or in any other of the Loan Documents, Swap Contracts with a Lender or Affiliate of a Lender or Treasury Management Agreements with a Lender or Affiliate of a Lender, (i) the obligations of each Guarantor under this Agreement and the other Loan Documents shall be limited to an aggregate amount equal to the largest amount that would not render such obligations subject to avoidance under the Debtor Relief Laws or any comparable provisions of any applicable state law and (ii) the Obligation of a Guarantor that are guaranteed under this Guaranty shall exclude any Excluded Swap Obligations with respect to such Guarantor.

4.02 Obligations Unconditional.

The obligations of the Guarantors under Section 4.01 are joint and several, absolute and unconditional, irrespective of the value, genuineness, validity, regularity or enforceability of any of the Loan Documents, Swap Contracts with a Lender or Affiliate of a Lender or Treasury Management Agreements with a Lender or Affiliate of a Lender, or any other agreement or instrument referred to therein, or any substitution, release, impairment or exchange of any other guarantee of or security for any of the Obligations, and, to the fullest extent permitted by applicable law, irrespective of any law or regulation or other circumstance whatsoever which might otherwise constitute a legal or equitable discharge or defense of a surety or guarantor, it being the intent of this Section 4.02 that the obligations of the Guarantors hereunder shall be absolute and unconditional under any and all circumstances. Each Guarantor agrees that such Guarantor shall have no right of subrogation, indemnity, reimbursement or contribution against the Borrower or any other Guarantor for amounts paid under this Article IV until such time as the Obligations have been paid in full and the Commitments have expired or terminated. Without limiting the generality of the foregoing, it is agreed that, to the fullest extent permitted by law, the occurrence of any one or more of the following shall not alter or impair the liability of any Guarantor hereunder, which shall remain absolute and unconditional as described above:

(a) at any time or from time to time, without notice to any Guarantor, the time for any performance of or compliance with any of the Obligations shall be extended, or such performance or compliance shall be waived;

(b) any of the acts mentioned in any of the provisions of any of the Loan Documents, any Swap Contracts with a Lender or Affiliate of a Lender or Treasury Management Agreements with a Lender or Affiliate of a Lender, or any other agreement or instrument referred to in the Loan Documents, such Swap Contracts with a Lender or Affiliate of a Lender or Treasury Management Agreements with a Lender or Affiliate of a Lender shall be done or omitted;

(c) the maturity of any of the Obligations shall be accelerated, or any of the Obligations shall be modified, supplemented or amended in any respect, or any right under any of the Loan Documents, any Swap Contracts with a Lender or Affiliate of a Lender or Treasury Management Agreements with a Lender or Affiliate of a Lender, or any other agreement or instrument referred to in the Loan Documents, such Swap Contracts with a Lender or Affiliate of a Lender or Treasury Management Agreements with a Lender or Affiliate of a Lender, shall be waived or any other guarantee of any of the Obligations shall be released, impaired or exchanged in whole or in part or otherwise dealt with; or

(d) any of the Obligations shall be determined to be void or voidable (including, without limitation, for the benefit of any creditor of any Guarantor) or shall be subordinated to the claims of any Person (including, without limitation, any creditor of any Guarantor).

With respect to its obligations hereunder, each Guarantor hereby expressly waives diligence, presentment, demand of payment, protest and all notices whatsoever, and any requirement that the Administrative Agent or any Lender exhaust any right, power or remedy or proceed against any Person under any of the Loan Documents, any Swap Contracts with a Lender or Affiliate of a Lender or Treasury Management Agreements with a Lender or Affiliate of a Lender, or any other agreement or instrument referred to in the Loan Documents, such Swap Contracts with a Lender or Affiliate of a Lender or Treasury Management Agreements with a Lender or Affiliate of a Lender, or against any other Person under any other guarantee of, or security for, any of the Obligations.

4.03 Reinstatement.

The obligations of the Guarantors under this Article IV shall be automatically reinstated if and to the extent that for any reason any payment by or on behalf of any Person in respect of the Obligations is rescinded or must be otherwise restored by any holder of any of the Obligations, whether as a result of any proceedings in bankruptcy or reorganization or otherwise, and each Guarantor agrees that it will indemnify the Administrative Agent and each Lender on demand for all reasonable costs and expenses (including, without limitation, the fees, charges and disbursements of counsel) incurred by the Administrative Agent or such Lender in connection with such rescission or restoration, including any such costs and expenses incurred in defending against any claim alleging that such payment constituted a preference, fraudulent transfer or similar payment under any bankruptcy, insolvency or similar law.

4.04 Certain Additional Waivers.

Each Guarantor agrees that such Guarantor shall have no right of recourse to security for the Obligations, except through the exercise of rights of subrogation pursuant to Section 4.02 and through the exercise of rights of contribution pursuant to Section 4.06.

4.05 Remedies.

The Guarantors agree that, to the fullest extent permitted by law, as between the Guarantors, on the one hand, and the Administrative Agent and the Lenders, on the other hand, the Obligations may be declared to be forthwith due and payable as provided in Section 9.02 (and shall be deemed to have become automatically due and payable in the circumstances provided in said Section 9.02) for purposes of Section 4.01 notwithstanding any stay, injunction or other prohibition preventing such declaration (or preventing the Obligations from becoming automatically due and payable) as against any other Person and that, in the event of such declaration (or the Obligations being deemed to have become automatically due and payable), the Obligations (whether or not due and payable by any other Person) shall forthwith become due and payable by the Guarantors for purposes of Section 4.01.

4.06 Rights of Contribution.

The Guarantors agree among themselves that, in connection with payments made hereunder, each Guarantor shall have contribution rights against the other Guarantors as permitted under applicable law. Such contribution rights shall be subordinate and subject in right of payment to the obligations of such Guarantors under the Loan Documents and no Guarantor shall exercise such rights of contribution until all Obligations have been paid in full and the Commitments have terminated.

4.07 Guarantee of Payment; Continuing Guarantee.

The guarantee in this Article IV is a guaranty of payment and not of collection, is a continuing guarantee, and shall apply to all Obligations whenever arising.

4.08 Keepwell.

Each Loan Party that is a Qualified ECP Guarantor at the time the Guaranty in this Article IV by any Loan Party that is not then an "eligible contract participant" under the Commodity Exchange Act (a "Specified Loan Party") or the grant of a security interest under the Loan Documents by any such Specified Loan Party, in either case, becomes effective with respect to any Swap Obligation, hereby jointly and severally, absolutely, unconditionally and irrevocably undertakes to provide such funds or other support to each Specified Loan Party with respect to such Swap Obligation as may be needed by such Specified Loan Party from time to time to honor all of its obligations under the Loan Documents in respect of such Swap Obligation (but, in each case, only up to the maximum amount of such liability that can be hereby incurred without rendering such Qualified ECP Guarantor's obligations and undertakings under this Article IV voidable under applicable Debtor Relief Laws, and not for any greater amount). The obligations and undertakings of each applicable Loan Party under this Section shall remain in full force and effect until such time as the Obligations (other than contingent indemnification obligations that survive the termination of this Agreement) have been paid in full and the Commitments have expired or terminated. Each Loan Party intends this Section to constitute, and this Section shall be deemed to constitute, a guarantee of the obligations of, and a "keepwell, support, or other agreement" for the benefit of, each Specified Loan Party for all purposes of the Commodity Exchange Act.

ARTICLE V

CONDITIONS PRECEDENT TO CREDIT EXTENSIONS

5.01 Conditions of Initial Credit Extension.

This Agreement shall become effective upon and the obligation of a L/C Issuer and each Lender to make its initial Credit Extension hereunder is subject to satisfaction of the following conditions precedent, unless otherwise waived by the Administrative Agent and the Lenders:

(a) Loan Documents. Receipt by the Administrative Agent of executed counterparts of this Agreement and the other Loan Documents, each properly executed by a Responsible Officer of the signing Loan Party and, in the case of this Agreement, by each Lender.

(b) Opinions of Counsel. Receipt by the Administrative Agent of customary opinions of legal counsel to the Loan Parties, addressed to the Administrative Agent and each Lender, dated as of the Closing Date, and in form and substance reasonably satisfactory to the Administrative Agent.

(c) Financial Statements. Receipt by the Administrative Agent of:

(i) the Audited Financial Statements; and

(ii) Interim Financial Statements.

(d) No Closing Date Material Adverse Effect. Since June 30, 2013, no event or circumstance, either individually or in the aggregate, has occurred that has had or could reasonably be expected to have a Closing Date Material Adverse Effect.

(e) Litigation. There shall not exist any action, suit, investigation or proceeding pending in any court or before an arbitrator or Governmental Authority that could reasonably be expected to have a Closing Date Material Adverse Effect.

(f) Organization Documents, Resolutions, Etc. Receipt by the Administrative Agent of the following, each of which shall be originals or facsimiles (followed promptly by originals), in form and substance reasonably satisfactory to the Administrative Agent:

(i) copies of the Organization Documents of each Loan Party certified to be true and complete as of a recent date by the appropriate Governmental Authority of the state or other jurisdiction of its incorporation or organization, where applicable, and certified by a secretary or assistant secretary of such Loan Party to be true and correct as of the Closing Date;

(ii) such certificates of resolutions or other action, incumbency certificates and/or other certificates of Responsible Officers of each Loan Party as the Administrative Agent may require evidencing the identity, authority and capacity of each Responsible Officer thereof authorized to act as a Responsible Officer in connection with this Agreement and the other Loan Documents to which such Loan Party is a party; and

(iii) such documents and certifications as the Administrative Agent may require to evidence that each Loan Party is duly organized or formed, and is validly existing, in good standing and qualified to engage in business in its state of organization or formation.

(g) Closing Certificate. Receipt by the Administrative Agent of a certificate signed by a Responsible Officer of the Borrower certifying that the conditions specified in Sections 5.01(d) and (e) and 5.02(a) and (b) have been satisfied.

(h) Compliance Certificate. Receipt by the Administrative Agent of a duly completed Compliance Certificate, as of the last day of the fiscal quarter of the Consolidated Group ended on September 30, 2013, giving pro forma effect to this Agreement and all Credit Extensions and repayments of Indebtedness on the Closing Date, signed by a Responsible Officer of the Borrower.

(i) Termination of Existing Credit Agreement. Receipt by the Administrative Agent of evidence that the Existing Credit Agreement concurrently with the Closing Date is being terminated and all Liens securing obligations under the Existing Credit Agreement concurrently with the Closing Date are being released.

(j) Fees. Receipt by the Administrative Agent, MLPFS and the Lenders of any fees required to be paid on or before the Closing Date.

(k) [Reserved]

(l) Know Your Customer Requirements. Receipt by the Administrative Agent of, at least five (5) Business Days prior to the Closing Date, all documentation and other information

required by bank regulatory authorities under applicable "know your customer" and anti-money laundering rules and regulations, including, without limitation, the USA Patriot Act, as well as a complete and accurate list of each Loan Party, together with (i) each such Person's jurisdiction of organization and (ii) each such Person's U.S. taxpayer identification number.

(m) Attorney Costs. Unless waived by the Administrative Agent, the Borrower shall have paid all reasonable and documented fees, charges and disbursements of counsel to the Administrative Agent to the extent invoiced prior to or on the Closing Date, plus such additional amounts of such fees, charges and disbursements as shall constitute its reasonable estimate of such fees, charges and disbursements incurred or to be incurred by it through the closing proceedings (provided that such estimate shall not thereafter preclude a final settling of accounts between the Borrower and the Administrative Agent).

Without limiting the generality of the provisions of the last paragraph of Section 10.03, for purposes of determining compliance with the conditions specified in this Section 5.01, each Lender that has signed this Agreement shall be deemed to have consented to, approved or accepted or to be satisfied with, each document or other matter required thereunder to be consented to or approved by or acceptable or satisfactory to a Lender unless the Administrative Agent shall have received notice from such Lender prior to the proposed Closing Date specifying its objection thereto.

5.02 Conditions to all Credit Extensions.

The obligation of each Lender and each L/C Issuer to honor any Request for Credit Extension is subject to the following conditions precedent:

(a) The representations and warranties of the Borrower and each other Loan Party contained in Article VI or any other Loan Document, or which are contained in any document furnished at any time under or in connection herewith or therewith, shall be true and correct in all material respects (unless already qualified by materiality or Material Adverse Effect, in which case they shall be true and correct in all respects) on and as of the date of such Credit Extension, except to the extent that such representations and warranties specifically refer to an earlier date, in which case they shall be true and correct in all material respects (unless already qualified by materiality or Material Adverse Effect, in which case they shall be true and correct in all respects) as of such earlier date, and except that for purposes of this Section 5.02, the representations and warranties contained in subsections (a) and (b) of Section 6.05 shall be deemed to refer to the most recent statements furnished pursuant to clauses (a) and (b), respectively, of Section 7.01.

(b) No Default shall exist, or would result from such proposed Credit Extension or from the application of the proceeds thereof.

(c) The Administrative Agent and, if applicable, the applicable L/C Issuer and/or the applicable Swing Line Lender shall have received a Request for Credit Extension in accordance with the requirements hereof.

Each Request for Credit Extension submitted by the Borrower shall be deemed to be a representation and warranty that the conditions specified in Sections 5.02(a) and (b) have been satisfied on and as of the date of the applicable Credit Extension.

ARTICLE VI

REPRESENTATIONS AND WARRANTIES

The Loan Parties represent and warrant to the Administrative Agent and the Lenders that:

6.01 Existence, Qualification and Power.

(a) Each Loan Party (i) is duly organized or formed, validly existing and in good standing under the Laws of the jurisdiction of its incorporation or organization and (ii) has all requisite power and authority and all requisite governmental licenses, authorizations, consents and approvals to execute, deliver and perform its obligations under the Loan Documents to which it is a party.

(b) Each Loan Party (i) has all requisite power and authority and all requisite governmental licenses, authorizations, consents and approvals to own or lease its assets and carry on its business and (ii) is in good standing under the Laws of each jurisdiction where the conduct of its business requires such qualification or license, except to the extent that failure to do so could not reasonably be expected to have a Material Adverse Effect.

6.02 Authorization; No Contravention.

The execution, delivery and performance by each Loan Party of each Loan Document to which such Person is party have been duly authorized by all necessary corporate or other organizational action, and do not (a) contravene the terms of any of such Person's Organization Documents; (b) conflict with or result in any breach or contravention of, or the creation of any Lien (other than a Lien permitted under Section 8.01) or require any payment to be made under any order, injunction, writ or decree of any Governmental Authority or any arbitral award to which such Person or its property is subject; or (c) violate any Law (including, without limitation, Regulation U or Regulation X issued by the FRB); except in each case referred to in clause (b) or (c), to the extent that failure to do so could not reasonably be expected to have a Material Adverse Effect.

6.03 Governmental Authorization; Other Consents.

No material approval, consent, exemption, authorization, or other action by, or notice to, or filing with, any Governmental Authority or any other Person is necessary or required in connection with the execution, delivery or performance by, or enforcement against, any Loan Party of this Agreement or any other Loan Document.

6.04 Binding Effect.

Each Loan Document constitutes a legal, valid and binding obligation of each Loan Party that is party thereto, enforceable against each such Loan Party in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency or similar laws affecting the enforcement of creditor's rights generally.

