IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:	)	Chapter 11
AMERICAN TIRE DISTRIBUTORS, INC., *et al.*,[1]	)	Case No. 24-12391 (___)
Debtors.	)	(Joint Administration Requested)

DECLARATION OF RONALD J. BIENIAS, CHIEF RESTRUCTURING OFFICER OF AMERICAN TIRE DISTRIBUTORS, INC., IN SUPPORT OF THE DEBTORS' CHAPTER 11 PETITIONS AND FIRST DAY MOTIONS

I, Ronald J. Bienias, hereby declare under penalty of perjury:

1. I am the Chief Restructuring Officer ("CRO") at American Tire Distributors, Inc. ("ATD Inc." together with its affiliated debtors and debtors in possession, collectively, the "Debtors" and together with their non-Debtor affiliates, collectively, the "Company").[2]

2. For almost a century, the Company has made an indelible mark on the tire industry. As one of the largest replacement tire distributors in North America based on dollar amount of wholesale sales and number of warehouses, the Company has been a leader in the tire replacement industry by virtue of its dedication to its over 80,000 customers throughout North America, as well as its commitment to the maintenance of a quality and comprehensive portfolio of tires, wheels, and related tools and accessories. The Company is headquartered in Huntersville, North Carolina

[1] The Debtors in these chapter 11 cases, along with the last four digits of the Debtors' federal tax identification numbers, are American Tire Distributors, Inc. (4594); ATD New Holdings II, Inc. (4985); ATD New Holdings III, Inc. (0977); ATD New Holdings, Inc. (3406); ATD Sourcing Solutions, LLC (5225); ATD Technology Solutions Inc. (N/A); FLX FWD Logistics, LLC (3334); Hercules Tire International Inc. (N/A); Terry's Tire Town Holdings, LLC (7409); The Hercules Tire & Rubber Company (3365); Tire Pros Francorp, LLC (1813); Tirebuyer.com, LLC (9093); and Torqata Data and Analytics LLC (4992). The location of Debtors' principal place of business and the Debtors' service address in these chapter 11 cases is 12220 Herbert Wayne Court, Huntersville, NC 28078.

[2] Capitalized terms used but not immediately defined shall have the meanings assigned to them elsewhere in this Declaration, the Restructuring Support Agreement, or the DIP Motion, as applicable.

and has over 4,500 employees. The Company has a long history of delivering top of the line products for all of its customers' and partners' needs.

3. The Debtors commence these chapter 11 cases with a line of sight to successfully consummate a going concern sale. By working constructively with an ad hoc group of lenders under the Debtors' Prepetition Term Loan Facility and 2024 Delayed Draw FILO Loans (the "Ad Hoc Group"), the Debtors have garnered support to continue their prepetition marketing process during these chapter 11 cases through the execution of a Restructuring Support Agreement. Additionally, after extensive negotiations with the Ad Hoc Group and the Prepetition ABL Agent on behalf of the Prepetition ABL Lenders, the Debtors have secured debtor-in-possession financing. By acquiring support from their prepetition lenders, the Debtors are positioned to (i) facilitate their ongoing sale process and (ii) finance the operation of their business to minimize disruption, thereby preserving value for the Debtors' estates and various stakeholders and enabling the Company to continue serving their large and diverse customer base.

4. As explained in further detail herein, the course following the Company's first chapter 11 restructuring in 2018 (the "2018 Restructuring") was complicated by a range of contributing factors. From 2019 to 2021, due to a variety of factors, including the soaring inflation that followed the COVID-19 pandemic and the subsequent replacement tire sales boom, the Company experienced a sizable increase in profits from sales of its replacement tire and wheel products. Around that time, the Company decided to expand beyond its existing businesses and invested its earnings in other automotive adjacencies (the "Adjacencies"), such as the businesses of Debtors Torqata Data and Analytics LLC ("Torqata") and Tirebuyer.com, LLC ("Tirebuyer.com"). Torqata operates a data-analytics business that specializes in the automotive industry, and Tirebuyer.com's main product is an online platform that helps customers find the right tires, for their needs and at great prices, in minutes. At the end of 2022, however, the demand

for automotive products and services compressed, and the surge in profits that the Debtors' core business had enjoyed came to an end.

5. Since 2023, the Debtors' profits have declined further, due in large part to new market headwinds. Specifically, consumer adjustment to less expensive tires, overall depression of consumer demand, increased operating costs (*e.g.*, labor and logistics), and contraction of the Debtors' sales channels, have shifted the automotive aftermarket landscape in a way that has made it difficult for the Debtors to adjust quickly. Also, the Adjacencies that the Debtors have invested in have not yet realized a net-positive effect on the Debtors' profits, compounding challenges arising from external forces.

6. In light of these obstacles beyond the Company's control and the Debtors' inability to quickly rationalize their largely fixed cost structure while continuing to serve their national market, the Debtors began to explore all strategic alternatives, including an investment in or sale of some or all of its business. Beginning in May 2022, the Company solicited interest from several potential strategic investors and purchasers, after receiving particular interest from a participant in the automotive replacement tires market. Although no agreement was ultimately reached with either potential suitor, for the next two and a half years, the Company continued to solicit market interest with the assistance of an independent investment banker (the "Prepetition Marketing Process"). On June 28, 2024, one prospective purchaser (the "Potential Buyer") submitted a non-binding letter of intent ("NLOI") that required that the Company proceed on an exclusive basis with the Potential Buyer. The Company, in consultation with its investment banker, evaluated the interest received to date and determined that it was in its best interest to proceed with the Potential Buyer on an exclusive basis. Ultimately, no actionable agreement around the terms of a sale to the Potential Buyer was reached and the NLOI was terminated on October 9, 2024.

7. Although the Prepetition Marketing Process has not resulted in a sale, the Prepetition Marketing Process has generated market awareness and interest in the Company's assets that the Debtors seek to capitalize on through a postpetition marketing process.

8. Concurrent with the Prepetition Marketing Process, management took various steps to improve operations, including opening a regional distribution center to improve inventory circulation speed, evaluating its product offerings and retail demand trends, and renegotiating supply contracts with certain vendors. Additionally, the Debtors have had to navigate certain management changes. Specifically, in August of 2024, Stuart Schuette, the Company's Chief Executive Officer since 2016 resigned and was replaced by Michael Feder, a Partner & Managing Director (retired, on recall) of AP Services, LLC, an affiliate of AlixPartners LLP ("AlixPartners"). Shortly thereafter in October 2024, Ryan Walsh, the Chief Financial Officer, resigned and Josh Lewis, Vice President of Corporate Strategy and Planning, took on a special assignment along with his current responsibilities to replace Mr. Walsh's responsibilities.

9. As further discussed herein, the Debtors, through their advisors, negotiated and executed that certain Third Amendment to the Prepetition ABL Credit Agreement, dated as of July 24, 2024 (the "Third Amendment") as part of its out-of-court restructuring efforts. Through the Third Amendment, certain of the Company's existing lenders provided the Company with an infusion of cash by means of a delayed draw "first in, last out" facility, which resulted in $75 million of additional liquidity for the Debtors.

10. In September, 2024, it became clear that an out-of-court transaction may not be actionable as the Debtors monthly financial performance continued to decline and liquidity issues mounted. Accordingly, the Debtors began contingency planning and engaged (i) Kirkland & Ellis, LLP ("Kirkland") as legal counsel and (ii) AlixPartners, who had previously been engaged in June 2024 to examine potential opportunities for liquidity improvement across the Company, as

restructuring advisor. In parallel, the Debtors engaged its proposed financial advisor and investment banker, Moelis & Company LLC ("Moelis" together with Kirkland and AlixPartners, the "Advisors").

11. Starting in September 2024, the Debtors, with their Advisors, began negotiating extensively with the Ad Hoc Group, represented by Akin Gump Strauss Hauer & Feld LLP, as legal counsel, and Perella Weinberg Partners LP, as financial advisor, and with Wells Fargo Bank, National Association, the agent under the Prepetition ABL Facility (the "Prepetition ABL Agent"), represented by Otterbourg P.C., as legal counsel, and PKF Clear Thinking, as financial advisor. These discussions concerned substantially all aspects of a potential restructuring, including financing solutions for the Debtors' near-term liquidity challenges, a continued marketing process, and a potential transaction to recapitalize the business with the Debtors' existing stakeholders. Ultimately, these discussions proved successful and culminated in execution of a restructuring support agreement (the "Restructuring Support Agreement" or "RSA"), dated as of October 22, 2024, which includes broad support of the Prepetition Term Loan Lenders who hold approximately 90 percent of the outstanding obligations under the Prepetition Term Loan Facility and 100 percent of holders of the 2024 Delayed Draw FILO Loans.

12. The Restructuring Support Agreement provides for the parties' good faith cooperation toward an in-court marketing and sale process, including through the proposed execution of a stalking horse agreement for the purchase of the Company's business as a going concern through a credit bid of the Ad Hoc Group's secured claims. The Restructuring Support Agreement further contemplates the Debtors having access to critical debtor-in-possession financing to support continued operation of the Debtors' business and the ongoing Prepetition Marketing Process through a court-supervised sale process, which will allow the Debtors to achieve the highest or otherwise best bid for the Debtors' business, and, if necessary, conduct an

auction for any of their remaining assets. The Debtors expect to continue operating throughout these chapter 11 cases and remain focused on serving their customers and existing partnerships. With the support of the Ad Hoc Group, the Debtors seek authority to move through the chapter 11 process on an expedited basis, as memorialized by agreed-upon milestones in the term sheet to the DIP Facilities.

Background and Qualifications

13. I am a Partner and Managing Director of AlixPartners, in its turnaround and restructuring services group in North America, which has a place of business at 300 N. LaSalle St., Suite 1800, Chicago, Illinois 60654. I was appointed as CRO of ATD Inc. on October 21, 2024. AlixPartners was retained by the Debtors as their restructuring advisor to assist in connection with liquidity, business planning, profit improvement and restructuring matters.

14. AlixPartners is a global independent consulting firm that has a wealth of experience in providing restructuring advisory services, and has assisted, advised, and provided strategic advice to debtors, creditors, bondholders, investors, and other entities in numerous chapter 11 cases of similar size and complexity to these chapter 11 cases. Specifically, AlixPartners' core turnaround & restructuring services include liability management, restructuring advisory, interim management & chief restructuring officer roles, lender & creditor advisory, bankruptcy, insolvency & case management, and liquidity management. Since its inception in 1981, AlixPartners, its predecessor entities, and its affiliate, AP Services, LLC, have provided turnaround, restructuring or crisis management services in numerous large cases.

15. I received my B.B.A. in finance from Grand Valley State University and my M.B.A. from the University of Michigan. I have more than 25 years of corporate finance, advisory and restructuring experience. I have obtained the Certified Insolvency and Restructuring Advisor, Certified Turnaround Professional, and Certified Treasury Professional (inactive) designations.

Since joining AlixPartners, I have provided restructuring advice to companies, creditors, shareholders, and other interested parties on restructuring transactions both in chapter 11 and on an out-of-court basis. I have been involved in a number of chapter 11 cases, including Hayes Lemmerz International, Fleming Companies, Inc., New World Pasta Company, Spansion, Inc., HCR ManorCare, Inc., Noble Corporation PLC, LTL Management LLC, Lumileds Holding B.V., and Akumin Inc. I have previously served as chief restructuring officer for World Wide Packaging, LLC and Akumin, Inc.

16. I submit this declaration (this "Declaration") to assist the United States Bankruptcy Court for the District of Delaware (the "Court") and parties in interest in understanding the Debtors, their operations, their capital structure, the circumstances related to the commencement of the chapter 11 cases, and in support of (a) the Debtors' petitions for relief under chapter 11 of title 11 of the United States Code (the "Bankruptcy Code") filed on October 22, 2024 (the "Petition Date") and (b) the relief requested by the Debtors pursuant to the pleadings described herein (collectively, the "First Day Motions").

17. Except as otherwise indicated herein, all facts set forth in this Declaration are based upon my personal knowledge, information obtained from the Debtors' management team and advisors, my review of relevant documents and information concerning the Debtors' operations, financial affairs, and restructuring initiatives, or my opinions based on my experience and knowledge. I am over the age of 18 and authorized to submit this declaration on behalf of the Debtors. If called upon to testify, I could and would testify competently to the facts set forth in this Declaration.

18. To familiarize the Court with the Debtors, their business, the circumstances leading to these chapter 11 cases, and the relief the Debtors are seeking in the First Day Motions, I have organized this Declaration into five sections:

- **Part I** provides an overview of the replacement tire industry, background information on the Debtors' corporate history and operations, as well as the Debtors' prior bankruptcy proceedings.
- **Part II** offers detailed information on the Debtors' daily business operations.
- **Part III** offers detailed information on the Debtors' prepetition capital and organizational structure.
- **Part IV** describes the circumstances leading to the filing of these chapter 11 cases and an overview of the Debtors' prepetition restructuring efforts.
- **Part V** summarizes the relief requested in and the legal and factual basis that support the First Day Motions.

I. The Debtors' History.

A. The Debtors' Corporate History.

19. The Company has a storied past, beginning almost a century ago as Heafner Tire, a single tire mold recapper and gas station in Lincolnton, North Carolina, founded by James H. Heafner in 1935. Over the next 80 years, Heafner Tire grew from small-town origins to become the nation's leading international tire and service distributor through implementing a strategic growth-by-acquisition business model. Specifically, in 1985, 1991, and 1997, several major tire companies—Beach Tire Mart, Commonwealth Tire, and Oliver & Winston, respectively—were brought under the Heafner Tire brand, adding over 135 locations across the southeast. Over the following two decades, Heafner Tire acquired and integrated over 23 different companies, transforming the Company into a truly national enterprise. In 2002, Heafner Tire changed its name to American Tire Distributors to reflect this transformation. Soon thereafter, the Company became an international enterprise when it acquired Regional Tire Distributors and formed National Tire Distributors in 2013 and Hercules Tire Holdings LLC in 2014. These transactions, among others, catapulted the Company into a North American powerhouse.

20. The Company was primarily a family-owned and operated business from its founding until a majority stake in the business was sold to a private equity firm in 1999. As a

result of a series of corporate transactions, by the end of 2015, TPG Capital, L.P. ("TPG") and Ares Management, L.P. ("Ares") owned an equal share of the Company, with the remaining 6 percent belonging to management and other parties.

B. The 2018 Restructuring.

21. In 2018, in response to trends toward disintermediation, including specifically independent tire manufacturers Goodyear Tire & Rubber Company ("Goodyear") and Bridgestone Americas, Inc. ("Bridgestone") formed a joint venture partnership to distribute their own products directly to tire retailers, the Company began consolidating distribution centers and investing in a state-of-the-art delivery platform, as well as reducing costs. In addition to these efforts, the Company explored deleveraging transactions and maturity extensions on their various loan facilities as the loss of the Goodyear and Bridgestone partnerships and the resulting tightening of terms with third-party vendors resulted in short-term sales declines. However, despite these efforts, with the negative effect of ratings agency downgrades and constricted liquidity due to decreases in profits, the Company was unable to reach an out-of-court restructuring solution. Consequently, on October 4, 2018, ATD Inc. and eight of its affiliates filed for chapter 11 protection in the United States Bankruptcy Court for the District of Delaware. Just seventy-six days later, on December 19, 2018, ATD Inc. and its affiliated debtors confirmed a chapter 11 plan of reorganization and emerged from chapter 11 protection on December 21, 2018. In total, the 2018 Restructuring eliminated approximately $1.1 billion in debt and provided the Company with $1.005 billion of committed exit financing to support operations and future growth initiatives.