6.05 Financial Statements; No Material Adverse Effect.

(a) The Audited Financial Statements (i) were prepared in accordance with GAAP in effect on the preparation date thereof, except as otherwise expressly noted therein; (ii) fairly present the financial condition of the Consolidated Group as of the date thereof and their results

of operations for the period covered thereby in accordance with GAAP except as otherwise expressly noted therein; and (iii) show all material indebtedness and other liabilities, direct or contingent, of the Consolidated Group as of the date thereof, including liabilities for taxes, commitments and Indebtedness, in each case to the extent required under GAAP.

(b) The Interim Financial Statements (i) were prepared in accordance with GAAP, except as otherwise expressly noted therein; (ii) fairly present the financial condition of the Consolidated Group as of the date thereof and their results of operations for the period covered thereby, subject, in the case of clauses (i) and (ii), to normal year-end audit adjustments; and (iii) show all material indebtedness and other liabilities, direct or contingent, of the Consolidated Group as of the date thereof, including liabilities for taxes, material commitments and Indebtedness.

(c) The financial statements delivered pursuant to Section 7.01(a) and (b) have been prepared in accordance with GAAP (except as may otherwise be permitted under Section 7.01(a) and (b)) and present fairly (on the basis disclosed in the footnotes to such financial statements) the consolidated financial condition, results of operations and cash flows of the Consolidated Group as of the dates thereof and for the periods covered thereby.

(d) Since June 30, 2013, there has been no event or circumstance, either individually or in the aggregate, that has had or could reasonably be expected to have a Material Adverse Effect.

6.06 Litigation.

There are no actions, suits, proceedings, claims or disputes pending or, to the knowledge of the Loan Parties after due and diligent investigation, threatened or contemplated, at law, in equity, in arbitration or before any Governmental Authority, by or against any Loan Party or any of its Subsidiaries which if determined adversely, could reasonably be expected to have a Material Adverse Effect.

6.07 [Reserved].

6.08 Ownership of Property; Liens.

Each Loan Party has good record and marketable title to, or valid leasehold interests in, all real property necessary or used in the ordinary conduct of its business, except for such defects in title as could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect. As of the Closing Date and the date of each update of Schedule 6.08 pursuant to Section 7.02, set forth on Schedule 6.08 is a list of all real property owned by the Consolidated Group with a notation as to which such real properties are Unencumbered Properties.

6.09 Environmental Compliance.

There are no violations of Environmental Laws and there are no outstanding claims with respect to Environmental Liabilities that, in either case, could reasonably be expected to have a Material Adverse Effect.

6.10 Insurance.

The properties of the Loan Parties are insured with financially sound and reputable insurance companies (which may include a captive insurance company that is an Affiliate of the Parent Entity), in

such amounts, with such deductibles and covering such risks as are customarily carried by companies engaged in similar businesses and owning similar properties in localities where the applicable Loan Party operates.

6.11 Taxes.

The Loan Parties have filed all federal, state and other material tax returns and reports required to be filed, and have paid all federal, state and other material taxes, assessments, fees and other governmental charges levied or imposed upon them or their properties, income or assets otherwise due and payable, except those which are being contested in good faith by appropriate proceedings diligently conducted and for which adequate reserves have been provided in accordance with GAAP. There is no proposed tax assessment against any Loan Party or any Subsidiary that would, if made, have a Material Adverse Effect. Neither any Loan Party nor any Subsidiary thereof is party to any tax sharing agreement. For the avoidance of doubt, agreements pursuant to which a Loan Party or any Subsidiary thereof agrees to make payments to one or more of its partners or members, or their Related Parties (a "Protected Party"), on account of any such Protected Party's Taxes arising from the Loan Party's or such Subsidiary's (i) sale of property, (ii) failure to allocate debt to such Protected Party, or (iii) failure to allow such Protected Party to guarantee the debt of a Loan Party or any Subsidiary thereof, or any similar agreements, shall not be considered a tax sharing agreement.

6.12 ERISA Compliance.

(a) Each Plan is in compliance in all material respects with the applicable provisions of ERISA, the Internal Revenue Code and other federal or state laws. Each Pension Plan that is intended to be a qualified plan under Section 401(a) of the Internal Revenue Code has received a favorable determination letter from the Internal Revenue Service to the effect that the form of such Plan is qualified under Section 401(a) of the Internal Revenue Code and the trust related thereto has been determined by the Internal Revenue Service to be exempt from federal income tax under Section 501(a) of the Internal Revenue Code or an application for such a letter is currently being processed by the Internal Revenue Service. To the best knowledge of the Loan Parties, nothing has occurred that would prevent, or cause the loss of, such tax-qualified status.

(b) There are no pending or, to the best knowledge of the Loan Parties, threatened claims, actions or lawsuits, or action by any Governmental Authority, with respect to any Plan that could reasonably be expected to have a Material Adverse Effect. There has been no prohibited transaction or violation of the fiduciary responsibility rules with respect to any Plan that has resulted or could reasonably be expected to result in a Material Adverse Effect.

(c) (i) No ERISA Event has occurred and neither a Loan Party nor any ERISA Affiliate is aware of any fact, event or circumstance that could reasonably be expected to constitute or result in an ERISA Event with respect to any Pension Plan; (ii) each Loan Party and each ERISA Affiliate has met all applicable requirements under the Pension Funding Rules in respect of each Pension Plan, and no waiver of the minimum funding standards under the Pension Funding Rules has been applied for or obtained; (iii) neither a Loan Party nor any ERISA Affiliate has incurred any liability to the PBGC other than for the payment of premiums, and there are no premium payments which have become due that are unpaid; (iv) neither a Loan Party nor any ERISA Affiliate has engaged in a transaction that could be subject to Section 4069 or Section 4212(c) of ERISA; and (v) no Pension Plan has been terminated by the plan administrator thereof nor by the PBGC, and no event or circumstance has occurred or exists that could reasonably be expected to cause the PBGC to institute proceedings under Title IV of ERISA to terminate any Pension Plan.

(d) No Loan Party is nor will be (i) an employee benefit plan subject to Title I of ERISA; (ii) a plan or account subject to Section 4975 of the Code; (iii) an entity deemed to hold "plan assets" of any such plans or accounts for purposes of ERISA or the Code; or (iv) a "governmental plan" within the meaning of ERISA.

6.13 [Reserved].

6.14 Margin Regulations; Investment Company Act.

(a) The Borrower is not engaged and will not engage, principally or as one of its important activities, in the business of purchasing or carrying margin stock (within the meaning of Regulation U issued by the FRB), or extending credit for the purpose of purchasing or carrying margin stock. Following the application of the proceeds of each Borrowing or drawing under each Letter of Credit, not more than 25% of the value of the assets (either of the Borrower only or of the Consolidated Group on a consolidated basis) subject to the provisions of Section 8.01 or Section 8.05 or subject to any restriction contained in any agreement or instrument between the Borrower and any Lender or any Affiliate of any Lender relating to Indebtedness and within the scope of Section 9.01(e) will be margin stock.

(b) None of any Loan Party, any Person Controlling any Loan Party, or any Subsidiary is or is required to be registered as an "investment company" under the Investment Company Act of 1940.

6.15 Disclosure.

To the Borrower's knowledge, no material written report, financial statement, certificate or other information furnished (other than information of a general economic or industry specific nature concerning any Loan Party) by or on behalf of any Loan Party to the Administrative Agent or any Lender in connection with the transactions contemplated hereby and the negotiation of this Agreement or delivered hereunder or under any other Loan Document (in each case, as modified or supplemented by other information so furnished) contains any untrue statement of a material fact or omits to state any material fact necessary to make the statements therein not misleading, in each case, in the light of the circumstances under which they were made; provided that, with respect to projected financial information, the Loan Parties represent only that such information was prepared in good faith based upon assumptions believed to be reasonable at the time (it being understood and agreed that financial projections are not a guarantee of financial performance and actual results may differ from such projections and such differences may be material).

6.16 Compliance with Laws.

Each Loan Party and each Subsidiary is in compliance with the requirements of all Laws, including without limitation, the Patriot Act, and all orders, writs, injunctions and decrees applicable to it or to its properties, except in such instances in which the failure to comply therewith, individually or in the aggregate, could not reasonably be expected to have a Material Adverse Effect.

6.17 Intellectual Property; Licenses, Etc.

Except as could not reasonably be expected to have a Material Adverse Effect: (a) each Loan Party owns, or possesses the legal right to use, all of the trademarks, service marks, trade names, copyrights, patents, patent rights, franchises, licenses and other intellectual property rights (collectively, "IP Rights") that are reasonably necessary for the operation of their respective businesses, (b) no claim

has been asserted and is pending by any Person challenging or questioning the use of any IP Rights or the validity or effectiveness of any IP Rights, nor does any Loan Party know of any such claim, and (c) to the knowledge of the Loan Parties, the use of any IP Rights by any Loan Party or the granting of a right or a license in respect of any IP Rights from any Loan Party does not infringe on the rights of any Person.

6.18 Solvency.

The Loan Parties are Solvent on a consolidated basis.

6.19 OFAC.

Neither a Loan Party, nor any of its Subsidiaries, nor, to the knowledge of a Loan Party, any director, officer, employee, agent, affiliate or representative thereof, is an individual or entity that is, or is owned or controlled by any individual or entity that is (i) currently the subject or target of any Sanctions, (ii) included on OFAC's List of Specially Designated Nationals, HMT's Consolidated List of Financial Sanctions Targets and the Investment Ban List, or any similar list enforced by any other relevant sanctions authority or (iii) located, organized or resident in a Designated Jurisdiction.

6.20 REIT Status.

(a) The Parent Entity is qualified as a REIT.

(b) The Parent Entity is in compliance in all material respects with all provisions of the Internal Revenue Code applicable to the qualification of the Parent Entity as a REIT.

6.21 Anti-Money Laundering Laws.

None of the Loan Parties (a) is under investigation by any Governmental Authority for, or has been charged with, or convicted of, money laundering, drug trafficking, terrorist-related activities or other money laundering predicate crimes under any applicable Law (collectively, "Anti-Money Laundering Laws"), (b) has been assessed civil penalties under any Anti-Money Laundering Laws or (c) has had any of its funds seized or forfeited in an action under any Anti-Money Laundering Laws. Each Loan Party has taken reasonable measures appropriate to the circumstances (in any event as required by applicable Law), to ensure that such Loan Party and its Subsidiaries each is and will continue to be in compliance with all applicable current and future Anti-Money Laundering Laws.

6.22 Anti-Corruption Laws.

The Parent Entity and its Subsidiaries have conducted their businesses in compliance with the United States Foreign Corrupt Practices Act of 1977, the UK Bribery Act 2010, and other similar anti-corruption legislation in other jurisdictions and have instituted and maintained policies and procedures designed to promote and achieve compliance with such laws.

6.23 EEA Financial Institution.

No Loan Party is an EEA Financial Institution.

ARTICLE VII

AFFIRMATIVE COVENANTS

So long as any Lender shall have any Commitment hereunder, any Loan or other Obligation hereunder shall remain unpaid or unsatisfied, or any Letter of Credit shall remain outstanding, the Loan Parties shall and, where applicable, shall cause each Subsidiary to:

7.01 Financial Statements.

Deliver to the Administrative Agent and each Lender, in form and detail reasonably satisfactory to the Administrative Agent:

(a) upon the earlier of the date that is one hundred twenty (120) days after the end of each fiscal year of the Consolidated Group and the date such information is filed with the SEC, a consolidated balance sheet of the Consolidated Group as at the end of such fiscal year, and the related consolidated statements of income or operations, changes in shareholders' equity and cash flows for such fiscal year, setting forth in each case in comparative form the figures for the previous fiscal year, all in reasonable detail and prepared in accordance with GAAP, audited and accompanied by a report and opinion of an independent certified public accountant of nationally recognized standing acceptable to the Administrative Agent, which report and opinion shall be prepared in accordance with generally accepted auditing standards and shall not be subject to (i) any "going concern" or like qualification or exception or (ii) any qualification or exception as to the scope of such audit; and

(b) (x) with respect to the fiscal quarters ending March 31, June 30 and September 30, not later than sixty (60) days after the end of each such fiscal quarter of the Consolidated Group and (y) with respect to each fiscal quarter ending December 31, not later than ninety (90) days after the end of each such fiscal quarter of the Consolidated Group, in each case, a consolidated balance sheet of the Consolidated Group as at the end of such fiscal quarter, and the related consolidated statements of income or operations, changes in shareholders' equity and cash flows for such fiscal quarter and for the portion of the Consolidated Group's fiscal year then ended, setting forth in each case in comparative form the figures for the corresponding fiscal quarter of the previous fiscal year and the corresponding portion of the previous fiscal year, all in reasonable detail and certified by a Responsible Officer of the Parent Entity as fairly presenting the financial condition, results of operations, shareholders' equity and cash flows of the Consolidated Group in accordance with GAAP, subject only to normal year-end audit adjustments and the absence of footnotes.

7.02 Certificates; Other Information.

Deliver to the Administrative Agent and each Lender, in form and detail reasonably satisfactory to the Administrative Agent and the Required Lenders:

(a) concurrently with the delivery of the financial statements referred to in Section 7.01(b), (i) a duly completed Compliance Certificate signed a Responsible Officer of the Parent Entity and (ii) an updated Schedule 6.08, if applicable.

(b) concurrently with the delivery of the financial statements referred to in Section 7.01(a), a certificate of its independent certified public accountants certifying such financial statements.

(c) within 30 days after the end of each fiscal year, beginning with the fiscal year ending December 31, 2014, an annual business plan and budget of the Consolidated Group containing, among other things, pro forma financial statements for each quarter of the next fiscal year.

(d) promptly, and in any event within ten Business Days after receipt thereof by any Loan Party or any Subsidiary thereof, copies of each notice or other correspondence received from the SEC (or comparable agency in any applicable non-U.S. jurisdiction) concerning any material investigation or possible material investigation or other inquiry by such agency regarding financial or other operational results of any Loan Party or any Subsidiary thereof.

(e) promptly, such additional information regarding the business, financial or corporate affairs of any Loan Party or any Subsidiary, or compliance with the terms of the Loan Documents, as the Administrative Agent or any Lender may from time to time reasonably request (subject to legal privilege requirements in the ordinary course and customary written confidentiality obligations as long as such legal privilege requirements or confidentiality obligations were not invoked or incurred in contemplation of this Agreement or with a view to avoid providing information to the Administrative Agent or the Lenders).

Documents required to be delivered pursuant to Section 7.01(a) or (b) or Section 7.02 (to the extent any such documents are included in materials otherwise filed with the SEC) may be delivered electronically and if so delivered, shall be deemed to have been delivered on the date (i) on which the Parent Entity or the Borrower posts such documents, or provides a link thereto on its website on the Internet at the website address listed on Schedule 11.02; or (ii) on which such documents are posted on the Parent Entity's or the Borrower's behalf on an Internet or intranet website, if any, to which each Lender and the Administrative Agent have access (whether a commercial, third-party website or whether sponsored by the Administrative Agent);.