22. Although the Company greatly benefitted from the deleveraging achieved through its 2018 Restructuring, new challenges emerged in the years that followed. Specifically, the onset of the COVID-19 pandemic induced a sharp decline in demand in the automotive industry, which was followed by a surge in demand for used cars and replacement parts in 2021. This was due in

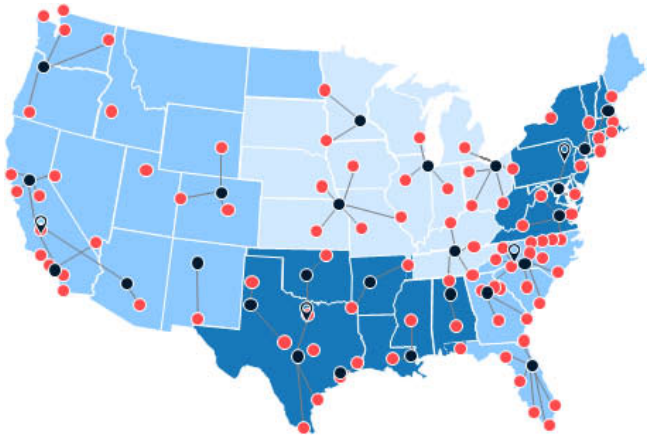
significant part to a chip shortage that negatively impacted the new car industry as a result of COVID supply chain issues. This produced a significant increase in the amount of replacement tire and wheel purchases which *temporarily* boosted sales and profits. In addition to the surge in demand, rapid inflation led to the margin from each sale to skyrocket as the Debtors, who typically stockpile their inventory for six to twelve months at a time, were able to sell their pre-COVID inventory for post-COVID prices. In time, it became clear that the Company's bottom line was being bolstered by temporary shifts in (a) the demand for their products, (b) high rates of inflation, and (c) available low cost on-hand inventories. As the market rebounded from the aftermath of COVID, the Company's gross selling margins (*i.e.*, the revenues from high sales prices less the low cost of tires and wheels) began to narrow.

23. In addition to the effect of these macroeconomic forces, the Company has faced certain shifts in consumer demand—including a shift in consumer demand to lower price tires. In particular, demand for tier 4 tires (the most cost-effective tires on the market for retail consumers) has risen and demand in higher tiers, where the Debtors' product offerings have historically focused, has fallen. This has resulted to the Debtors' inventory remaining on-hand and in storage for a longer time, slowing the Debtors' conversion of said inventory to revenue.

24. Compounding the inflation issues that were to come, in 2021 and 2022, the Debtors invested their surplus, inflation-driven profits into other automotive business Adjacencies. The synergies and other benefits that the Debtors anticipated to achieve from their investment in these Adjacencies have not yet materialized, and instead, the Debtors' operational and capital structure has become overextended. In response, the Debtors have commenced these chapter 11 cases to address these challenges and refocus their business around its core competencies.

II. Business Operations.

25. The Company operates the largest distribution network of replacement tires across North America measured by dollar amount of wholesale sales and number of warehouses. It provides over 80,000 customers with approximately 50,000 types of stock-keeping units ("SKUs") consisting of tires, wheels, and related tools and accessories. The Debtors' vast product offering, distribution and inventory management system, sales force and marketing services, and ability to cater to a broad customer base gives them a competitive edge over other smaller and regionally-focused replacement tire distributors. As of the date of this Declaration, the Debtors have distribution and mixing centers, warehouses, and administrative offices in forty-seven states in the United States.



A. Products and Value-Added Services

26. The Debtors have a comprehensive portfolio of products that allows them to penetrate the replacement tire market across a broad range of price points with the bulk of the Debtors' product sales being derived from the tires that the Debtors either own or acquire through suppliers. Specifically, the Debtors obtain their inventory from eight of the top ten leading passenger and light truck tire brands in the United States and carry their proprietary, flagship brand, Hercules®, one of the leading private brands in North America in 2023.

27. ***Flag and Associate Brands***. The bulk of the Debtors' revenue is derived through selling replacement tires from the world's leading tire manufacturers. These manufacturers are known as flag brands because they usually have the greatest brand recognition. In the United States, the flag brands sold include Continental®, Michelin®, Cooper®, Kumho®, Nexen®, Pirelli®, Toyo-Nitto®, Yokohama®, Hankook®. Such products are regarded as premium-quality in the market and command premium pricing as a result. Manufacturers of flag brands generally provide marketing support for their products. This, in addition to these brands' popularity and premium price points, has led to the Company generating stronger sales and higher per-tire profits for such brands relative to other associate or proprietary brands. Flag brands also have offerings that are lower-priced and sold under different brand names. The Debtors provide products from these brands as well, which can be attractive to customers as they are sometimes tied to manufacturer-specific incentive programs. Such associate brands include General®, Uniroyal®, Mastercraft®, Mickey Thompson®, Laufen®, and BFGoodrich®.

28. ***Proprietary and Exclusive Brands***. Proprietary brands are those which the Company owns and markets while exclusive brands are lower-priced brands developed by third-party manufacturers exclusively for the Company. In both scenarios, the Debtors hold or control the trademark to such brands. Proprietary and exclusive brands serve as products for entry-level pricing, which allows the Debtors to provide its retail partners with quality products to capture cost-conscious consumers in the market. The Debtors acquired the Hercules Tire & Rubber Company ("Hercules") in 2014. Hercules provides a full line of tires for passenger cars and light and medium trucks and is the best-selling private label tire brand in the United States. Exclusive brands include the Ironman® brand, which is the Debtors main producer of tier 4 tires which have been increasingly popular to retailer consumers.

29. ***Other Products***. The Debtors also sell aftermarket custom wheels and accessories and related tire supplies and tools, directly complementing the tire products because many customers purchase tires when purchasing custom wheels. The Debtors offer over twenty different wheel brands and installation and service accessories, including proprietary brands such as TIS Offroad®, Motive Wheels®, Gear Offroad®, Ultra Motorsports®, and O.E. Performance®. These brands represent a comprehensive portfolio of wheel brands and style collections in the industry. Customers can also obtain tire supplies and tools from the Company, which allows it to offer a well-rounded product line. Specifically, such products broaden the Company's portfolio and leverage its customer relationships. The tire supplies and tools include a broad range of the most common tire-related products, including wheel weights, tire pressure management censors, lubricants, and valves.

30. In 2023, the Company took its already popular, value-added service ATDOnline®, a 24/7 proprietary business-to-business online portal that brings the Company's partners instant access to pricing, order, and tracking, and turned it into a centralized hub, focused on helping customers manage and fulfill their auto aftermarket needs with ordering, customer management, and solution-focused tools.[3] The ATDOnline® platform is focused on helping the Company's customers and partners grow their business through cutting costs and boosting profitability, with meaningful data metrics leveraged from the Torqata platform, and access to autoshop networks for discounts on products through PartnerPerks® and rebates and rewards through IPG®.

31. Additionally, the Debtors operate TireBuyer.com as a direct business to consumer digital platform that allows the Debtors to leverage their distribution network to sell to consumers directly and drive installation business to their customers and partners. The Debtors have

[3] ATDOnline® is also known as Radius®.

leveraged this digital infrastructure to create Treadsy®, which allows the Debtors' independent tire retailer partners and other third-party businesses to reach consumers through their existing web platforms. Both of these platforms allow independent tire retailers and partners who otherwise do not have a large presence in the tire industry, to reach consumers that would not otherwise be accessible to them. This allows for the Company to access portions of the market and acquire customers that would otherwise be unavailable.

32. Lastly, Tire Pros® is a program through which qualified tire retailers, as loyal partners to the Company, can participate in a franchise program to receive advertising and marketing support by being promoted by this nationally recognized brand. Local participants in the program receive the benefits of the Tire Pros® national brand identity with minimal investment while still maintaining their local characteristics. The Debtors are able to increase volume penetration among and further align themselves with their franchisees in the process. As such, this service improves the Debtors' ability to integrate their infrastructure with their customers' operations and enable them to maintain high rates of customer retention and build strong customer loyalty. There are over 700 stores in the Tire Pros® network of franchised tire retailers.