The Loan Parties hereby acknowledge that (a) the Administrative Agent and/or MLPFS may, but shall not be obligated to, make available to the Lenders and a L/C Issuer materials and/or information provided by or on behalf of the Borrower or its Affiliates hereunder (collectively, the "Borrower Materials") by posting the Borrower Materials on Debt Domain, IntraLinks, Syndtrak or another similar electronic system (the "Platform") and (b) certain of the Lenders (each, a "Public Lender") may have personnel who do not wish to receive material non-public information with respect to the Borrower or its Affiliates, or the respective securities of any of the foregoing, and who may be engaged in investment and other market-related activities with respect to such Person's securities. The Loan Parties hereby agree that (w) all Borrower Materials that are to be made available to Public Lenders shall be clearly and conspicuously marked "PUBLIC" which, at a minimum, shall mean that the word "PUBLIC" shall appear prominently on the first page thereof; (x) by marking Borrower Materials "PUBLIC," the Loan Parties shall be deemed to have authorized the Administrative Agent, MLPFS and the Lenders to treat such Borrower Materials as not containing any material non-public information with respect to the Borrower, its Affiliates or its securities for purposes of United States federal and state securities laws (provided, however, that to the extent such Borrower Materials constitute Information, they shall be treated as set forth in Section 11.07); (y) all Borrower Materials marked "PUBLIC" are permitted to be made available through a portion of the Platform designated as "Public Side Information;" and (z) the Administrative Agent and MLPFS shall be entitled to treat any Borrower Materials that are not marked "PUBLIC" as being suitable only for posting on a portion of the Platform that is not designated as "Public Side Information."

7.03 Notices.

Promptly (and in any event, within two Business Days after a Responsible Officer obtains knowledge of the same) notify the Administrative Agent of:

(a) the occurrence of any Default.

(b) any matter that has resulted or could reasonably be expected to result in a Material Adverse Effect.

(c) the occurrence of any ERISA Event.

(d) any material change in accounting policies or financial reporting practices by a Loan Party or any Subsidiary, including any determination referred to in Section 2.10(b).

(e) If the Parent Entity has obtained an Investment Grade Rating, any change in such Debt Rating.

Each notice pursuant to this Section 7.03(a) through (d) shall be accompanied by a statement of a Responsible Officer of the Borrower setting forth details of the occurrence referred to therein and stating what action the applicable Loan Party has taken and proposes to take with respect thereto. Each notice pursuant to Section 7.03(a) shall describe with particularity any and all provisions of this Agreement and any other Loan Document that have been breached. The Administrative Agent agrees to notify the Lenders of any notice delivered to the Administrative Agent by the Borrower pursuant to this Section 7.03.

7.04 Payment of Obligations.

Pay and discharge, as the same shall become due and payable (a) all tax liabilities, assessments and governmental charges or levies upon it or its properties or assets, unless the same are being contested in good faith by appropriate proceedings diligently conducted and adequate reserves in accordance with GAAP are being maintained by the Loan Party or such Subsidiary and (b) all lawful claims which, if unpaid, would by law become a Lien upon its property (other than Liens permitted under Section 8.01).

7.05 Preservation of Existence, Etc. and REIT Status.

(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 except in a transaction permitted by Section 8.04 or 8.05.

(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 the failure to do so could not reasonably be expected to have a Material Adverse Effect.

(c) Preserve or renew all of its registered patents, copyrights, trademarks, trade names and service marks, the non-preservation or non-renewal of which could reasonably be expected to have a Material Adverse Effect.

(d) Maintain or cause to be maintained (as applicable) the Parent Entity’s status as a REIT in compliance with all applicable provisions under the Internal Revenue Code relating to such status.

7.06 Maintenance of Properties.

Do all things reasonably required to maintain, preserve and protect all of its properties and equipment necessary in the operation of its business in good working order and condition, ordinary wear and tear excepted and make all necessary repairs thereto and renewals and replacements thereof, except where the failure to do so could not reasonably be expected to have a Material Adverse Effect.

7.07 Maintenance of Insurance.

Maintain with financially sound and reputable insurance companies not Affiliates of a Loan Party, insurance with respect to its properties and business against loss or damage of the kinds customarily insured against by Persons engaged in the same or similar business, of such types and in such amounts as are customarily carried under similar circumstances by such other Persons; provided, that notwithstanding the above, the Loan Parties may comply with this Section 7.07 by maintaining any such insurance with a captive insurance company that is an Affiliate of the Parent Entity.

7.08 Compliance with Laws.

Comply with the requirements of all Laws, including without limitation the Patriot Act, OFAC, Anti-Money Laundering Laws and all orders, writs, injunctions and decrees applicable to it or to its business or property, except in such instances in which (a) such requirement of Law or order, writ, injunction or decree is being contested in good faith by appropriate proceedings diligently conducted or (b) the failure to comply therewith could not reasonably be expected to have a Material Adverse Effect.

7.09 Books and Records.

Maintain proper books of record and account, (a) in which full, true and correct entries in all material respects shall be made of all financial transactions and matters involving the assets and business of the Consolidated Group to the extent required and in conformity with GAAP and (b) in material conformity with all material requirements of any Governmental Authority having regulatory jurisdiction over the Consolidated Group.

7.10 Inspection Rights.

Permit representatives of the Administrative Agent and each Lender to visit and inspect any of its properties, to examine its corporate, financial and operating records, and make copies thereof or abstracts therefrom (subject to legal privilege requirements in the ordinary course and customary written confidentiality obligations as long as such legal privilege requirements or confidentiality obligations were not incurred in contemplation of this Agreement or with a view to avoid providing information to the Administrative Agent or the Lenders) and to discuss its affairs, finances and accounts with its directors, officers, and independent public accountants (provided that the Borrower shall have the opportunity to participate in any discussions with its independent public accountants), at the expense of the Borrower (subject to the limitations below) and at such reasonable times during normal business hours and as often as may be reasonably requested, upon reasonable advance notice to the Borrower; provided, however, that (a) absent the existence of an Event of Default only one such visit a year shall be at the Borrower's expense and (b) when an Event of Default exists, the Administrative Agent or any Lender (or any of their respective representatives or independent contractors) may do any of the foregoing at the expense of the Borrower at any time during normal business hours and without advance notice.

7.11 Use of Proceeds.

Use the proceeds of the Credit Extensions (a) to refinance outstanding Indebtedness under the Existing Credit Agreement, (b) to finance working capital, capital expenditures, acquisitions, redevelopment, joint ventures, note purchases, Mezzanine Debt Investments and construction and (c) for other general corporate purposes; provided that in no event shall the proceeds of the Credit Extensions be used in contravention of any Law or of any Loan Document.

7.12 ERISA Compliance.

Do, and cause each of its ERISA Affiliates to do, each of the following: (a) maintain each Plan in compliance in all material respects with the applicable provisions of ERISA, the Internal Revenue Code and other federal or state law; (b) cause each Plan that is qualified under Section 401(a) of the Internal Revenue Code to maintain such qualification; and (c) make all required contributions to any Pension Plan.

7.13 Addition of Subsidiary Guarantors.

If any Subsidiary guaranties any borrowed money Indebtedness owed by the Borrower, the Parent Entity or any other Loan Party, the Borrower shall (a) cause such Subsidiary to become a Subsidiary Guarantor by executing and delivering to the Administrative Agent a Joinder Agreement in the form of Exhibit G or such other document as the Administrative Agent shall deem appropriate for such purpose, (b) deliver to the Administrative Agent documents of the types referred to in Sections 5.01 (b), (f) and (l) for such Person, in each case in form and substance similar to those delivered on the Closing Date and (c) provide a certificate that the representations in Section 6.01 through 6.04 inclusive are true and correct in all material respects (unless already qualified by materiality or Material Adverse Effect, in which case they shall be true and correct in all respects) as of the date of such certificate, 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 (unless already qualified by materiality or Material Adverse Effect, in which case they shall be true and correct in all respects) as of such earlier date, with respect to the new Subsidiary Guarantor.

ARTICLE VIII

NEGATIVE COVENANTS

So long as any Lender shall have any Commitment hereunder, any Loan or other Obligation hereunder shall remain unpaid or unsatisfied, or any Letter of Credit shall remain outstanding, no Loan Party shall, nor shall it permit any Subsidiary to, directly or indirectly:

8.01 Liens.

Create, incur, assume or suffer to exist any Lien upon any of its property, assets or revenues, whether now owned or hereafter acquired, other than the following:

(a) Permitted Liens; and

(b) other Liens as long as (i) such Liens do not encumber Unencumbered Properties or the Equity Interests of the Borrower or any Subsidiary Guarantor, (ii) such Liens do not encumber assets owned by the Parent Entity or the Borrower, and (iii) the incurrence of such Lien

will not cause, on a pro forma basis, a Default under the Loan Documents, including the financial covenants in Section 8.11.

8.02 [Reserved].

8.03 Indebtedness.

Create, incur, assume or suffer to exist any Indebtedness, except:

(a) Indebtedness under (i) the Loan Documents, (ii) Indebtedness incurred under that certain Credit Agreement, dated as of September 16, 2016, (as amended, modified, or restated from time to time) among the Borrower, the Parent Entity, any other guarantors party thereto, the lenders party thereto and PNC Bank, National Association, as administrative agent (the "PNC Agreement"), (iii) Indebtedness incurred under that certain Credit Agreement, dated as of the Fifth Amendment Effective Date, (as amended, modified, or restated from time to time) among the Borrower, the Parent Entity, any other guarantors party thereto, the lenders party thereto and Wells Fargo Bank, National Association, as administrative agent (the "Wells Agreement") and (iv) Indebtedness incurred under that certain Credit Agreement, dated as of the Fifth Amendment Effective Date, (as amended, modified, or restated from time to time) among the Borrower, the Parent Entity, any other guarantors party thereto, the lenders party thereto and KeyBank, National Association, as administrative agent (the "Key Agreement");

(b) intercompany Indebtedness among members of the Consolidated Group;

(c) obligations (contingent or otherwise) of a Loan Party or any Subsidiary existing or arising under any Swap Contract; provided that (i) such obligations are (or were) entered into by such Person in the ordinary course of business for the purpose of directly mitigating risks associated with liabilities, commitments, investments, assets, or property held or reasonably anticipated by such Person, or changes in the value of securities issued by such Person, and not for purposes of speculation or taking a "market view;" and (ii) such Swap Contract does not contain any provision exonerating the non-defaulting party from its obligation to make payments on outstanding transactions to the defaulting party;

(d) other Indebtedness as long as the incurrence of such Indebtedness will not cause, on a pro forma basis, a Default under the Loan Documents, including the financial covenants in Section 8.11; and

(e) Guaranties of the foregoing; provided that, a Subsidiary cannot guaranty borrowed money Indebtedness owed by the Parent Entity, the Borrower or any other Loan Party unless such Subsidiary is, or simultaneously becomes, a Subsidiary Guarantor as set forth in Section 7.13.

8.04 Fundamental Changes.

Merge, dissolve, liquidate, consolidate with or into another Person, or Dispose of (whether in one transaction or in a series of transactions) all or substantially all of its assets (whether now owned or hereafter acquired) to or in favor of any Person; provided that, notwithstanding the foregoing provisions of this Section 8.04 (a) the Parent Entity may merge or consolidate with any of its Subsidiaries (other than the Borrower); provided that the Parent Entity shall be the continuing or surviving Person, (b) the Borrower may merge or consolidate with any of its Subsidiaries; provided that the Borrower shall be the continuing or surviving corporation, (c) any Loan Party (other than the Parent Entity or the Borrower) may merge or

consolidate with any other Loan Party, (d) any non-Loan Party may merge with a Loan Party as long as the Loan Party is the continuing or surviving Person, (e) any non-Loan Party may be merged or consolidated with or into any other non-Loan Party and (f) the Permitted Reorganization and the transactions contemplated thereby may occur.

8.05 Dispositions.

Make any Disposition unless such Disposition would not, on a pro forma basis after giving effect to such Disposition, cause a Default under the Loan Documents.

8.06 Restricted Payments.

(a) Permit the Dividend Payout Ratio, as of the last day of any fiscal quarter, to exceed the FFO Percentage.

(b) Subject to the paragraph below, permit the Parent Entity, at any time an Event of Default exists, to make or declare any dividends or similar distributions without the written consent of the Administrative Agent and Required Lenders.

Notwithstanding anything in this Section 8.06 to the contrary, (i) the Parent Entity shall be permitted at all times to distribute the minimum amount of dividends necessary for the Parent Entity to maintain its status as a REIT for U.S. federal and state income tax purposes, (ii) provided there is no continuing Event of Default under Sections 9.01(a) or (f), the Parent Entity shall be permitted at all times to pay dividends necessary for it to avoid the payment of federal or state income or excise taxes, (iii) the Borrower and its Subsidiaries may declare and make distributions on their Equity Interests in accordance with their respective Organization Documents in an amount sufficient to enable the Parent Entity to pay dividends pursuant to clauses (i) and (ii) above and (iv) the Borrower and its Subsidiaries shall be permitted to make any dividends or similar distributions that are required to be made to in order to give effect to the Permitted Reorganization.

8.07 Change in Nature of Business.

Engage in any material line of business substantially different from those lines of business conducted by the Consolidated Group on the Closing Date or any business substantially related or incidental thereto.

8.08 Transactions with Affiliates.

Enter into any transaction of any kind with any Affiliate of the Consolidated Group, whether or not in the ordinary course of business, other than (a) on fair and reasonable terms substantially as favorable to such member of the Consolidated Group as would be obtainable by such member of the Consolidated Group at the time in a comparable arm’s length transaction with a Person other than an Affiliate, (b) transactions permitted under Section 8.04, (c) dividends or distributions permitted under Section 8.06, (d) transactions with a captive insurance company that is an Affiliate of the Parent Entity, (e) transactions entered into to acquire the additional Equity Interests, if any, in PECO-ARC Institutional Joint Venture I, L.P. or (f) in connection with the Permitted Reorganization.

8.09 Burdensome Agreements.

Enter into, or permit to exist, any Contractual Obligation that (a) prohibits the ability of any such Person to (i) make Restricted Payments to any Loan Party, (ii) pay any Indebtedness or other obligations

owed to any Loan Party or (iii) with respect to a Loan Party, pledge its property pursuant to and to the extent required under the Loan Documents or any renewals, refinancings, exchanges, refundings or extension thereof except for (1) this Agreement and the other Loan Documents, (2) any document or instrument governing Secured Indebtedness incurred in compliance with Sections 8.01 and 8.03; provided that any such restriction contained therein relates only to the asset or assets secured in connection therewith, (3) any Lien permitted under Section 8.01 or any document or instrument governing any Lien permitted under Section 8.01; provided that any such restriction contained therein relates only to the asset or assets subject to such Lien permitted under Section 8.01, or (4) customary restrictions and conditions contained in any agreement relating to the sale of any property permitted under Section 8.05 pending the consummation of such sale or (b) with respect to a Loan Party, requires the grant of any security for any obligation if such property is given as security for the Obligations.

8.10 Use of Proceeds.

Use the proceeds of any Credit Extension, whether directly or indirectly, and whether immediately, incidentally or ultimately, to purchase or carry margin stock (within the meaning of Regulation U of the FRB) or to extend credit to others for the purpose of purchasing or carrying margin stock or to refund indebtedness originally incurred for such purpose.

8.11 Financial Covenants.

(a) Leverage Ratio. Permit the Leverage Ratio, as of the last day of any fiscal quarter of the Consolidated Group, to be greater than sixty percent (60%), or, for a period of four consecutive fiscal quarters following a Material Acquisition, sixty-five percent (65%).

(b) Secured Leverage Ratio. Permit the Secured Leverage Ratio, as of the last day of any fiscal quarter of the Consolidated Group, to be greater than forty percent (40%), or, for a period of four consecutive fiscal quarters following a Material Acquisition, forty-five percent (45%).

(c) Fixed Charge Coverage Ratio. Permit the Fixed Charge Coverage Ratio, as of the last day of any fiscal quarter of the Consolidated Group, to be less than 1.50 to 1.00, or, for a period of four consecutive fiscal quarters following a Material Acquisition, 1.40 to 1.00.

(d) Minimum Tangible Net Worth. Permit Tangible Net Worth, as of the last day of any fiscal quarter of the Consolidated Group, to be less than the sum of (i) seventy-five percent (75%) of Tangible Net Worth as of the quarter ending December 31, 2017 plus (ii) an amount equal to seventy percent (70%) of the aggregate increases in Shareholders' Equity of the Consolidated Group occurring subsequent to the quarter ending December 31, 2017 by reason of the issuance and sale of Equity Interests of the Consolidated Group (other than any Dividend Reinvestment Proceeds), including upon any conversion of debt securities of the Parent Entity or the Borrower into such Equity Interests, minus (iii) the aggregate amount of payments made with respect to any redemption, retirement, surrender, defeasance, repurchase, purchase or other similar transaction or acquisition for value, direct or indirect, on account of any Equity Interests of the Parent Entity subsequent to the quarter ending December 31, 2017 and on or prior to the last day of the fiscal quarter of the Consolidated Group immediately following the date the Parent Entity obtained an Investment Grade Rating (the sum of (i) plus (ii) minus (iii), "Minimum Tangible Net Worth"); provided that following the date that the Parent Entity obtains an Investment Grade Rating, the requirement pursuant to this Section 8.11(d) shall be a fixed number based on the Minimum Tangible Net Worth required as of the last day of the fiscal quarter of the Consolidated Group immediately following the date the Parent Entity obtained an

Investment Grade Rating minus the aggregate amount of payments made with respect to any redemption, retirement, surrender, defeasance, repurchase, purchase or other similar transaction or acquisition for value, direct or indirect, on account of any Equity Interests of the Parent Entity after the last day of the fiscal quarter of the Consolidated Group immediately following the date the Parent Entity obtained the Investment Grade Rating.

(e) Maximum Unsecured Indebtedness to Unencumbered Asset Value Ratio. Permit, as of the last day of any fiscal quarter of the Consolidated Group, the ratio of (i) Unsecured Indebtedness as of such date to (ii) Unencumbered Asset Value as of the four fiscal quarter period ending on such date to be greater than sixty percent (60%) or, for a period of four consecutive fiscal quarters following a Material Acquisition, sixty-five percent (65%).

(f) Unencumbered NOI to Interest Expense on Unsecured Indebtedness Ratio. Permit, as of the last day of any fiscal quarter of the Consolidated Group, the ratio of (i) Unencumbered NOI for the most recent four fiscal quarter period to (ii) Interest Expense incurred with respect to Unsecured Indebtedness for the most recent four fiscal quarter period to be less than 1.75 to 1.00 or, for a period of four consecutive fiscal quarters following a Material Acquisition, 1.70 to 1.00.

8.12 Organization Documents; Fiscal Year; Legal Name, State of Formation and Form of Entity.

(a) With respect to any Loan Party, (i) change its name, state of formation or form of organization without providing the Administrative Agent at least ten (10) Business Days prior written notice or (ii) amend, modify or change its Organization Documents in a manner adverse to the Lenders.

(b) Change its fiscal year.

8.13 Sanctions.

Directly or indirectly, knowingly use the proceeds or any Loan, or lend, contribute or otherwise make available such proceeds to any Subsidiary, joint venture partner or other individual or entity, to fund any activities or business with any individual or entity, or in any Designated Jurisdiction that, at the time of such funding, is the subject of any Sanctions, or in any other manner that will result in a breach by any individual or entity (including any individual or entity participating in the transaction, whether as Lender, Lead Arranger, Administrative Agent, L/C Issuer, Swing Line Lender or otherwise) of Sanctions.

8.14 Anti-Corruption Laws.

Directly or indirectly, use the proceeds of any Credit Extension for any purpose which would breach the United States Foreign Corrupt Practices Act of 1977, the UK Bribery Act 2010 or other similar anti-corruption legislation in other jurisdictions.

ARTICAL IX

EVENTS OF DEFAULT AND REMEDIES

9.01 Events of Default.

Any of the following shall constitute an Event of Default:

(a) Non-Payment. The Borrower or any other Loan Party fails to pay (i) when and as required to be paid herein, any amount of principal of any Loan or any L/C Obligation, or (ii) within five Business Days after the same becomes due, any interest on any Loan or on any L/C Obligation, or any fee due hereunder, or (iii) within five Business Days after the same becomes due, any other amount payable hereunder or under any other Loan Document; or

(b) Specific Covenants. Any Loan Party fails to perform or observe any term, covenant or agreement contained in any of Section 7.01, 7.02, 7.03, 7.05, 7.10, 7.11 or 7.13 or Article VIII or

(c) Other Defaults. Any Loan Party fails to perform or observe any other covenant or agreement (not specified in subsection (a) or (b) above) contained in any Loan Document on its part to be performed or observed and such failure continues for thirty days; or

(d) Representations and Warranties. Any representation or warranty made or deemed made by or on behalf of the Borrower or any other Loan Party herein, in any other Loan Document, or in any document delivered in connection herewith or therewith shall be incorrect or misleading in any material respect (unless already qualified by materiality or Material Adverse Effect, in which case an Event of Default shall exist if such representation, warranty or statement of fact shall be incorrect or misleading in any respect) when made or deemed made; or

(e) Cross-Default. (i) Any Loan Party or any Subsidiary (A) fails to make any payment when due (whether by scheduled maturity, required prepayment, acceleration, demand, or otherwise) in respect of any Indebtedness that is Recourse Debt or any Guarantee of any such Recourse Debt (in either case, other than the Obligations and Indebtedness under Swap Contracts) having an aggregate outstanding 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 Fifty Million Dollars ($50,000,000) and such failure is not waived and continues beyond any cure period as may be specifically noted therein, or (B) fails to observe or perform any other material agreement or condition relating to any such Recourse Debt or Guarantee or contained in any instrument or agreement evidencing, securing or relating thereto, or any other event occurs, in each case that is not waived, continues beyond any cure period and results in such Recourse Debt or Guarantee becoming or being declared immediately due and payable; (ii) Any Loan Party or any Subsidiary (A) fails to make any payment when due (whether by scheduled maturity, required prepayment, acceleration, demand, or otherwise) in respect of any Indebtedness that is Non-Recourse Debt or any Guarantee of any such Non-Recourse Debt having an aggregate outstanding 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 One Hundred Twenty-Five Million Dollars ($125,000,000) and such failure is not waived and continues beyond any cure period as may be specifically noted therein; provided, that the failure to pay any such Non-Recourse Debt when due shall not constitute an Event of Default (and such Non-Recourse Debt shall be excluded from the applicable aggregate limit referred to above) so long as the only default by the Loan Party or Subsidiary is the failure

to pay such Non-Recourse Debt when due on its scheduled maturity date and the Loan Party or Subsidiary is actively pursuing the extension or refinancing of such Non-Recourse Debt and the holder of such Non-Recourse Debt has not initiated a foreclosure of its Lien or proceedings to have a receiver appointed for the collateral securing such Non-Recourse Debt, except that (x) the deferral under this clause (ii)(A) shall not extend for more than ninety (90) days after the maturity date of such Non-Recourse Debt, subject to extension of such deferral period for an additional thirty (30) days if prior to the expiration of such initial 90 day period the Borrower has provided to the Administrative Agent reasonably satisfactory evidence that the Loan Party or Subsidiary is continuing to actively pursue such extension or refinancing, or (B) fails to observe or perform any other material agreement or condition relating to any such Non-Recourse Debt or Guarantee or contained in any instrument or agreement evidencing, securing or relating thereto, or any other event occurs, in each case that is not waived, continues beyond any cure period and results in such Non-Recourse Debt or Guarantee becoming or being declared immediately due and payable; (iii) there occurs under any Swap Contract an Early Termination Date (as defined in such Swap Contract) resulting from (A) any Event of Default (as defined in such Swap Contract) as to which any Loan Party is the Defaulting Party (as defined in such Swap Contract) that is not waived and continues beyond any cure period provided therein or (B) any Termination Event (as defined in such Swap Contract) under such Swap Contract as to which any Loan Party is an Affected Party (as defined therein) and, in either event, the Swap Termination Value owed by any Loan Party as a result thereof is greater than the Threshold Amount or (iv) there exists (A) an Event of Default (as defined under the PNC Agreement) under the PNC Agreement that is not waived and continues beyond any cure period provided therein and results in such debt under the PNC Agreement becoming or being declared immediately due and payable, (B) an Event of Default (as defined under the Wells Agreement) under the Wells Agreement that is not waived and continues beyond any cure period provided therein and results in such debt under the Wells Agreement becoming or being declared immediately due and payable or (C) an Event of Default (as defined under the Key Agreement) under the Key Agreement that is not waived and continues beyond any cure period provided therein and results in such debt under the Key Agreement becoming or being declared immediately due and payable; or

(f) Insolvency Proceedings, Etc. Any Loan Party institutes or consents to the institution of any proceeding under any Debtor Relief Law, or makes an assignment for the benefit of creditors; or applies for or consents to the appointment of any receiver, trustee, custodian, conservator, liquidator, rehabilitator or similar officer for it or for all or any material part of its property; or any receiver, trustee, custodian, conservator, liquidator, rehabilitator or similar officer is appointed without the application or consent of such Person and the appointment continues undischarged or unstayed for sixty calendar days; or any proceeding under any Debtor Relief Law relating to any such Person or to all or any material part of its property is instituted without the consent of such Person and continues undismissed or unstayed for sixty calendar days, or an order for relief is entered in any such proceeding; or

(g) Inability to Pay Debts; Attachment. (i) Any Loan Party becomes unable or admits in writing its inability or fails generally to pay its debts as they become due, or (ii) any writ or warrant of attachment or execution or similar process is issued or levied against all or any material part of the property of any such Person and is not released, vacated or fully bonded within thirty days after its issue or levy; or

(h) Judgments. There is entered against any Loan Party one or more final judgments or orders for the payment of money in an aggregate amount exceeding the Threshold Amount (to the extent not covered by independent third-party insurance as to which the insurer does not dispute coverage) which remains unpaid for sixty days and (i) enforcement proceedings are

commenced by any creditor upon such judgment or order, or (ii) such judgment or order has not been stayed on appeal or otherwise appropriately contested in good faith; or

(i) ERISA. (i) An ERISA Event occurs with respect to a Pension Plan or Multiemployer Plan which has resulted or could reasonably be expected to result in liability of any Loan Party 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 (ii) the Borrower or any ERISA Affiliate fails to pay when due, after the expiration of any applicable grace period, any installment payment with respect to its withdrawal liability under Section 4201 of ERISA under a Multiemployer Plan in an aggregate amount in excess of the Threshold Amount; or

(j) Invalidity of Loan Documents. Any Loan Document, at any time after its execution and delivery and for any reason other than as expressly permitted hereunder or thereunder or satisfaction in full of all the Obligations, ceases to be in full force and effect; or any Loan Party or any other Person contests in any manner the validity or enforceability of any Loan Document; or any Loan Party denies that it has any or further liability or obligation under any Loan Document, or purports to revoke, terminate or rescind any Loan Document; or

(k) Change of Control. There occurs any Change of Control.

9.02 Remedies Upon Event of Default.

If any Event of Default occurs and is continuing, the Administrative Agent shall, at the request of, or may, with the consent of, the Required Lenders, take any or all of the following actions:

(a) declare the commitment of each Lender to make Loans and any obligation of a L/C Issuer to make L/C Credit Extensions to be terminated, whereupon such commitments and obligation shall be terminated;

(b) declare the unpaid principal amount of all outstanding Loans, all interest accrued and unpaid thereon, and all other amounts owing or payable hereunder or under any other Loan Document to be immediately due and payable, without presentment, demand, protest or other notice of any kind, all of which are hereby expressly waived by the Borrower;

(c) require that the Borrower Cash Collateralize the L/C Obligations (in an amount equal to the Minimum Collateral Amount with respect thereto); and

(d) exercise on behalf of itself and the Lenders all rights and remedies available to it and the Lenders under the Loan Documents;

provided, however, that upon the occurrence of an actual or deemed entry of an order for relief with respect to any Loan Party under the Bankruptcy Code of the United States, the obligation of each Lender to make Loans and any obligation of a L/C Issuer to make L/C Credit Extensions shall automatically terminate, the unpaid principal amount of all outstanding Loans and all interest and other amounts as aforesaid shall automatically become due and payable, and the obligation of the Borrower to Cash Collateralize the L/C Obligations as aforesaid shall automatically become effective, in each case without further act of the Administrative Agent or any Lender.

9.03 Application of Funds.

After the exercise of remedies provided for in Section 9.02 (or after the Loans have automatically become immediately due and payable and the L/C Obligations have automatically been required to be Cash Collateralized as set forth in the proviso to Section 9.02), any amounts received on account of the Obligations shall be applied by the Administrative Agent in the following order:

First, to payment of that portion of the Obligations constituting fees, indemnities, expenses and other amounts (including fees, charges and disbursements of counsel to the Administrative Agent and amounts payable under Article III) payable to the Administrative Agent in its capacity as such;

Second, to payment of that portion of the Obligations constituting fees, indemnities and other amounts (other than principal, interest and Letter of Credit Fees) payable to the Lenders and a L/C Issuer (including fees, charges and disbursements of counsel to the respective Lenders and a L/C Issuer) arising under the Loan Documents and amounts payable under Article III, ratably among them in proportion to the respective amounts described in this clause Second payable to them;

Third, to payment of that portion of the Obligations constituting accrued and unpaid Letter of Credit Fees and interest on the Loans and L/C Borrowings, ratably among the Lenders and a L/C Issuer in proportion to the respective amounts described in this clause Third held by them;

Fourth, to payment of that portion of the Obligations constituting (i) accrued and unpaid principal of the Loans and L/C Borrowings and (ii) breakage, termination or other payments due under any Swap Contract between and Loan Party and any Lender or Affiliate of a Lender, ratably among the Lenders, the applicable Affiliates (with respect to clause (ii)) and a L/C Issuer in proportion to the respective amounts described in this clause Fourth held by them;

Fifth, to Cash Collateralize that portion of L/C Obligations comprised of the aggregate undrawn amount of Letters of Credit; and

Last, the balance, if any, after all of the Obligations have been indefeasibly paid in full, to the Borrower or as otherwise required by Law.

Subject to Sections 2.03(c) and 2.14, amounts used to Cash Collateralize the aggregate undrawn amount of Letters of Credit pursuant to clause Fourth above shall be applied to satisfy drawings under such Letters of Credit as they occur. If any amount remains on deposit as Cash Collateral after all Letters of Credit have either been fully drawn or expired, such remaining amount shall be applied to the other Obligations, if any, in the order set forth above.

Excluded Swap Obligations with respect to any Loan Party shall not be paid with amounts received from such Loan Party or such Loan Party's assets, but appropriate adjustments shall be made with respect to payments from other Loan Parties to preserve the allocation to Obligations otherwise set forth above in this Section.