B. Distribution System and Inventory Management and Routing Technology.

33. The Debtors have developed a comprehensive distribution system to deliver products from a wide variety of tire manufacturers to tire retail customers across North America. In recent years, some manufacturers have reduced the number of retailers they service directly, while tire retailers have reduced the amount of inventory held at one time. At the same time, the variety of SKUs, including tire models and other parts required by cars on the road, has continued to expand, requiring that the Debtors' hold significantly more inventory in order to ensure that they have the specific tires and other SKUs that their customers require. Consequently, the

Debtors' distribution network has been a critical link between these tire manufacturers and tire retailers, efficiently and expeditiously facilitating their operational needs.

34. The Debtors strive to meet these expectations through their comprehensive distribution system that integrates their vast distribution network with their inventory management and routing technology. Specifically, the Debtors have approximately 1,500 delivery vehicles servicing more than 115 distribution centers across forty-seven states in the United States. At certain distribution centers, the Debtors maintain sophisticated bin locator systems, material handling equipment, and routing software that link customer orders to the present inventory and delivery routes.

35. The Debtors maintain inventory levels for the vast majority of SKUs that exist today to aspire to fulfill customer orders on a same or next day basis as a means to increase volume across the Company. Additionally, the Debtors are incentivized to hold large stockpiles of inventory as vendors within the tire industry customarily offer the Company vendor inducements, account credits, and bonuses in connection with a variety of vendor promotions, many of which are volume driven. The Company's inventory levels are also determined based on sales data derived from distribution centers (on a combined basis, an individual basis, or by geographic region), demand forecasts, as well as from vendors that supply the distribution centers and retail customer stores. All distribution centers stock a base inventory, have access to a broader hub and spoke network for inventory, and may expand beyond preset inventory levels as deemed appropriate by an executive sales and operations planning committee. Computer systems monitor inventory levels for all stock items and quantities are re-balanced from center-to-center to both maximize availability and inventory turns.

C. Customer Base.

36. The Company's customer base includes over 80,000 customers across North America. These customers are highly diversified but generally fall within the following categories: (a) local, regional, and national independent tire retailers; (b) mass merchandisers; (c) warehouse clubs; (d) tire manufacturer-owned stores; (e) automotive dealerships; and (f) web-based marketers. Among these, independent tire retailers make up the Debtors' largest customer group, accounting for approximately 60 percent of the Debtors' net sales in 2023. The Debtors have significant market presence with each category of customer and believe that they are the only replacement tire distributor in North America that services each of these key market channels.

D. Business Development Strategies.

37. ***Program Offerings***. The Debtors have various program offerings, in conjunction with their partnerships, that are designed to drive growth through customer service. Such strategies add significant value to the Debtors' customers, thus promoting retention and loyalty to the brand. One such marketing initiative that the Debtors employ involves assisting manufacturers in administering and managing certain manufacturer-run programs designed for tire retailers that sell the respective manufacturer's products. These programs provide cooperative advertising funds, volume discounts, and other incentives for participating tire retailers, which provides them with significant value. Such programs include Continental's Gold®, Michelin's Alliance®, and Cooper's Medallion®.

38. ***Sales Force***. The Debtors have a structured sales organization intended to both serve its existing customers and develop new ones. This sales force is made up of four components: (i) customer success centers, which handle outbound and inbound calls, program attainment, and customer service issues; (ii) auto dealer channels, which help grow and maintain the relationship with auto dealers and related manufacturers; (iii) corporate accounts channels,

which manage and grow relationships with large, national retailers; (iv) independent core sales channel and territory managers, which grow and manage new dealers and independent tire and automotive retail shops.

39. The Debtors' salespeople and customer service representatives play a key role, consulting with tire retailers, helping their customers fill a gap left by tire manufacturers reducing their own sales teams. Moreover, the sales force is continuously seeking to acquire new customers. Over the past few years, the Company has steadily trained and deployed sales personnel to help build sales and developed proprietary selling tools to allow sellers to partner with tire retailers to make more informed purchasing, stocking, and pricing decisions to drive program attainment and overall store profitability.

III. The Debtors' Prepetition Capital Structure.

A. The Debtors' Organizational Structure.

40. An overview of the Debtors' current organizational structure is reflected in the organizational chart attached hereto as **Exhibit A.**

B. The Debtors' Prepetition Capital Structure.

41. As of the Petition Date, the Debtors have approximately $1.9 billion in aggregate outstanding principal and accrued interest for funded debt obligations, as reflected below.

Funded Debt	Maturity	Approximate Principal	Approximate Accrued Interest	Approximate Applicable Premium	Approximate Total Claim Amount
Prepetition Revolving Credit Facility	October 22, 2026	$708.6 million[4]	$2.3 million	N/A	$710.9 million
Prepetition FILO Facility	October 22, 2026	$100 million	$0.2 million	N/A	$100.2 million
2024 Delayed Draw FILO Loans	October 22, 2026	$75 million	$1.95 million	$15.07 million	$92.02 million
Prepetition Term Loan Facility	October 22, 2028	$975 million	$31.3 million	N/A	$1,006.3 million
Total Funded Debt Obligations:		***$1,858.6 million***	***$35.75 million***	***$15.07 million***	***$1,909.42 million***

1. The ABL Facility.

42. ***Prepetition Revolving Credit Facility and FILO Facility.*** ATD Inc., as administrative borrower, ATD New Holdings III, Inc., a Delaware corporation ("Parent"), each other borrower from time to time party thereto, each lender from time to time party thereto (the "Prepetition ABL Lenders"), and each L/C issuer and swing line lender from time to time party thereto and the Prepetition ABL Agent, entered into an asset-based credit agreement, dated as of October 22, 2021, as amended by that certain First Amendment to ABL Credit Agreement, dated as of April 13, 2023, as further amended by that certain Second Amendment to ABL Credit Agreement, dated as of July 16, 2024, and as further amended by the Third Amendment, as further amended, restated, amended and restated, supplemented, or otherwise modified from time to time (the "Prepetition ABL Credit Agreement").

[4] This includes the outstanding letters of credit in the aggregate amount of $49.2 million under the Prepetition Revolving Credit Facility.

43. This Prepetition ABL Credit Agreement allows the Debtors to access approximately $1.1 billion in revolving credit commitments (the "Prepetition Revolving Credit Facility"), subject to the borrowing base calculation as defined therein. In addition, the Prepetition ABL Credit Agreement includes approximately $100 million outstanding under a first-in, last-out facility (the "Prepetition FILO Facility"). Finally, the Third Amendment created a delayed draw "first-in, last-out" facility as a new tranche under the Prepetition ABL Credit Agreement by investors representing a majority of the Prepetition Term Loan Lenders (the "2024 Delayed Draw FILO Loans" together with the Prepetition FILO Facility and the Prepetition Revolving Credit Facility, the "Prepetition ABL Facility").

44. The Prepetition ABL Facility is secured by a first-priority security interest in all accounts and payment intangibles, chattel paper and inventory (the "Prepetition ABL Priority Collateral"). The Prepetition ABL Facility also has a second-priority security interest in all Prepetition Term Loan Priority Collateral. The 2024 Delayed Draw FILO Loans have a lien priority that is *pari* on Prepetition Term Loan Priority Collateral and third out on the Prepetition ABL Priority Collateral.

45. The maturity date for the Prepetition ABL Facility is October 22, 2026. As of the Petition Date, approximately $883.6 million in aggregate principal amount remained outstanding under the Prepetition ABL Facility.

2. The Term Loan Facility.

46. ATD Inc., as borrower, Parent, each lender from time to time party thereto (the "Prepetition Term Loan Lenders") and Bank of America, N.A., as administrative agent and collateral agent, entered into a term loan credit agreement dated as of October 22, 2021 (the "Prepetition Term Loan Facility") (as amended by that certain Amendment No. 1 to Credit Agreement, dated as of March 26, 2023, as further amended by that certain Amendment No. 2 to

Credit Agreement, dated as of March 26, 2023 and as further amended by that certain Amendment No. 3 to Term Loan Credit Agreement, dated as of July 24, 2024, and as further amended, restated, amended and restated, supplemented, or otherwise modified from time to time, the "Prepetition Term Loan Agreement").