ARTICLE X

ADMINISTRATIVE AGENT

10.01 Appointment and Authority.

Each of the Lenders and a L/C Issuer hereby irrevocably appoints Bank of America to act on its behalf as the Administrative Agent hereunder and under the other Loan Documents and authorizes the Administrative Agent to take such actions on its behalf and to exercise such powers as are delegated to the Administrative Agent by the terms hereof or thereof, together with such actions and powers as are incidental thereto. The provisions of this Article are solely for the benefit of the Administrative Agent, the Lenders and a L/C Issuer, and neither the Borrower nor any other Loan Party shall have 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 Loan Documents (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 Law. 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.

10.02 Rights as a Lender.

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, include 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.

10.03 Exculpatory Provisions.

The Administrative Agent shall not have any duties or obligations except those expressly set forth herein and in the other Loan 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 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 Loan 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 Loan Documents), provided that the Administrative Agent shall not be required to take any action that, in its reasonable opinion, may expose the Administrative Agent to liability or that is contrary to any Loan 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 affect 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 Loan Documents, have any duty to disclose, and shall not be liable for such failure to disclose, any information relating to any Loan Party or any of its Affiliates that is communicated to or obtained by the Person serving as the Administrative Agent or any of its Affiliates in any capacity.

The Administrative Agent shall not be liable for any action taken or not taken by it (i) 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 11.01 and 9.02) or (ii) in the absence of its own bad faith, gross negligence or willful misconduct as determined by a court of competent jurisdiction by final and non-appealable judgment. The Administrative Agent shall be deemed not to have knowledge of any Default unless and until notice describing such Default is given in writing to the Administrative Agent by the Borrower, a Lender or a L/C Issuer.

The Administrative Agent shall not be responsible for or have any duty to ascertain or inquire into (i) any statement, warranty or representation made in or in connection with this Agreement or any other Loan Document, (ii) the contents of any certificate, report or other document delivered hereunder or thereunder or in connection herewith or therewith, (iii) the performance or observance of any of the covenants, agreements or other terms or conditions set forth herein or therein or the occurrence of any Default, (iv) the validity, enforceability, effectiveness or genuineness of this Agreement, any other Loan Document or any other agreement, instrument or document or (v) the satisfaction of any condition set forth in Article V or elsewhere herein, other than to confirm receipt of items expressly required to be delivered to the Administrative Agent.

10.04 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 a L/C Issuer, the Administrative Agent may presume that such condition is satisfactory to such Lender or a L/C Issuer unless the Administrative Agent shall have received notice to the contrary from such Lender or a L/C Issuer 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 Loan Parties), 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.

10.05 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 Loan 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.

10.06 Resignation of Administrative Agent.

(a) The Administrative Agent may at any time give notice of its resignation to the Lenders, the L/C Issuers and the Borrower. Upon receipt of any such notice of resignation, the Required Lenders shall have the right, in consultation with the Borrower, 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 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 L/C Issuers, appoint a successor Administrative Agent meeting the qualifications set forth above. Whether or not a successor has been appointed, such resignation shall become effective in accordance with such notice on the Resignation Effective Date.

(b) If the Person serving as Administrative Agent is a Defaulting Lender pursuant to clause (d) of the definition thereof, the Required Lenders may, to the extent permitted by applicable Law by notice in writing to the Borrower and such Person remove such Person as the Administrative Agent and, in consultation with the Borrower, appoint a successor. If no such successor shall have been so appointed by the Required Lenders and shall have accepted such appointment within thirty (30) days (or such earlier day as shall be agreed by the Required Lenders) (the "Removal Effective Date"), then such removal shall nonetheless become effective in accordance with such notice on the Removal Effective Date.

(c) With effect from the Resignation Effective Date or the Removal Effective Date (as applicable) (1) the retiring or removed Administrative Agent shall be discharged from its duties and obligations hereunder and under the other Loan Documents (except that in the case of any collateral security held by the Administrative Agent on behalf of the Lenders or the L/C Issuers under any of the Loan Documents, the retiring or removed Administrative Agent shall continue to hold such collateral security until such time as a successor Administrative Agent is appointed) and (2) except for any indemnity payments or other amounts then owed to the retiring or removed 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 a L/C Issuer 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 or removed Administrative Agent (other than as provided in Section 3.01(g) and other than any rights to indemnity payments or other amounts owed to the retiring or removed Administrative Agent as of the Resignation Effective Date or the Removal Effective Date, as applicable), and the retiring or removed Administrative Agent shall be discharged from all of its duties and obligations hereunder or under the other Loan Documents (if not already discharged therefrom as provided above in this Section). The fees payable by the Borrower to a successor Administrative Agent shall be the same as those payable to its predecessor unless otherwise agreed between the Borrower and such successor. After the retiring or removed Administrative Agent's resignation or removal hereunder and under the other Loan Documents, the provisions of this Article and Section 11.04 shall continue in effect for the benefit of such retiring or removed 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.

Any resignation by or removal of Bank of America as Administrative Agent pursuant to this Section shall also constitute its resignation or removal as a L/C Issuer and a Swing Line Lender. If Bank of America resigns as a L/C Issuer, it shall retain all the rights, powers, privileges and duties of a L/C Issuer hereunder with respect to all Letters of Credit outstanding as of the effective date of its resignation as a L/C Issuer and all L/C Obligations with respect thereto, including the right to require the Lenders to make Base Rate Loans or fund risk participations in Unreimbursed Amounts pursuant to Section 2.03(c). If Bank of America resigns as a Swing Line Lender, it shall retain all the rights of a Swing Line Lender provided for hereunder with respect to Swing Line Loans made by it and outstanding as of the effective date of such resignation, including the right to require the Lenders to make Base Rate Loans or fund risk participations in outstanding Swing Line Loans pursuant to Section 2.04(c). Upon the appointment by the Borrower of a successor L/C Issuer or Swing Line Lender hereunder (which successor shall in all cases be a Lender other than a Defaulting Lender), (a) such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the retiring L/C Issuer or Swing Line Lender, as applicable (b) the retiring L/C Issuer and Swing Line Lender shall be discharged from all of their respective duties and obligations hereunder or under the other Loan Documents, and (c) the successor L/C Issuer shall issue letters of credit in substitution for the Letters of Credit, if any, outstanding at the time of such succession or make other arrangements satisfactory to Bank of America to effectively assume the obligations of Bank of America with respect to such Letters of Credit.

10.07 Non-Reliance on Administrative Agent and Other Lenders.

Each Lender and L/C Issuer 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 L/C Issuer also 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 Loan Document or any related agreement or any document furnished hereunder or thereunder.

10.08 No Other Duties; Etc.

Anything herein to the contrary notwithstanding, none of the bookrunners, arrangers, syndication agents, documentation agents or co-agents shall have any powers, duties or responsibilities under this Agreement or any of the other Loan Documents, except in its capacity, as applicable, as the Administrative Agent, a Lender or a L/C Issuer hereunder.

10.09 Administrative Agent May File Proofs of Claim.

In case of the pendency of any receivership, insolvency, liquidation, bankruptcy, reorganization, arrangement, adjustment, composition or other judicial proceeding relative to any Loan Party, the Administrative Agent (irrespective of whether the principal of any Loan or L/C Obligation shall then be due and payable as herein expressed or by declaration or otherwise and irrespective of whether the Administrative Agent shall have made any demand on the 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 (other than obligations under Swap Contracts or Treasury Management Agreements to which the Administrative Agent is not a party) 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, a L/C Issuer and the

Administrative Agent (including any claim for the reasonable compensation, expenses, disbursements and advances of the Lenders, a L/C Issuer and the Administrative Agent and their respective agents and counsel and all other amounts due the Lenders, a L/C Issuer and the Administrative Agent under Sections 2.03(h) and (i), 2.09 and 11.04) allowed in such judicial proceeding; and

(b) to collect and receive any monies or other property payable or deliverable on any such claims and to distribute the same;

and any custodian, receiver, assignee, trustee, liquidator, sequestrator or other similar official in any such judicial proceeding is hereby authorized by each Lender and a L/C Issuer 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 a L/C Issuer, 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 2.09 and 11.04.

Nothing contained herein shall be deemed to authorize the Administrative Agent to authorize or consent to or accept or adopt on behalf of any Lender or a L/C Issuer any plan of reorganization, arrangement, adjustment or composition affecting the Obligations or the rights of any Lender or to authorize the Administrative Agent to vote in respect of the claim of any Lender in any such proceeding.

10.10 Collateral and Guaranty Matters.

Each Lender and L/C Issuer irrevocably authorize the Administrative Agent, at its option and in its discretion, (a) to release any Subsidiary Guarantor from its obligations under the Guaranty if such Person ceases to be required to be a Subsidiary Guarantor under Section 7.13 and (b) to release the Cash Collateral and any Lien thereon in accordance with the terms and conditions set forth in Section 2.14. Upon request by the Administrative Agent at any time, the Required Lenders will confirm in writing the Administrative Agent's authority to release any Subsidiary Guarantor from its obligations under the Guaranty, pursuant to this Section 10.10.

10.11 Treasury Management Agreements and Swap Contracts.

No Lender or Affiliate of a Lender that obtains the benefit of Section 9.03 or the Guaranty by virtue of the provisions hereof shall have any right to notice of any action or to consent to, direct or object to any action hereunder or under any other Loan Document (or to notice of or to consent to any amendment, waiver or modification of the provisions hereof or of the Guaranty) other than in its capacity as a Lender and, in such case, only to the extent expressly provided in the Loan Documents. Notwithstanding any other provision of this Article X to the contrary, the Administrative Agent shall not be required to verify the payment of, or that other satisfactory arrangements have been made with respect to, Obligations arising under Treasury Management Agreements and Swap Contracts except to the extent expressly provided herein and unless the Administrative Agent has received written notice of such Obligations, together with such supporting documentation as the Administrative Agent may request, from the applicable Lender or Affiliate of a Lender, as the case may be. The Administrative Agent shall not be required to verify the payment of, or that other satisfactory arrangements have been made with respect to, Obligations arising under Treasury Management Agreements and Swap Contracts.

ARTICLE XI

MISCELLANEOUS

11.01 Amendments, Etc.

No amendment or waiver of any provision of this Agreement or any other Loan Document, and no consent to any departure by the Borrower or any other Loan Party therefrom, shall be effective unless in writing signed by the Required Lenders and the Borrower or the applicable Loan Party, as the case may be, and acknowledged by the Administrative Agent, and each such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given; provided, further, that

(a) no such amendment, waiver or consent shall:

(i) extend or increase the Commitment of a Lender (or reinstate any Commitment terminated pursuant to Section 9.02) without the written consent of such Lender whose Commitment is being extended or increased (it being understood and agreed that a waiver of any condition precedent set forth in Section 5.02 or of any Default or a mandatory reduction in Commitments is not considered an extension or increase in Commitments of any Lender);

(ii) postpone any date fixed by this Agreement or any other Loan Document for any payment or mandatory prepayment of principal, interest, fees or other amounts due to the Lenders (or any of them) or any scheduled or mandatory reduction of the Commitments hereunder or under any other Loan Document without the written consent of each Lender entitled to receive such payment or whose Commitments are to be reduced;

(iii) reduce the principal of, or the rate of interest specified herein on, any Loan or L/C Borrowing, or (subject to clause (i) of the final paragraph of this Section 11.01) any fees or other amounts payable hereunder or under any other Loan Document without the written consent of each Lender entitled to receive such payment of principal, interest, fees or other amounts; provided, however, that only the consent of the Required Lenders shall be necessary to amend the definition of "Default Rate" or to waive any obligation of the Borrower to pay interest or Letter of Credit Fees at the Default Rate;

(iv) change Section 2.13 or Section 9.03 in a manner that would alter the pro rata sharing of payments required thereby without the written consent of each Lender directly affected thereby;

(v) change any provision of this Section 11.01(a) or the definition of "Required Lenders" without the written consent of each Lender directly affected thereby; or

(vi) release the Borrower or the Parent Entity without the written consent of each Lender.

(b) unless also signed by a L/C Issuer, no amendment, waiver or consent shall affect the rights or duties of such L/C Issuer under this Agreement or any Issuer Document relating to any Letter of Credit issued or to be issued by it.

(c) unless also signed by a Swing Line Lender, no amendment, waiver or consent shall affect the rights or duties of such Swing Line Lender under this Agreement.

(d) unless also signed by the Administrative Agent, no amendment, waiver or consent shall affect the rights or duties of the Administrative Agent under this Agreement or any other Loan Document.

(e) prior to the termination of the Aggregate Revolving Commitments, unless also signed by Lenders (other than Defaulting Lenders) holding in the aggregate at least a majority of the Aggregate Revolving Commitments, no such amendment, waiver or consent shall (i) waive any Default for purposes of Section 5.02(b), (ii) amend, change, waive, discharge or terminate Section 5.02 in a manner adverse to such Lenders or (iii) amend, change or waive this Section 11.01(e).

Notwithstanding anything to the contrary herein:

(i) the Fee Letters may be amended, or rights or privileges thereunder waived, in a writing executed only by the parties thereto.

(ii) no Defaulting Lender shall have any right to approve or disapprove any amendment, waiver or consent hereunder (and any amendment, waiver or consent which by its terms requires the consent of all Lenders or each affected Lender may be effected with the consent of the applicable Lenders other than Defaulting Lenders), except that (x) the Commitment of any Defaulting Lender may not be increased or extended without the consent of such 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 disproportionately adversely relative to other affected Lenders shall require the consent of such Defaulting Lender.

(iii) each Lender is entitled to vote as such Lender sees fit on any bankruptcy reorganization plan that affects the Loans, and each Lender acknowledges that the provisions of Section 1126(c) of the Bankruptcy Code of the United States supersede the unanimous consent provisions set forth herein.

(iv) the Required Lenders shall determine whether or not to allow a Loan Party to use cash collateral in the context of a bankruptcy or insolvency proceeding and such determination shall be binding on all of the Lenders.

(v) amendments and waivers that affect solely the Lenders under the Revolving Facility or under a tranche of Term Loans or any Incremental Term Loan (including waiver or modification of (x) conditions to extensions of credit under the Revolving Facility or the relevant Term Loan and (y) the availability and conditions to funding of any Incremental Term Loan) and do not otherwise contradict the rights of Lenders under clause (a) of this Section 11.01: (1) shall only require the consent of those Lenders holding a majority of the outstanding Commitments and Loans with respect to the Revolving Facility, tranche of Term Loans or Incremental Term Loan, as applicable and (2) any fees paid with respect to such amendment or waiver need only be offered pro rata to those Lenders whose consent is required.

(vi) any amendment entered into in order to effectuate an increase in the Aggregate Revolving Commitments or a Term Loan or to provide an Incremental Term Loan, in each case in accordance with Section 2.16, shall only require the consent of the Lenders providing such increase or Incremental Term Loan as long as the purpose of such amendment is solely to incorporate the appropriate provisions for such increase or Incremental Term Loan.