47. Substantially all assets other than the assets securing the Prepetition ABL Facility serve as collateral for the Prepetition Term Loan Facility, including all equipment, real property, and equity interests of ATD Inc. and the Debtors (the "Prepetition Term Loan Priority Collateral"). In addition, the Prepetition Term Loan Facility is secured by a second-priority security interest in the Prepetition ABL Priority Collateral. The maturity date for the Term Loan Facility is October 22, 2028. As of the Petition Date, approximately $975 million in aggregate principal amount remained outstanding under the Term Loan Facility.

IV. Events Leading to Chapter 11 and Restructuring Actions.

A. Prepetition Challenges.

48. ***Inflation and the COVID-19 Pandemic.*** After the 2018 Restructuring, the Debtors had a deleveraged balance sheet and exit financing commitments that would support the reorganized businesses. Despite an initially positive trajectory for the first three years post-bankruptcy in which the Debtors saw growth and rising profits, the Debtors eventually experienced profit declines due to (i) unpredictable market headwinds and (ii) certain strategic investments that did not have enough runway to realize success.

49. Shortly after the 2018 Restructuring, the global economy was impacted by the unprecedented health risks and attendant work from home orders issued in response to the COVID-19 pandemic. After an initial dramatic drop in demand across the automotive industry, the Debtors saw a dramatic surge in demand for their products. This demand was fueled, in part, by spikes in used car sales due to (i) certain supplies necessary for the production of new cars were

disrupted by global supply chain issues and (ii) widespread aversion to public transportation during the pandemic. This demand coincided with soaring inflation rates. Together, these factors resulted in increased profits for the Debtors. Simply put, this spike in inflation allowed the Debtors to sell tires and wheels that it had acquired at pre-inflation prices, for post-inflation prices, temporarily lifting the margins that the Company realized. This profit growth was further fueled in 2021 as automotive sales surged to volumes "among the best in the past decade" when COVID-19 restrictions were lifted, vaccines began being widely administered, and certain retail customers began spending their COVID-19 stimulus checks on durable goods, such as tires and wheels.[5]

50. The strong performance of the Company proved advantageous when in 2021, it was able to refinance the ABL facility and the term loan facility that were in place at the conclusion of the 2018 Restructuring. Through this transaction, the Company was able to: (i) achieve much more favorable interest rates on both facilities, which annualized to approximately $15-20 million cash interest savings; (ii) repay and retire the exit financing facility from the 2018 Restructuring; (iii) negotiate more favorable borrowing base concessions on the ABL facility, such as being able to include in-transit inventory and restricted cash as collateral; (iv) increase the revolving credit facility line by approximately 20 percent; and (v) extend maturities.

51. The Debtors also charted a path of expansion into the broader automotive market and began investing their recent profits into replacement tire and wheel-distribution service adjacent businesses, such as Torqata, Tirebuyer.com, and Debtor FLX FWD Logistics, LLC. Specifically, the Debtors focused on expanding its digital platform presence with data analytics and online companies such as Torqata and Tirebuyer.com and through the expansion of its online portal, ATDOnline®, to connect its customers to free tools such as PartnerPerks® and IPG® rebates.

[5] *10 Takeaways from U.S. Auto Sales: 2021*, Cox Automotive (Jan. 21, 2022), https://www.coxautoinc.com/market-insights/10-takeaways-from-u-s-auto-sales-2021/.

The Debtors also invested millions of dollars in necessary technological advancements that put further strains on their liquidity. Specifically, post-2018 Restructuring, the Debtors placed extremely high value on pricing methodologies and tools, routing technologies, and inventory balance technologies, as an opportunity to enhance long-term profitability. By diversifying their business portfolio, the Debtors ultimately diverted attention and resources from its core competencies and increased the size of its capital structure—the Debtors investments have yet to realize the benefits the Debtors originally envisioned when making them.

52. Ultimately, in 2023, the demand for automotive parts normalized. Inflation, however, continued to increase, making acquiring new inventory more expensive, depressing the Debtors' margin on tires sold. Namely, key variable costs, such as direct inventory purchases and freight and labor, have stabilized at higher levels. The car purchasing frenzy and subsequent demand for various automotive parts has continued to fall off and the Debtors are now left with an overleveraged balance sheet, increased fixed costs, declining revenue, and limited returns from its COVID-era investments.

53. ***Market Changes.*** In addition, the Debtors faced other dramatic market changes—a consumer trend toward lower-tier, less expensive tires, a shift in the market channels, and an increase in the variety of SKUs. These changes conflicted with the Debtors' initiatives to: (i) improve pricing; (ii) optimize volumes in the largely fixed distribution network; and (iii) promote turnover of their on-hand product assortment.

54. In 2022, consumers began opting for less expensive (*i.e.*, tier 4) tires. The Debtors inventory, however, mainly focuses on upper-tier (*i.e.*, tiers 1, 2, and 3) tires with a limited focus on the supply of tier 4 through their propriety Ironman® brand.[6] The Debtors either have limited

[6] The Debtors' Ironman® brand has a line of tier 4 tires. However, these tier 4 tires are at the higher-quality end of the spectrum and therefore top price end of tier 4 tires.

access to other tier 4 manufacturers or have chosen not to engage with such manufacturers in an effort to support brands that they already carry. Accordingly, the Debtors have struggled to quickly adapt their inventory and cost-structure, which, in turn, has continued to constrict their liquidity.

55. Simultaneously, the Debtors opportunity to reap the profits of their position in the middle of the nationwide supply chain was being severely limited as the tire sale market has shifted from a generally open market, one in which the Debtors could sell directly to a large number of retailers and command higher prices, to a fixed market in which a tire producer negotiates a fixed price with consumer-facing tire retailers, leaving the Debtors only the opportunity to service the arrangement within the pre-negotiated parameters. This shift is in large part due to consolidation in the consumer-facing tire retailer market, with major national brands being able to cut the Debtors out of negotiations to a significant extent. Historically, tires sold on an open price have the capability of netting up to six times the profit per tire than on a fixed priced. Further, in 2018, these fixed prices only accounted for approximately less than 10 percent of the business. In 2023, it accounted for nearly 40 percent. Accordingly, this shift has resulted in a massive secular decline in the industry and a consolidation in the amount of end-sellers that the Debtors can do business with.

56. Further, the effort to increase volume to participate in the fixed distribution network has contributed to lower margins due to 'secondary sales.' A secondary sale is a sale that the Debtors fill on behalf of an existing partner supplier, at a set price (cost plus set commission), from inventories otherwise available to serve open market customers. Rather than yielding cash, these sales yield non-cash credits for purchased inventory. Secondary sales offer the Debtors a way to drive volume and also balance out smaller markets where open sales are less successful. While this shift is seen as an opportunity to improve distribution efficiencies via larger volume in the

network, the Debtors do not make the full margin on their product. The benefits of the sale are realized through account credits that reduce cash outflows.

57. Lastly, the variety of SKUs that the Debtors are required to maintain has exploded over the last five to ten years due to the number of cars (both gas and electric) currently on the market and the number of fitments, or fixed item of equipment, needed for each car. For example, the average car used to have limited pieces of equipment for any given function, it may now have over forty different pieces of equipment. This means that the Debtors must now carry all forty fitments to be able to fulfill each car's specific replacement needs. This proliferation of SKUs, which is driven mainly by consumer demands for pricing optionality, has resulted in the Debtors' need to invest in more inventory upfront. Ultimately, this means there is a higher cash outlay, more square footage of warehousing to hold the inventory, and holding onto the inventory longer than previously.

B. The Prepetition Marketing Process

58. In May of 2022, the Company received communications from a potential strategic partner indicating interest in acquiring the Company's assets. The Company directed its investment banker to launch the Prepetition Marketing Process and, over a period of approximately six months, the Company contacted nine parties, all strategic investors in the automotive aftermarket industry. All interested parties were provided materials and given access to non-public information and management as appropriate. Throughout this process, one strategic party, the Potential Buyer, submitted an indication of interest to the Company, and updated its offer twice, with more targeted terms as it progressed through the diligence process. Due to a variety of factors, including differing views on potential transaction structures, in December 2022, the Company and the Potential Buyer put negotiations on hold.