(vii) the Borrower may, by written notice to the Administrative Agent from time to time (and with the consent of the Administrative Agent, not to be unreasonably withheld), make one or more offers (each, a "Loan Modification Offer") to all the Lenders under the Revolving Facility or a Term Loan to make one or more amendments or modifications to allow the maturity of such Loans of the accepting Lenders to be extended (and in connection therewith increase the Applicable Rate and/or fees payable with respect to such Loans and/or Revolving Commitments (if any) of the accepting Lenders) ("Extension Amendments") pursuant to procedures reasonably specified by the Administrative Agent and reasonably acceptable to the Borrower. Such notice shall set forth (x) the terms and conditions of the requested Extension Amendment and (y) the date on which such Extension Amendment is requested to become effective. Extension Amendments shall become effective only with respect to the Loans and/or Revolving Commitments of the Lenders that accept in writing the applicable Loan Modification Offer (such Lenders, the "Accepting Lenders") and, in the case of any Accepting Lender, only with respect to such Lender's Loans and/or Revolving Commitments as to which such Lender's acceptance has been made. The Borrower, each other Loan Party and each Accepting Lender shall execute and deliver to the Administrative Agent such documentation (the "Loan Amendment") as the Administrative Agent shall reasonably specify to evidence the acceptance of the Extension Amendments and the terms and conditions thereof, and the Loan Parties shall also deliver such corporate resolutions, opinions and other documents as reasonably requested by the Administrative Agent. The Administrative Agent shall promptly notify each Lender as to the effectiveness of each Loan Amendment. Each of the parties hereto hereby agrees that upon the effectiveness of any Loan Amendment, this Agreement shall be deemed amended to the extent (but only to the extent) necessary to reflect the existence and terms of the Extension Amendment evidenced thereby and only with respect to the Loans and/or Revolving Commitments of the Accepting Lenders as to which such Lenders' acceptance has been made and shall not contradict the rights of the Lenders under clause (a) of this Section 11.01 with respect to the Loans and/or Revolving Commitments of non-Accepting Lenders.

11.02 Notices and Other Communications; Facsimile Copies.

(a) Notices Generally. Except in the case of notices and other communications expressly permitted to be given by telephone (and except as provided in subsection (b) below), all notices and other communications provided for herein shall be in writing and shall be delivered by hand or overnight courier service, mailed by certified or registered mail or sent by facsimile as follows, and all notices and other communications expressly permitted hereunder to be given by telephone shall be made to the applicable telephone number, as follows:

(i) if to the Borrower or any other Loan Party, the Administrative Agent, a L/C Issuer or a Swing Line Lender, to the address, facsimile number, e-mail address or telephone number specified for such Person on Schedule 11.02; and

(ii) if to any other Lender, to the address, facsimile number, e-mail address or telephone number specified in its Administrative Questionnaire (including, as appropriate, notices delivered solely to the Person designated by a Lender on its Administrative Questionnaire then in effect for the delivery of notices that may contain material non-public information relating to the Borrower).

Notices and other communications sent by hand or overnight courier service, or mailed by certified or registered mail, shall be deemed to have been given when received; notices and other communications sent by facsimile or e-mail transmission shall be deemed to have been given when sent (except that, if not given during normal business hours for the recipient, shall be deemed to have been given at the opening of business on the next Business Day for the recipient).

Notices and other communications delivered through electronic communications to the extent provided in subsection (b) below, shall be effective as provided in such subsection (b).

(b) Electronic Communications. Notices and other communications to the Lenders and a L/C Issuer hereunder may be delivered or furnished by electronic communication (including e-mail address and Internet or intranet websites) pursuant to procedures approved by the Administrative Agent, provided that the foregoing shall not apply to notices to any Lender or a L/C Issuer pursuant to Article II if such Lender or a L/C Issuer, as applicable, has notified the Administrative Agent that it is incapable of receiving notices under such Article by electronic communication. The Administrative Agent, each Swing Line Lender, a L/C Issuer or the Borrower may each, in its discretion, agree to accept notices and other communications to it hereunder by electronic communications pursuant to procedures approved by it, provided that approval of such procedures may be limited to particular notices or communications.

Unless the Administrative Agent otherwise prescribes, (i) notices and other communications sent to an e-mail address shall be deemed received upon the sender's receipt of an acknowledgment from the intended recipient (such as by the "return receipt requested" function, as available, return e-mail or other written acknowledgment), and (ii) notices or communications posted to an Internet or intranet website shall be deemed received upon the deemed receipt by the intended recipient at its e-mail address as described in the foregoing clause (i) of notification that such notice or communication is available and identifying the website address therefor; provided that, for both clauses (i) and (ii), if such notice, email or other communication is not sent during the normal business hours of the recipient, such notice, email or communication shall be deemed to have been sent at the opening of business on the next Business Day for the recipient.

(c) The Platform. THE PLATFORM IS PROVIDED "AS IS" AND "AS AVAILABLE." THE AGENT PARTIES (AS DEFINED BELOW) DO NOT WARRANT THE ACCURACY OR COMPLETENESS OF THE BORROWER MATERIALS OR THE ADEQUACY OF THE PLATFORM, AND EXPRESSLY DISCLAIM LIABILITY FOR ERRORS IN OR OMISSIONS FROM THE BORROWER MATERIALS. NO WARRANTY OF ANY KIND, EXPRESS, IMPLIED OR STATUTORY, INCLUDING ANY WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT OF THIRD PARTY RIGHTS OR FREEDOM FROM VIRUSES OR OTHER CODE DEFECTS, IS MADE BY ANY AGENT PARTY IN CONNECTION WITH THE BORROWER MATERIALS OR THE PLATFORM. In no event shall the Administrative Agent or any of its Related Parties (collectively, the "Agent Parties") have any liability to the Borrower, any Lender, a L/C Issuer or any other Person for losses, claims, damages, liabilities or expenses of any kind (whether in tort, contract or otherwise) arising out of the Borrower's, any Loan Party's or the Administrative Agent's transmission of Borrower Materials or any other Information through the Internet or any telecommunications, electronic or other information transmission systems.

(d) Change of Address, Etc. Each of the Borrower, the Administrative Agent, the L/C Issuers and the Swing Line Lenders may change its address, facsimile or telephone number for notices and other communications hereunder by notice to the other parties hereto. Each other Lender may change its address, facsimile or telephone number or e-mail address for notices and other communications hereunder by notice to the Borrower, the Administrative Agent, the L/C Issuers and the Swing Line Lenders. In addition, each Lender agrees to notify the Administrative Agent from time to time to ensure that the Administrative Agent has on record (i) an effective address, contact name, telephone number, facsimile number and e-mail address to which notices

and other communications may be sent and (ii) accurate wire instructions for such Lender. Furthermore, each Public Lender agrees to cause at least one individual at or on behalf of such Public Lender to at all times have selected the "Private Side Information" or similar designation on the content declaration screen of the Platform in order to enable such Public Lender or its delegate, in accordance with such Public Lender's compliance procedures and applicable Law, including United States federal and state securities Laws, to make reference to Borrower Materials that are not made available through the "Public Side Information" portion of the Platform and that may contain material non-public information with respect to the Borrower or its securities for purposes of United States federal or state securities laws.

(e) Reliance by Administrative Agent, L/C Issuers and Lenders. The Administrative Agent, the L/C Issuers and the Lenders shall be entitled to rely and act upon any notices (including telephonic or electronic Loan Notices, Letter of Credit Applications and Swing Line Loan Notices) purportedly given by or on behalf of any Loan Party even if (i) such notices were not made in a manner specified herein, were incomplete or were not preceded or followed by any other form of notice specified herein, or (ii) the terms thereof, as understood by the recipient, varied from any confirmation thereof. The Loan Parties shall indemnify the Administrative Agent, a L/C Issuer, each Lender and the Related Parties of each of them from all losses, costs, expenses and liabilities resulting from the reliance by such Person on each notice purportedly given by or on behalf of a Loan Party. All telephonic notices to and other telephonic communications with the Administrative Agent may be recorded by the Administrative Agent, and each of the parties hereto hereby consents to such recording.

11.03 No Waiver; Cumulative Remedies; Enforcement.

No failure by any Lender, a L/C Issuer or the Administrative Agent to exercise, and no delay by any such Person in exercising, any right, remedy, power or privilege hereunder or under any other Loan Document shall operate as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege. The rights, remedies, powers and privileges herein provided, and provided under each other Loan Document, are cumulative and not exclusive of any rights, remedies, powers and privileges provided by law.

Notwithstanding anything to the contrary contained herein or in any other Loan Document, the authority to enforce rights and remedies hereunder and under the other Loan Documents against the Loan Parties or any of them shall be vested exclusively in, and all actions and proceedings at law in connection with such enforcement shall be instituted and maintained exclusively by, the Administrative Agent in accordance with Section 10.01 for the benefit of all the Lenders and a L/C Issuer; provided, however, that the foregoing shall not prohibit (a) the Administrative Agent from exercising on its own behalf the rights and remedies that inure to its benefit (solely in its capacity as Administrative Agent) hereunder and under the other Loan Documents, (b) each of a L/C Issuers or the Swing Line Lenders from exercising the rights and remedies that inure to its benefit (solely in its capacity as L/C Issuer or Swing Line Lender, as the case may be) hereunder and under the other Loan Documents, (c) any Lender from exercising setoff rights in accordance with Section 11.08 (subject to the terms of Section 2.13), or (d) any Lender from filing proofs of claim or appearing and filing pleadings on its own behalf during the pendency of a proceeding relative to any Loan Party under any Debtor Relief Law; and provided, further, that if at any time there is no Person acting as Administrative Agent hereunder and under the other Loan Documents, then (i) the Required Lenders shall have the rights otherwise ascribed to the Administrative Agent pursuant to Section 10.01 and (ii) in addition to the matters set forth in clauses (b), (c) and (d) of the preceding proviso and subject to Section 2.13, any Lender may, with the consent of the Required Lenders, enforce any rights and remedies available to it and as authorized by the Required Lenders.

11.04 Expenses; Indemnity; and Damage Waiver.

(a) Costs and Expenses. The Loan Parties shall pay (i) all reasonable and documented out-of-pocket expenses incurred by the Administrative Agent and its Affiliates (including the reasonable and documented fees, charges and disbursements of one counsel for the Administrative Agent) in connection with the syndication of the credit facilities provided for herein, the preparation, negotiation, execution, delivery and administration of this Agreement and the other Loan Documents or any amendments, modifications or waivers of the provisions hereof or thereof (whether or not the transactions contemplated hereby or thereby shall be consummated), (ii) all reasonable and documented out-of-pocket expenses incurred by a L/C Issuer in connection with the issuance, amendment, renewal or extension of any Letter of Credit or any demand for payment thereunder and (iii) all reasonable and documented out-of-pocket expenses incurred by the Administrative Agent, any Lender or a L/C Issuer (including the reasonable fees, charges and disbursements of one counsel for the Administrative Agent, any Lender and a L/C Issuer) taken as a whole (unless (x) a conflict exists as determined in the good faith judgment of each affected Lender or L/C Issuer, in which case(s) the reasonable and documented fees, charges and disbursements of one reasonably necessary additional counsel for each such affected Lender or L/C Issuer shall be covered, or (y) a special counsel is necessary as determined in the good faith judgment of the Administrative Agent, in which case(s) the reasonable and documented fees, charges and disbursements of one reasonably necessary special counsel for the Administrative Agent shall be covered), in connection with the enforcement or protection of its rights (A) in connection with this Agreement and the other Loan Documents, including its rights under this Section, or (B) in connection with the Loans made or Letters of Credit issued hereunder, including all such reasonable and documented out-of-pocket expenses incurred during any workout, restructuring or negotiations in respect of such Loans or Letters of Credit.

(b) Indemnification by the Loan Parties. The Loan Parties shall indemnify the Administrative Agent (and any sub-agent thereof), each Lender and each L/C Issuer, 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 reasonable fees, charges and disbursements of one counsel for all Indemnitees, plus, (x) in the event of a conflict of interest as determined in the good faith judgment of each affected Indemnitee, one additional counsel for all such affected Indemnitees (taken together with all similarly situated Indemnitees) and (y) in the event that a special counsel is necessary as determined in the good faith judgment of the Administrative Agent, one additional counsel for Administrative Agent), incurred by any Indemnitee or asserted against any Indemnitee by any Person (including the Borrower or any other Loan Party) arising out of, in connection with, or as a result of (i) the execution or delivery of this Agreement, any other Loan Document or any agreement or instrument contemplated hereby or thereby, the performance by the parties hereto of their respective obligations hereunder or thereunder or the consummation of the transactions contemplated hereby or thereby, or, in the case of the Administrative Agent (and any sub-agent thereof) and its Related Parties only, the administration of this Agreement and the other Loan Documents, (ii) any Loan or Letter of Credit or the use or proposed use of the proceeds therefrom (including any refusal by a L/C Issuer to honor a demand for payment under a Letter of Credit if the documents presented in connection with such demand do not strictly comply with the terms of such Letter of Credit), (iii) any actual or alleged presence or release of Hazardous Materials on or from any property owned or operated by a Loan Party or any of its Subsidiaries, or any Environmental Liability related in any way to a Loan Party or any of its Subsidiaries, or (iv) any actual or prospective claim, litigation, investigation or proceeding relating to any of the foregoing, whether based on contract, tort or any other theory, whether

brought by a third party or by the Borrower or any other Loan Party, and regardless of whether any Indemnitee is a party thereto, in all cases, whether or not caused by or arising, in whole or in part, out of the comparative, contributory or sole negligence of the Indemnitee; 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 the Borrower or any other Loan Party against an Indemnitee for breach in bad faith of such Indemnitee's obligations hereunder or under any other Loan Document, if the Borrower or such other Loan Party has obtained a final and nonappealable judgment in its favor on such claim as determined by a court of competent jurisdiction. Without limiting the provisions of Section 3.01(c), this Section 11.04(b) shall not apply with respect to Taxes other than any Taxes that represent losses, claims, damages, etc. arising from any non-Tax claim.

(c) Reimbursement by Lenders. To the extent that the Loan Parties for any reason fail to indefeasibly pay any amount required under subsection (a) or (b) of this Section to be paid by them to the Administrative Agent (or any sub-agent thereof), the L/C Issuers, the Swing Line Lenders or any Related Party of any of the foregoing, each Lender severally agrees to pay to the Administrative Agent (or any such sub-agent), the L/C Issuers, the Swing Line Lenders 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 sum of (i) the aggregate unpaid principal amount of the Term Loans then outstanding and (ii) the total Revolving Commitments then in effect or, if the Revolving Commitments have been terminated, the total Revolving Credit Exposure at such time), such payment to be made severally among them based on such Lenders' Applicable Percentages (determined as of the time that the applicable unreimbursed expense or indemnity payment is sought), 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), any L/C Issuer or any Swing Line 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), any L/C Issuer or any Swing Line Lender in connection with such capacity. The obligations of the Lenders under this subsection (c) are subject to the provisions of Section 2.12(d).

(d) Waiver of Consequential Damages, Etc. To the fullest extent permitted by applicable law, no Loan Party shall assert, and each Loan Party hereby waives, and acknowledges that no other Person shall have, 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 Loan 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 subsection (b) above shall be liable for any damages arising from the use by unintended recipients of any information or other materials distributed by it through telecommunications, electronic or other information transmission systems in connection with this Agreement or the other Loan Documents or the transactions contemplated hereby or thereby. No Loan Party shall be liable for any 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 Loan Document or any agreement or instrument contemplated hereby, the transactions contemplated hereby or thereby, any Loan or Letter of Credit or the use of proceeds thereof.

(e) Payments. All amounts due under this Section shall be payable not later than ten Business Days after demand therefor.