59. In June 2023, the Potential Buyer re-engaged with the Debtors, and after a few months of additional diligence with the Debtors, they submitted another indication of interest in November of 2023. The Debtors continued to engage on potential transaction terms and on June 3, 2024, the Potential Buyer submitted a letter of intent to purchase substantially all of the Company's working capital assets. The Debtors again contacted certain of the same strategic parties for renewed interest as a market check, but no other parties engaged. On June 28, 2024, the Debtors executed the NLOI with the Potential Buyer, which required that the Debtors negotiate exclusively with the Potential Buyer.

60. Over the next several months, as discussions continued, it became clear that a transaction was no longer actionable on terms proposed in the NLOI. In September 2024, the strategic party sent a letter to the Debtors that it was no longer able to pursue a transaction on the terms set forth in the NLOI.

61. Due in part to exclusivity restrictions imposed by the NLOI, on October 9, 2024, the Debtors terminated the NLOI, though they continue to engage with the Potential Buyer on the terms of a transaction.

62. In September of 2024, the Debtors engaged Moelis to, among other things, continue the Prepetition Marketing Process, during the pendency of these chapter 11 cases.

C. Prepetition Initiatives

(i) Special Committee.

63. On October 4, 2024, the Debtors established a special committee comprised of three disinterested directors: Patrick Bartels ("Mr. Bartels"), Roger Meltzer ("Mr. Meltzer"), and James Micali ("Mr. Micali"). Mr. Meltzer and Mr. Bartels are seasoned restructuring experts, having decades of experience and dozens of engagements as independent directors between them. Mr. Micali is an automotive industry expert, having previously served as both chief executive officer

and general counsel of Michelin North America, Inc., and having served on the board and audit subcommittee of ATD New Holdings, Inc., the Company's ultimate holding Company. The board of directors authorized the special committee to, among other things, consider and negotiate a restructuring, reorganization, or other transaction ("Transaction") and review, evaluate, and act upon any matters in which the existing directors might have an interest ("Conflicts Matters"). On October 21, 2024, I was engaged as CRO.

(ii) Restructuring Support Agreement.

64. On October 22, 2024, the Debtors reached an agreement with the Ad Hoc Group to work collaboratively to implement a value-maximizing sale and auction process through these chapter 11 cases, which are memorialized in the Restructuring Support Agreement, attached hereto **Exhibit B**. Among other things, the Restructuring Support Agreement sets forth the key terms of the DIP Facilities through the DIP Term Sheet attached thereto and contemplates that the Debtors and the Ad Hoc Group will negotiate in good faith regarding the terms on which the Ad Hoc Group will serve as a stalking horse bidder through a credit bid for all or substantially all of the Debtors' assets, subject to the terms of bidding procedures that the Debtors will seek to have approved by this court.

(iii) Proposed DIP Financing.

65. By the *Motion of Debtors for Entry of Interim and Final Orders (I) Authorizing the Debtors to (A) Obtain Postpetition Financing and (B) Utilize Cash Collateral, (II) Granting Liens and Superpriority Administrative Expense Claims, (III) Granting Adequate Protection, (IV) Modifying the Automatic Stay, (V) Scheduling a Final Hearing, and (V) Granting Related Relief* ("DIP Motion"), filed contemporaneously herewith, the Debtors seek approval of entry into certain debtor-in-possession financing facilities and related DIP Documents to provide funding throughout the chapter 11 cases, in the form of a (a) $1,123.3 million superpriority

debtor-in-possession term loan credit facility and (b) $1,200 million superpriority debtor-in-possession asset-based financing facility (the "DIP Facilities"), the terms of which are described in the DIP Motion.

66. As more fully described in the *Declaration of Ronald J. Bienias In Support of the Motion of Debtors for Entry of Interim and Final Orders (I) Authorizing the Debtors to (A) Obtain Postpetition Financing and (B) Utilize Cash Collateral, (II) Granting Liens and Superpriority Administrative Expense Claims, (III) Modifying the Automatic Stay, (IV) Scheduling a Final Hearing, and (V) Granting Related Relief* and the *Declaration of Rachel Murray in Support of the Motion of Debtors for Entry of Interim and Final Orders (I) Authorizing the Debtors to (A) Obtain Postpetition Financing and (B) Utilize Cash Collateral, (II) Granting Liens and Superpriority Administrative Expense Claims, (III) Modifying the Automatic Stay, Scheduling a Final Hearing and (V) Granting Related Relief*, the Debtors require access to immediate liquidity to support their business operations during these chapter 11 cases and avoid value-destructive interruption of payments to the Debtors' vendors. Accordingly, the Debtors' Advisors conducted outreach to potential providers of debtor-in-possession financing, including certain existing lenders and third-party financial institutions. The Debtors, in consultation with their Advisors, ultimately determined that no viable alternatives were available to provide new money postpetition financing on an expedited timeline other than the DIP Facilities provided by the DIP Term Lenders and DIP ABL Lenders. The Prepetition Term Loan Lenders who hold approximately 90 percent of the outstanding obligations under the Prepetition Term Loan Facility consent to the DIP Facilities. With this broad support and support from their other prepetition lenders, the Debtors see a path to a consensual consummation of the Restructuring Transactions.

V. Evidentiary Basis for Relief Requested in the First Day Motions.

67. On the Petition Date, the Debtors filed the following First Day Motions:

- **DIP Motion**. *Motion of Debtors for Entry of Interim and Final Orders (I) Authorizing the Debtors to (A) Obtain Postpetition Financing, (B) Grant Senior Secured Priming Liens and Superpriority Administrative Expense Claims, and (C) Utilize Cash Collateral; (II) Granting Adequate Protection to the Prepetition Secured Parties; (III) Modifying the Automatic Stay; (IV) Scheduling a Final Hearing; and (V) Granting Related Relief.*

- **Cash Management**: *Motion of Debtors for Entry of Interim and Final Orders (I) Authorizing the Debtors to (A) Operate Their Cash Management System, (B) Honor Certain Prepetition Obligations Related Thereto, (C) Maintain Existing Business Forms, and (D) Perform Intercompany Transactions and (II) Granting Related Relief.*

- **Utilities Motion**. *Debtors' Motion for Entry of Interim and Final Orders (I) Approving the Debtors' Proposed Adequate Assurance of Payment for Future Utility Services, (II) Prohibiting Utility Providers from Altering, Refusing, or Discontinuing Services, (III) Approving Debtors' Proposed Procedures for Resolving Adequate Assurance Requests, and (IV) Granting Related Relief.*

- **Wages Motion**. *Motion of Debtors for Entry of Interim and Final Orders (I) Authorizing the Debtors to (A) Pay Prepetition Wages, Salaries, Other Compensation, and Reimbursable Expenses and (B) Continue Employee Benefits Programs, and (II) Granting Related Relief.*

- **Customer Programs Motion**. *Motion of Debtors for Entry of Interim and Final Orders (I) Authorizing the Debtors to (A) Maintain and Administer Their Existing Customer Programs and (B) Honor Certain Prepetition Obligations Related Thereto, and (II) Granting Related Relief.*

- **Insurance Motion**. *Motion of Debtors for Entry of Interim and Final Orders (I) Authorizing the Debtors to (A) Maintain Insurance Coverage Entered into Prepetition and Pay Related Prepetition Obligations and (B) Renew, Supplement, Modify, or Purchase Insurance Coverage, (II) Approving Continuation of the Surety Bond Program, and (III) Granting Related Relief.*

- **Taxes Motion**. *Motion of Debtors for Entry of Interim and Final Orders (I) Authorizing the Payment of Certain Prepetition and Postpetition Taxes and Fees and (II) Granting Related Relief.*

- **Critical Vendors Motion.** *Motion of Debtors for Entry of Interim and Final Orders (I) Authorizing the Debtors to Pay Prepetition Claims of Certain Critical Vendors, 503(b)(9) Claimants, Lien Claimants, and Foreign Vendors, (II) Confirming Administrative Expense Priority of Outstanding Orders, and (III) Granting Related Relief.*

- **Creditor Matrix Motion**. *Motion of Debtors for Entry of Interim and Final Orders (I) Authorizing the Debtors to (A) File a Consolidated List of Creditors in Lieu of Submitting a Separate Mailing Matrix for Each Debtor, (B) File a Consolidated List of the Debtors' Thirty Largest Unsecured Creditors, (C) Serve Certain Parties in Interest*

by Email, and (D) Approve the Form and Manner of Service of the Notice of Commencement, (E) Redact or Withhold Certain Confidential Information of Customers, and (F) Redact Certain Personally Identifiable Information of Individuals; (II) Modifying the Requirement to File a List of Equity Security Holders and Provide Notices Directly to Equity Security Holders; and (III) Granting Related Relief.