(f) Survival. The agreements in this Section and the indemnity provisions of Section 11.02(e) shall survive the resignation of the Administrative Agent, a L/C Issuer and the Swing Line Lender, the replacement of any Lender, the termination of the Commitments and the repayment, satisfaction or discharge of all the other Obligations.

11.05 Payments Set Aside.

To the extent that any payment by or on behalf of any Loan Party is made to the Administrative Agent, a L/C Issuer or any Lender, or the Administrative Agent, a L/C Issuer or any Lender exercises its right of setoff, and such payment or the proceeds of such setoff or any part thereof is subsequently invalidated, declared to be fraudulent or preferential, set aside or required (including pursuant to any settlement entered into by the Administrative Agent, a L/C Issuer or such Lender in its discretion) to be repaid to a trustee, receiver or any other party, in connection with any proceeding under any Debtor Relief Law or otherwise, then (a) to the extent of such recovery, the obligation or part thereof originally intended to be satisfied shall be revived and continued in full force and effect as if such payment had not been made or such setoff had not occurred, and (b) each Lender and a L/C Issuer severally agrees to pay to the Administrative Agent upon demand its applicable share (without duplication) of any amount so recovered from or repaid by the Administrative Agent, plus interest thereon from the date of such demand to the date such payment is made at a rate per annum equal to the Federal Funds Rate from time to time in effect. The obligations of the Lenders and a L/C Issuer under clause (b) of the preceding sentence shall survive the payment in full of the Obligations and the termination of this Agreement.

11.06 Successors and Assigns.

(a) Successors and Assigns Generally. The provisions of this Agreement and the other Loan Documents shall be binding upon and inure to the benefit of the parties hereto and thereto and their respective successors and assigns permitted hereby, except that the Borrower may not assign or otherwise transfer any of its rights or obligations hereunder or thereunder without the prior written consent of the Administrative Agent and each Lender and no Lender may assign or otherwise transfer any of its rights or obligations hereunder except (i) to an assignee in accordance with the provisions of subsection (b) of this Section, (ii) by way of participation in accordance with the provisions of subsection (d) of this Section or (iii) by way of pledge or assignment of a security interest subject to the restrictions of subsection (e) of this Section (and any other attempted assignment or transfer by any party hereto shall be null and void). Nothing in this Agreement, expressed or implied, shall be construed to confer upon any Person (other than the parties hereto, their respective successors and assigns permitted hereby, Participants to the extent provided in subsection (d) of this Section and, to the extent expressly contemplated hereby, the Related Parties of each of the Administrative Agent, the L/C Issuers and the Lenders) any legal or equitable right, remedy or claim under or by reason of this Agreement.

(b) Assignments by Lenders. Any Lender may at any time assign to one or more assignees all or a portion of its rights and obligations under this Agreement and the other Loan Documents (including all or a portion of its Commitment and the Loans (including for purposes of this subsection (b), participations in L/C Obligations and Swing Line Loans) at the time owing to it); provided that any such assignment shall be subject to the following conditions:

(i) Minimum Amounts.

(A) in the case of an assignment of the entire remaining amount of the assigning Lender's Commitment and/or the Loans at the time owing to it or contemporaneous assignments to related Approved Funds that equal at least the

amount specified in paragraph (b)(i)(B) of this Section in the aggregate or in the case of an assignment to a Lender, an Affiliate of a Lender or an Approved Fund, no minimum amount need be assigned; and

(B) in any case not described in subsection (b)(i)(A) of this Section, the aggregate amount of the Commitment (which for this purpose includes Loans outstanding thereunder) or, if the Commitment is not then in effect, the principal outstanding balance of the Loans of the assigning Lender subject to each such assignment, determined as of the date the Assignment and Assumption with respect to such assignment is delivered to the Administrative Agent or, if "Trade Date" is specified in the Assignment and Assumption, as of the Trade Date, shall not be less than $5,000,000 unless each of the Administrative Agent and, so long as no Event of Default has occurred and is continuing, the Borrower otherwise consents (each such consent not to be unreasonably withheld or delayed).

(ii) Proportionate Amounts. Each partial assignment shall be made as an assignment of a proportionate part of all the assigning Lender's Loans and Commitments, and rights and obligations with respect thereto assigned, except that this clause (ii) shall not (A) apply to a Swing Line Lender's rights and obligations in respect of Swing Line Loans or (B) prohibit any Lender from assigning all or a portion of its rights and obligations in respect of its Revolving Commitment (and the related Revolving Loans thereunder) on a non-pro rata basis.

(iii) Required Consents. No consent shall be required for any assignment except to the extent required by subsection (b)(i)(B) of this Section and, in addition:

(A) the consent of the Borrower (such consent not to be unreasonably withheld or delayed) shall be required unless (1) an Event of Default has occurred and is continuing at the time of such assignment or (2) such assignment is to a Lender, an Affiliate of a Lender or an Approved Fund; and

(B) the consent of the Administrative Agent, the L/C Issuers and the Swing Line Lenders (in each case, such consent not to be unreasonably withheld or delayed) shall be required for assignments in respect of any Revolving Commitment if such assignment is to a Person that is not a Lender, an Affiliate of such Lender or an Approved Fund with respect to such Lender.

(iv) Assignment and Assumption. The parties to each assignment shall execute and deliver to the Administrative Agent an Assignment and Assumption, together with a processing and recordation fee in the amount of $3,500; provided, however, that the Administrative Agent may, in its sole discretion, elect to waive such processing and recordation fee in the case of any assignment. The assignee, if it is not a Lender, shall deliver to the Administrative Agent an Administrative Questionnaire.

(v) No Assignment to Certain Persons. No such assignment shall be made (A) to the Borrower or any of the Borrower's Affiliates or Subsidiaries, (B) to any Defaulting Lender or any of its Subsidiaries, or any Person who, upon becoming a Lender hereunder, would constitute any of the foregoing Persons described in this clause (B) or (C) to a natural Person.

(vi) Certain Additional Payments. In connection with any assignment of rights and obligations of any Defaulting Lender hereunder, no such assignment shall be effective unless and until, in addition to the other conditions thereto set forth herein, the parties to the assignment shall make such additional payments to the Administrative Agent in an aggregate amount sufficient, upon distribution thereof as appropriate (which may be outright payment, purchases by the assignee of participations or subparticipations, or other compensating actions, including funding, with the consent of the Borrower and the Administrative Agent, the applicable pro rata share of Loans previously requested but not funded by the Defaulting Lender, to each of which the applicable assignee and assignor hereby irrevocably consent), to (x) pay and satisfy in full all payment liabilities then owed by such Defaulting Lender to the Administrative Agent, a L/C Issuer or any Lender hereunder (and interest accrued thereon) and (y) acquire (and fund as appropriate) its full pro rata share of all Loans and participations in Letters of Credit and Swing Line Loans in accordance with its Applicable Percentage. Notwithstanding the foregoing, in the event that any assignment of rights and obligations of any Defaulting Lender hereunder shall become effective under applicable Law without compliance with the provisions of this paragraph, then the assignee of such interest shall be deemed to be a Defaulting Lender for all purposes of this Agreement until such compliance occurs.

Subject to acceptance and recording thereof by the Administrative Agent pursuant to subsection (c) of this Section, from and after the effective date specified in each Assignment and Assumption, the assignee thereunder shall be a party to this Agreement and, to the extent of the interest assigned by such Assignment and Assumption, have the rights and obligations of a Lender under this Agreement, and the assigning Lender thereunder shall, to the extent of the interest assigned by such Assignment and Assumption, be released from its obligations under this Agreement (and, in the case of an Assignment and Assumption covering all of the assigning Lender's rights and obligations under this Agreement, such Lender shall cease to be a party hereto) but shall continue to be entitled to the benefits of Sections 3.01, 3.04, 3.05 and 11.04 with respect to facts and circumstances occurring prior to the effective date of such assignment; provided, that except to the extent otherwise expressly agreed by the affected parties, no assignment by a Defaulting Lender will constitute a waiver or release of any claim of any party hereunder arising from that Lender's having been a Defaulting Lender. Upon request, the Borrower (at its expense) shall execute and deliver a Note to the assignee Lender. Any assignment or transfer by a Lender of rights or obligations under this Agreement that does not comply with this subsection shall be treated for purposes of this Agreement as a sale by such Lender of a participation in such rights and obligations in accordance with subsection (d) of this Section.

(c) Register. The Administrative Agent, acting solely for this purpose as an agent of the Borrower, shall maintain at the Administrative Agent's Office a copy of each Assignment and Assumption delivered to it (or the equivalent thereof in electronic form) and a register for the recordation of the names and addresses of the Lenders, and the Commitments of, and principal amounts (and stated interest) of the Loans and L/C Obligations owing to, each Lender pursuant to the terms hereof from time to time (the "Register"). The entries in the Register shall be conclusive absent manifest error, and the Borrower, the Administrative Agent and the Lenders shall treat each Person whose name is recorded in the Register pursuant to the terms hereof as a Lender hereunder for all purposes of this Agreement. The Register shall be available for inspection by the Borrower and any Lender, at any reasonable time and from time to time upon reasonable prior notice.

(d) Participations. Any Lender may at any time, without the consent of, or notice to, the Borrower or the Administrative Agent, sell participations to any Person (other than a natural Person, a Defaulting Lender or the Borrower or any of the Borrower's Affiliates or Subsidiaries) (each, a "Participant") in all or a portion of such Lender's rights and/or obligations under this Agreement (including all or a portion of its Commitment and/or the Loans (including such Lender's participations in L/C Obligations and/or Swing Line Loans) owing to it); provided that (i) such Lender's obligations under this Agreement shall remain unchanged, (ii) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations and (iii) the Borrower, the Administrative Agent, the other Lenders and a L/C Issuer shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under this Agreement. For the avoidance of doubt, each Lender shall be responsible for the indemnity under Section 11.04(c) without regard to the existence of any participation.

Any agreement or instrument pursuant to which a Lender sells such a participation shall provide that such Lender shall retain the sole right to enforce this Agreement and to approve any amendment, modification or waiver of any provision of this Agreement; provided that such agreement or instrument may provide that such Lender will not, without the consent of the Participant, agree to any amendment, waiver or other modification described in clauses (i) through (vii) of Section 11.01(a) that affects such Participant. The Borrower agrees that each Participant shall be entitled to the benefits of Sections 3.01, 3.04 and 3.05 to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to subsection (b) of this Section (subject to the requirements and limitations therein, including the requirements under Section 3.01(e) and it being understood that the documentation required under Section 3.01(e) shall be delivered to the Lender who sells the participation); provided that such Participant (A) agrees to be subject to the provisions of Sections 3.06 and 11.13 as if it were an assignee under paragraph (b) of this Section and (B) shall not be entitled to receive any greater payment under Sections 3.01 or 3.04, with respect to any participation, than the Lender from whom it acquired the applicable participation would have been entitled to receive, except to the extent such entitlement to receive a greater payment results from a Change in Law that occurs after the Participant acquired the applicable participation. Each Lender that sells a participation agrees, at the Borrower's request and expense, to use reasonable efforts to cooperate with the Borrower to effectuate the provisions of Section 3.06 with respect to any Participant. To the extent permitted by law, each Participant also shall be entitled to the benefits of Section 11.08 as though it were a Lender, provided such Participant agrees to be subject to Section 2.13 as though it were a Lender. Each Lender that sells a participation shall, acting solely for this purpose as an agent of the Borrower, maintain a register on which it enters the name and address of each Participant and the principal amounts (and stated interest) of each Participant's interest in the Loans or other obligations under the Loan Documents (the "Participant Register"); provided that no Lender shall have any obligation to disclose all or any portion of the Participant Register (including the identity of any Participant or any information relating to a Participant's interest in any commitments, loans, letters of credit or its other obligations under any Loan Document) to any Person except to the extent that such disclosure is necessary to establish that such commitment, loan, letter of credit or other obligation is in registered form under 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.

(e) Certain Pledges. Any Lender may at any time pledge or assign a security interest in all or any portion of its rights under this Agreement (including under its Note, if any) to secure obligations of such Lender, including any pledge or assignment to secure obligations to a Federal Reserve Bank; provided that no such pledge or assignment shall release such Lender from any of its obligations hereunder or substitute any such pledgee or assignee for such Lender as a party hereto.

(f) Resignation as L/C Issuer or Swing Line Lender after Assignment. Notwithstanding anything to the contrary contained herein, if at any time a Lender acting as a L/C Issuer or Swing Line Lender assigns all of its Commitment and Loans pursuant to subsection (b) above, such Lender may, (i) upon thirty days' notice to the Borrower and the Lenders, resign as L/C Issuer and/or (ii) upon thirty days' notice to the Borrower, resign as Swing Line Lender. In the event of any such resignation as L/C Issuer or Swing Line Lender, the Borrower shall be entitled to appoint from among the Lenders a successor L/C Issuer or Swing Line Lender hereunder; provided, however, that no failure by the Borrower to appoint any such successor shall affect the resignation of such Lender as L/C Issuer or Swing Line Lender, as the case may be. If a Lender resigns as L/C Issuer, it shall retain all the rights, powers, privileges and duties of a L/C Issuer hereunder with respect to all Letters of Credit outstanding as of the effective date of its resignation as L/C Issuer and all L/C Obligations with respect thereto (including the right to require the Lenders to make Base Rate Loans or fund risk participations in Unreimbursed Amounts pursuant to Section 2.03(c)). If a Lender resigns as Swing Line Lender, it shall retain all the rights as a Swing Line Lender provided for hereunder with respect to Swing Line Loans made by it and outstanding as of the effective date of such resignation, including the right to require the Lenders to make Base Rate Loans or fund risk participations in outstanding Swing Line Loans pursuant to Section 2.04(c). Upon the appointment of a successor L/C Issuer and/or Swing Line Lender, (1) such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the retiring L/C Issuer or Swing Line Lender, as the case may be, and (2) the successor L/C Issuer shall issue letters of credit in substitution for the Letters of Credit, if any, outstanding at the time of such succession or make other arrangements satisfactory to the applicable Lender to effectively assume the obligations of such Lender with respect to such Letters of Credit.

11.07 Treatment of Certain Information; Confidentiality.

(a) Treatment of Confidential Information. Each of the Administrative Agent, the Lenders and a L/C Issuer agrees to maintain the confidentiality of the Information (as defined below), except that Information may be disclosed (a) to its Affiliates and to 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 regulations or by any subpoena or similar legal process, (d) to any other party hereto, (e) in connection with the exercise of any remedies hereunder or under any other Loan Document or any action or proceeding relating to this Agreement or any other Loan Document or the enforcement of rights hereunder or thereunder, (f) subject to an agreement containing provisions substantially the same as those of this Section, to (i) any assignee of or Participant in, or any prospective assignee of or Participant in, any of its rights and obligations under this Agreement or (ii) 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 a Loan Party and its obligations, this Agreement or payments hereunder, (g) on a confidential basis to (i) any rating agency in connection with rating the Borrower or its Subsidiaries or the credit facilities provided hereunder or (ii) the CUSIP Service Bureau or any similar

agency in connection with the issuance and monitoring of CUSIP numbers or other market identifiers with respect to the credit facilities provided hereunder, (h) with the consent of the Borrower or (i) to the extent such Information (x) becomes publicly available other than as a result of a breach of this Section or (y) becomes available to the Administrative Agent, any Lender, a L/C Issuer or any of their respective Affiliates on a nonconfidential basis from a source other than the Borrower. For purposes of this Section, "Information" means all information received from a Loan Party or any Subsidiary relating to the Loan Parties or any Subsidiary or any of their respective businesses, other than any such information that is available to the Administrative Agent, any Lender or a L/C Issuer on a nonconfidential basis prior to disclosure by such Loan Party or any Subsidiary, provided that, in the case of information received from a Loan Party or any Subsidiary 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.