- **Joint Administration Motion**. *Motion of Debtors for Entry of an Order (I) Directing Joint Administration of Chapter 11 Cases and (II) Granting Related Relief.*

- **DRC Retention Application**. *Application of Debtors for Appointment of Donlin, Recano & Company, Inc. as Claims and Noticing Agent.*

- **Equity Trading Motion.** *Motion of Debtors for Entry of Interim and Final Orders (I) Approving Notification and Hearing Procedures for Certain Transfers of and Declarations of Worthlessness with Respect to Common Stock and (II) Granting Related Relief.*

- **SOFAs and Schedules Motion.** *Motion of Debtors Seeking Entry of an Order (I) Extending the Time to File Schedules of Assets and Liabilities, Schedules of Current Income and Expenditures, Schedules of Executory Contracts and Unexpired Leases, and Statements of Financial Affairs, and Rule 2015.3 Financial Reports and (II) Granting Related Relief.*

68. I have reviewed and am familiar with the content of each of the First Day Motions and have consulted with the Debtors' advisors to ensure that I understand each First Day Motion and the relief requested therein. To the best of my knowledge and belief, the factual statements contained in each of the First Day Motions are true and accurate and each such factual statement is incorporated herein by reference.

69. Based on my knowledge, and after reasonable inquiry, I believe that the approval of the relief requested in the First Day Motions is: (a) necessary to enable the Debtors to transition into, and operate efficiently and successfully in, chapter 11 with minimal disruption or loss of productivity and value; (b) critical to the Debtors' achieving a successful restructuring; and (c) in the best interest of the Debtors' estates and their stakeholders. Of particular note, I believe that redaction of customer names is of paramount importance in these chapter 11 cases. I believe that the Debtors' customer list is among its most valuable assets to a potential buyer in an auction scenario and that maintaining this confidential information is vital to ensuring the Debtors are able

to realize the full value of their business in a sale process. Conversely, were this sensitive commercial information made public, I believe there would be a significant risk of customer poaching behavior by the Debtors' competitors. I believe that, if the Court does not grant the relief requested by the Debtors in the First Day Motions, the Debtors' business and their estates will suffer immediate and irreparable harm. Accordingly, for the reasons set forth herein and in the First Day Motions, the Court should grant the relief requested in each of the First Day Motions.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing statements are true and correct.

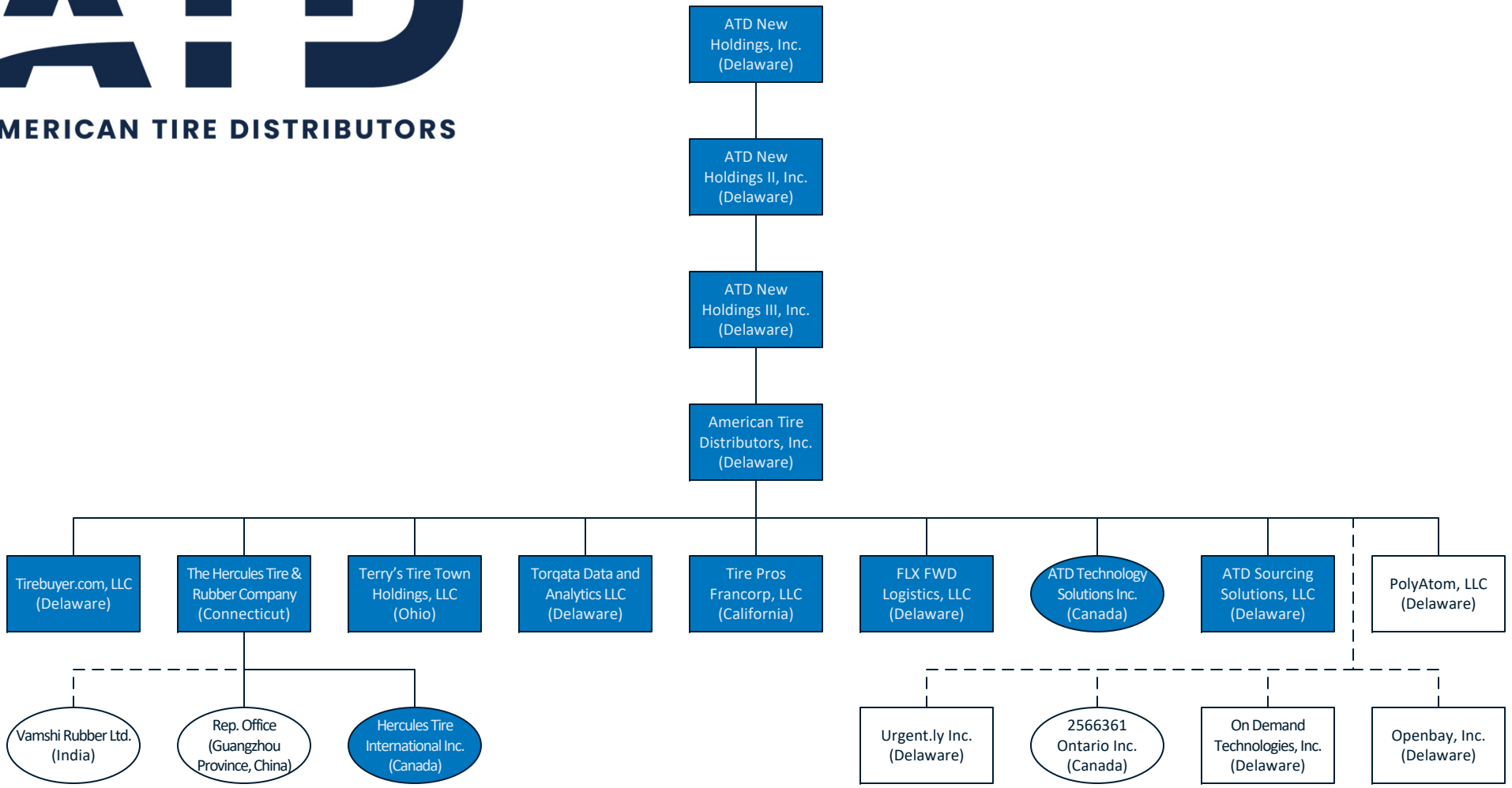
Dated: October 23, 2024

By: */s/ Ronald J. Bienias*
Name: Ronald J. Bienias
Title: Chief Restructuring Officer
American Tire Distributors, Inc.

Exhibit A

Corporate Organizational Structure

AMERICAN TIRE DISTRIBUTORS



Key

- Wholly-owned subsidiary
- Non-wholly owned subsidiary
- U.S. entity
- International entity
- Debtor entity
- Non-Debtor entity

Exhibit B

Restructuring Support Agreement

EXECUTION VERSION

THIS RESTRUCTURING SUPPORT AGREEMENT IS NOT AN OFFER OR ACCEPTANCE WITH RESPECT TO ANY SECURITIES OR A SOLICITATION OF ACCEPTANCES OF A CHAPTER 11 PLAN WITHIN THE MEANING OF BANKRUPTCY CODE SECTION 1125. ANY SUCH OFFER OR SOLICITATION WILL COMPLY WITH ALL APPLICABLE SECURITIES LAWS AND/OR PROVISIONS OF THE BANKRUPTCY CODE. NOTHING CONTAINED IN THIS RESTRUCTURING SUPPORT AGREEMENT SHALL BE AN ADMISSION OF FACT OR LIABILITY OR, UNTIL THE OCCURRENCE OF THE AGREEMENT EFFECTIVE DATE ON THE TERMS DESCRIBED HEREIN, DEEMED BINDING ON ANY OF THE PARTIES HERETO.