(b) Non-Public Information. Each of the Administrative Agent, the Lenders and a L/C Issuer acknowledges that (a) the Information may include material non-public information concerning the Borrower or a Subsidiary, as the case may be, (b) it has developed compliance procedures regarding the use of material non-public information and (c) it will handle such material non-public information in accordance with applicable Law, including United States Federal and state securities Laws.

11.08 Set-off.

If an Event of Default shall have occurred and be continuing, each Lender, a L/C Issuer and each of their respective Affiliates is hereby authorized at any time and from time to time, after obtaining the prior written consent of the Administrative Agent, to the fullest extent permitted by applicable law, to set off and apply any and all deposits (general or special, time or demand, provisional or final, in whatever currency) at any time held and other obligations (in whatever currency) at any time owing by such Lender, a L/C Issuer or any such Affiliate to or for the credit or the account of the Borrower or any other Loan Party against any and all of the obligations of the Borrower or such Loan Party now or hereafter existing under this Agreement or any other Loan Document to such Lender or a L/C Issuer or their respective Affiliates, irrespective of whether or not such Lender, L/C Issuer or Affiliate shall have made any demand under this Agreement or any other Loan Document and although such obligations of the Borrower or such Loan Party may be contingent or unmatured or are owed to a branch office or Affiliate of such Lender or a L/C Issuer 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, (x) all amounts so set off shall be paid over immediately to the Administrative Agent for further application in accordance with the provisions of Section 2.15 and, pending such payment, shall be segregated by such Defaulting Lender from its other funds and deemed held in trust for the benefit of the Administrative Agent, a L/C Issuer and the Lenders and (y) the Defaulting Lender shall provide promptly to the Administrative Agent a statement describing in reasonable detail the Obligations owing to such Defaulting Lender as to which it exercised such right of setoff. The rights of each Lender, a L/C Issuer and their respective Affiliates under this Section are in addition to other rights and remedies (including other rights of setoff) that such Lender, a L/C Issuer or their respective Affiliates may have. Each Lender and a L/C Issuer agrees to notify the Borrower 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.

11.09 Interest Rate Limitation.

Notwithstanding anything to the contrary contained in any Loan Document, the interest paid or agreed to be paid under the Loan Documents shall not exceed the maximum rate of non-usurious interest permitted by applicable Law (the "Maximum Rate"). If the Administrative Agent or any Lender shall receive interest in an amount that exceeds the Maximum Rate, the excess interest shall be applied to the principal of the Loans or, if it exceeds such unpaid principal, refunded to the Borrower. In determining whether the interest contracted for, charged, or received by the Administrative Agent or a Lender exceeds the Maximum Rate, such Person may, to the extent permitted by applicable Law, (a) characterize any payment that is not principal as an expense, fee, or premium rather than interest, (b) exclude voluntary prepayments and the effects thereof, and (c) amortize, prorate, allocate, and spread in equal or unequal parts the total amount of interest throughout the contemplated term of the Obligations hereunder.

11.10 Counterparts; Integration; Effectiveness.

This Agreement may be executed in counterparts (and by different parties hereto in different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. This Agreement, the other Loan Documents, and any separate letter agreements with respect to fees payable to the Administrative Agent or a L/C Issuer, constitute the entire contract among the parties relating to the subject matter hereof and supersede any and all previous agreements and understandings, oral or written, relating to the subject matter hereof. Except as provided in Section 5.01, this Agreement shall become effective when it shall have been executed by the 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 by facsimile or other electronic imaging means (e.g. "pdf" or "tif") shall be effective as delivery of a manually executed counterpart of this Agreement.

11.11 Survival of Representations and Warranties.

All representations and warranties made hereunder and in any other Loan Document or other document delivered pursuant hereto or thereto or in connection herewith or therewith shall survive the execution and delivery hereof and thereof. Such representations and warranties have been or will be relied upon by the Administrative Agent and each Lender, regardless of any investigation made by the Administrative Agent or any Lender or on their behalf and notwithstanding that the Administrative Agent or any Lender may have had notice or knowledge of any Default at the time of any Credit Extension, and shall continue in full force and effect as long as any Loan or any other Obligation hereunder shall remain unpaid or unsatisfied or any Letter of Credit shall remain outstanding.

11.12 Severability.

If any provision of this Agreement or the other Loan Documents is held to be illegal, invalid or unenforceable, (a) the legality, validity and enforceability of the remaining provisions of this Agreement and the other Loan Documents shall not be affected or impaired thereby and (b) the parties shall endeavor in good faith negotiations to replace the illegal, invalid or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the illegal, invalid or unenforceable provisions. The invalidity of a provision in a particular jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction. Without limiting the foregoing provisions of this Section 11.12, if and to the extent that the enforceability of any provisions in this Agreement relating to Defaulting Lenders shall be limited by Debtor Relief Laws, as determined in good faith by the Administrative Agent, a L/C Issuer or the Swing Line Lender, as applicable, then such provisions shall be deemed to be in effect only to the extent not so limited.

11.13 Replacement of Lenders.

If the Borrower is entitled to replace a Lender pursuant to the provisions of Section 3.06, or if any Lender is a Defaulting Lender or a Non-Consenting Lender, then the Borrower may, at its 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 11.06), all of its interests, rights (other than its existing rights to payments pursuant to Sections 3.01 and 3.04) and obligations under this Agreement and the related Loan Documents to an Eligible Assignee that shall assume such obligations (which assignee may be another Lender, if a Lender accepts such assignment), provided that:

(a) the Borrower shall have paid to the Administrative Agent the assignment fee (if any) specified in Section 11.06(b);

(b) such Lender shall have received payment of an amount equal to one hundred percent (100%) of the outstanding principal of its Loans and L/C Advances, accrued interest thereon, accrued fees and all other amounts payable to it hereunder and under the other Loan Documents (including any amounts under Section 3.05) from the assignee (to the extent of such outstanding principal and accrued interest and fees) or the Borrower (in the case of all other amounts);

(c) in the case of any such assignment resulting from a claim for compensation under Section 3.04 or payments required to be made pursuant to Section 3.01, such assignment will result in a reduction in such compensation or payments thereafter;

(d) such assignment does not conflict with applicable Laws**;** and

(e) in the case of any such assignment resulting from a Non-Consenting Lender's failure to consent to a proposed change, waiver, discharge or termination with respect to any Loan Document, the applicable replacement bank, financial institution or Fund consents to the proposed change, waiver, discharge or termination; provided that the failure by such Non-Consenting Lender to execute and deliver an Assignment and Assumption shall not impair the validity of the removal of such Non-Consenting Lender and the mandatory assignment of such Non-Consenting Lender's Commitments and outstanding Loans and participations in L/C Obligations and Swing Line Loans pursuant to this Section 11.13 shall nevertheless be effective without the execution by such Non-Consenting Lender of an Assignment and Assumption.

A Lender shall not be required to make any such assignment or delegation if, prior thereto, as a result of a waiver by such Lender or otherwise, the circumstances entitling the Borrower to require such assignment and delegation cease to apply.

11.14 Governing Law; Jurisdiction; Etc.

(a) GOVERNING LAW. THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK.

(b) SUBMISSION TO JURISDICTION. THE BORROWER AND EACH OTHER 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, THE L/C ISSUER, OR ANY RELATED PARTY OF THE FOREGOING IN ANY WAY RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT OR THE TRANSACTIONS RELATING HERETO OR THERETO, IN ANY OTHER 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 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.

(c) WAIVER OF VENUE. THE BORROWER AND EACH OTHER 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 AGREEMENT OR ANY OTHER LOAN DOCUMENT IN ANY COURT REFERRED TO IN PARAGRAPH (B) OF THIS SECTION. EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, THE DEFENSE OF AN INCONVENIENT FORUM TO THE MAINTENANCE OF SUCH ACTION OR PROCEEDING IN ANY SUCH COURT.

(d) SERVICE OF PROCESS. EACH PARTY HERETO IRREVOCABLY CONSENTS TO SERVICE OF PROCESS IN THE MANNER PROVIDED FOR NOTICES IN SECTION 11.02. NOTHING IN THIS AGREEMENT WILL AFFECT THE RIGHT OF ANY PARTY HERETO TO SERVE PROCESS IN ANY OTHER MANNER PERMITTED BY APPLICABLE LAW.

11.15 Waiver of Right to Trial by Jury.

EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PERSON HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PERSON WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

11.16 Electronic Execution of Assignments and Certain Other Documents.

The words "execute," "execution," "signed," "signature" and words of like import in any Assignment and Assumption or in any amendment or other modification hereof (including waivers and consents) shall be deemed to include electronic signatures, the electronic matching of assignment terms and contract formations on electronic platforms approved by the Administrative Agent, 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.

11.17 USA PATRIOT Act.

Each Lender that is subject to the Act (as hereinafter defined) and the Administrative Agent (for itself and not on behalf of any Lender) hereby notifies the Borrower that pursuant to the requirements of the USA Patriot Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)) (the "Patriot Act"), it is required to obtain, verify and record information that identifies the Borrower, which information includes the name and address of the Borrower and other information that will allow such Lender or the Administrative Agent, as applicable, to identify the Borrower in accordance with the Patriot Act. The Borrower shall, promptly following a request by the Administrative Agent or any Lender, provide all documentation and other information that the Administrative Agent or such Lender requests in order to comply with its ongoing obligations under applicable "know your customer" and anti-money laundering rules and regulations, including the Patriot Act.

11.18 No Advisory or Fiduciary Relationship.

In connection with all aspects of each transaction contemplated hereby (including in connection with any amendment, waiver or other modification hereof or of any other Loan Document), the Borrower acknowledges and agrees, and acknowledges its Affiliates' understanding, that: (a)(i) the arranging and other services regarding this Agreement provided by the Administrative Agent, the Arrangers, and the Lenders are arm's-length commercial transactions between the Borrower and its Affiliates, on the one hand, and the Administrative Agent, the Arrangers and the Lenders on the other hand, (ii) the Borrower has consulted its own legal, accounting, regulatory and tax advisors to the extent it has deemed appropriate, and (iii) the Borrower is capable of evaluating, and understands and accepts, the terms, risks and conditions of the transactions contemplated hereby and by the other Loan Documents; (b)(i) the Administrative Agent, each Arranger and each Lender is and has been acting solely as a principal and, except as expressly agreed in writing by the relevant parties, has not been, is not and will not be acting as an advisor, agent or fiduciary, for the Borrower or any of Affiliates or any other Person and (ii) neither the Administrative Agent nor any Lender or Arranger has any obligation to the Borrower or any of its Affiliates with respect to the transactions contemplated hereby except those obligations expressly set forth herein and in the other Loan Documents; and (c) the Administrative Agent, the Arrangers and the Lenders and their respective Affiliates may be engaged in a broad range of transactions that involve interests that differ from those of the Borrower and its Affiliates, and neither the Administrative Agent nor any Lender or Arranger has any obligation to disclose any of such interests to the Borrower or its Affiliates. To the fullest extent permitted by law, the Borrower hereby waives and releases, any claims that it may have against the Administrative Agent or any Lender or Arranger with respect to any breach or alleged breach of agency or fiduciary duty in connection with any aspect of any transaction contemplated hereby.

11.19 Acknowledgment and Consent to Bail-In of EEA Financial Institutions.

Notwithstanding anything to the contrary in any Loan Document or in any other agreement, arrangement or understanding among any such parties, each party hereto acknowledges that any liability of any Lender that is an EEA Financial Institution arising under any Loan Document, to the extent such liability is unsecured, may be subject to the write-down and conversion powers of an EEA Resolution Authority and agrees and consents to, and acknowledges and agrees to be bound by:

(a) the application of any Write-Down and Conversion Powers by an EEA Resolution Authority to any such liabilities arising hereunder which may be payable to it by any Lender that is an EEA Financial Institution; and

(b) the effects of any Bail-in Action on any such liability, including, if applicable:

(i) a reduction in full or in part or cancellation of any such liability;

(ii) a conversion of all, or a portion of, such liability into shares or other instruments of ownership in such EEA Financial Institution, its parent undertaking, or a bridge institution that may be issued to it or otherwise conferred on it, and that such shares or other instruments of ownership will be accepted by it in lieu of any rights with respect to any such liability under this Agreement or any other Loan Document; or

the variation of the terms of such liability in connection with the exercise of the write-down and conversion powers of any EEA Resolution Authority.

11.20 ERISA Issues.

Each Lender as of the Fifth Amendment Effective Date represents and warrants as of the Fifth Amendment Effective Date to the Administrative Agent and the Arrangers and their respective Affiliates, and not, for the avoidance of doubt, for the benefit of the Borrower or any other Loan Party, that such Lender is not and will not be (i) an employee benefit plan subject to Title I of ERISA; (ii) a plan or account subject to Section 4975 of the Code; (iii) an entity deemed to hold “plan assets” of any such plans or accounts for purposes of ERISA or the Code; or (iv) a “governmental plan” within the meaning of ERISA.

[SIGNATURE PAGES FOLLOW]

[Signature pages intentionally omitted]

Exhibit 31.1

Certification pursuant to
Section 302 of the Sarbanes-Oxley Act of 2002

I, Jeffrey S. Edison, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Phillips Edison Grocery Center REIT I, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

    a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 9, 2017

/s/ Jeffrey S. Edison

Jeffrey S. Edison
Chairman of the Board and Chief Executive Officer
(Principal Executive Officer)

Exhibit 31.2

Certification pursuant to
Section 302 of the Sarbanes-Oxley Act of 2002

I, Devin I. Murphy, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Phillips Edison Grocery Center REIT I, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

    a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 9, 2017

/s/ Devin I. Murphy

Devin I. Murphy
Chief Financial Officer
(Principal Financial Officer)

Exhibit 32.1

Certification pursuant to 18 U.S.C. Section 1350,
as Adopted pursuant to Section 906 of the
Sarbanes-Oxley Act of 2002

In connection with the Quarterly Report on Form 10-Q of Phillips Edison Grocery Center REIT I, Inc. (the "Registrant") for the quarter ended September 30, 2017, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), the undersigned, Jeffrey S. Edison, Chief Executive Officer of the Registrant, hereby certifies, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that, to the best of his knowledge and belief:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Registrant.

Date: November 9, 2017

/s/ Jeffrey S. Edison

Jeffrey S. Edison
Chairman of the Board and Chief Executive Officer
(Principal Executive Officer)

Exhibit 32.2

Certification pursuant to 18 U.S.C. Section 1350,
as Adopted pursuant to Section 906 of the
Sarbanes-Oxley Act of 2002

In connection with the Quarterly Report on Form 10-Q of Phillips Edison Grocery Center REIT I, Inc. (the "Registrant") for the quarter ended September 30, 2017, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), the undersigned, Devin I. Murphy, Chief Financial Officer of the Registrant, hereby certifies, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that, to the best of his knowledge and belief:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Registrant.

Date: November 9, 2017

/s/ Devin I. Murphy

Devin I. Murphy
Chief Financial Officer
(Principal Financial Officer)