THIS RESTRUCTURING SUPPORT AGREEMENT IS THE PRODUCT OF SETTLEMENT DISCUSSIONS AMONG THE PARTIES HERETO. ACCORDINGLY, THIS RESTRUCTURING SUPPORT AGREEMENT IS PROTECTED BY RULE 408 OF THE FEDERAL RULES OF EVIDENCE AND ANY OTHER APPLICABLE STATUTES OR DOCTRINES PROTECTING THE USE OR DISCLOSURE OF CONFIDENTIAL SETTLEMENT DISCUSSIONS.

THIS RESTRUCTURING SUPPORT AGREEMENT DOES NOT PURPORT TO SUMMARIZE ALL OF THE TERMS, CONDITIONS, REPRESENTATIONS, WARRANTIES, AND OTHER PROVISIONS WITH RESPECT TO THE RESTRUCTURING TRANSACTIONS DESCRIBED HEREIN, WHICH TRANSACTIONS WILL BE SUBJECT TO THE COMPLETION OF THE DEFINITIVE DOCUMENTS INCORPORATING THE TERMS SET FORTH HEREIN, AND THE CLOSING OF ANY RESTRUCTURING TRANSACTION SHALL BE SUBJECT TO THE TERMS AND CONDITIONS SET FORTH IN SUCH DEFINITIVE DOCUMENTS AND THE APPROVAL RIGHTS OF THE PARTIES SET FORTH HEREIN.

RESTRUCTURING SUPPORT AGREEMENT

This RESTRUCTURING SUPPORT AGREEMENT (including all exhibits, annexes, and schedules hereto in accordance with Section 16.02, this "**Agreement**") is made and entered into as of October 22, 2024 (the "**Execution Date**"), by and among the following parties, each in the capacity set forth on its signature page to this Agreement (each of the following described in sub-clauses (i) through (v) of this preamble, collectively, the "**Parties**" and, each, a "**Party**"):[1]

i. American Tire Distributors, Inc., a company incorporated under the Laws of Delaware ("**ATD**"), and each of its Affiliates listed on **Exhibit A** to this Agreement that have executed and delivered counterpart signature pages to this Agreement to counsel to the Consenting Stakeholders (the Entities in this clause (i), collectively, the "**Company Parties**");

ii. the undersigned and non-affiliated holders (or beneficial holders) of, or nominees, investment advisors, sub-advisors, or managers of discretionary accounts that hold, New Money DIP Facility Commitments that have executed and delivered

[1] Capitalized terms used but not defined in the preamble and recitals to this Agreement have the meanings ascribed to them in Section 1.

counterpart signature pages to this Agreement, a Joinder, or a Transfer Agreement to counsel to the Company Parties (the Entities in this clause (ii), collectively, the "**Consenting New Money DIP Lenders**");

iii. the undersigned and non-affiliated holders (or beneficial holders) of, or nominees, investment advisors, sub-advisors, or managers of discretionary accounts that hold, 2024 FILO Claims that have executed and delivered counterpart signature pages to this Agreement, a Joinder, or a Transfer Agreement to counsel to the Company Parties (the Entities in this clause (iii), collectively, the "**Consenting 2024 FILO Lenders**");

iv. the undersigned and non-affiliated holders (or beneficial holders) of, or nominees, investment advisors, sub-advisors, or managers of discretionary accounts that hold Prepetition Term Loan Claims that have executed and delivered counterpart signature pages to this Agreement, a Joinder, or a Transfer Agreement to counsel to the Company Parties (the Entities in this clause (iv), collectively, the "**Consenting Prepetition Term Lenders**" and collectively with the Consenting New Money DIP Lenders, the Consenting 2024 FILO Lenders, the Consenting 2024 FILO Roll-Up Lenders and the Consenting Roll-Up Term Loan Lenders, the "**Consenting Lenders**"); and

v. the undersigned holders of equity interests in the Company Parties (the Entities in this clause (v), each a "**Consenting Equity Holder**," collectively, the "**Consenting Equity Holders**," and together with the Consenting Lenders, the "**Consenting Stakeholders**").[2]

RECITALS

WHEREAS, the Company Parties and the Consenting Stakeholders have in good faith and at arm's length negotiated or been apprised of certain transactions with respect to the Company Parties' assets on the terms set forth in this Agreement, including as specified in the term sheets attached hereto, as **Exhibit B** (the "**Sale Term Sheet**") and **Exhibit C** (the "**Restructuring Term Sheet**");

WHEREAS, the Company Parties intend to implement and consummate the Restructuring Transactions (as defined below) by commencing voluntary cases under chapter 11 of the Bankruptcy Code in the Bankruptcy Court (such cases, the "**Chapter 11 Cases**") on the terms and conditions set forth in this Agreement to effectuate a sale of all or substantially all of the Debtors' assets to the Purchaser, pursuant to Bankruptcy Code section 363, or, with the consent of the Required Consenting Lenders, pursuant to section 1129 of the Bankruptcy Code (the "**Sale Transaction**," and/or such other transactions, as described in this Agreement, all exhibits attached hereto, and the other Definitive Documents, collectively, the "**Restructuring Transactions**"); and

[2] For the avoidance of doubt, upon entry of the DIP Order approving the roll up of the Prepetition Term Loan Claims and the 2024 FILO Claims, this Agreement shall be effective with respect to the Consenting Stakeholders in their capacities as Consenting Prepetition Term Lenders, Consenting Roll-Up Term Loan Lenders and Consenting 2024 FILO Roll-Up Lenders, respectively.

WHEREAS, the Parties have agreed to take certain actions in support of the Restructuring Transactions on the terms and conditions set forth in this Agreement and the Sale Term Sheet;

NOW, THEREFORE, in consideration of the covenants and agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, each Party, intending to be legally bound hereby, agrees as follows:

AGREEMENT

Section 1. ***Definitions and Interpretation***.

1.01. Definitions. The following terms shall have the following definitions:

"**2024 Delayed Draw FILO Loan Agent**" means Wells Fargo Bank, National Association, in its capacity as collateral agent for the holders of 2024 Delayed Draw FILO Loans under the ABL Credit Agreement.

"**2024 Delayed Draw FILO Loans**" means "2024 Delayed Draw FILO Loans," as such term is defined in the ABL Credit Agreement.

"**2024 FILO Claims**" means any Claim against any of the Company Parties arising under, derived from, based on, or related to the 2024 Delayed Draw FILO Loans, including any such Claims that are rolled-up pursuant to the DIP Orders.

"**2024 FILO Roll-Up Claims**" means the 2024 FILO Claims that are rolled-up pursuant to the terms of the DIP Orders.

"**2024 FILO Roll-Up Commitments**" means the Commitments of the New Money DIP Facility Commitment Parties to roll-up their 2024 FILO Claims pursuant to the DIP Orders.

"**ABL Agent**" means Wells Fargo Bank, National Association, in its capacity as collateral agent and administrative agent for the holders of ABL Claims under the ABL Credit Agreement and the DIP ABL Facility.

"**ABL Claims**" means the FILO Claims and the Revolving Credit Claims, including any such Claims that are rolled-up pursuant to the DIP Orders.

"**ABL Credit Agreement**" means that certain ABL Credit Agreement, dated as of October 22, 2021, as amended by that certain First Amendment to ABL Credit Agreement, dated as of April 13, 2023, as further amended by that certain Second Amendment to ABL Credit Agreement, dated as of July 16, 2024, and as further amended by that certain Third Amendment to ABL Credit Agreement, dated as of July 24, 2024, by American Tire Distributors, Inc., as administrative borrower, certain Company Parties as borrowers and guarantors party thereto, Holdings, the ABL Agent, as may be further amended, amended and restated, or otherwise supplemented from time to time.

"**ABL Secured Parties**" means the ABL Agent and the lenders of the FILO Term Loans and the Revolving Credit Loans.

"**Acceptable Sale**" means (x) the Credit Bid Sale Transaction or (y) a sale that may be consummated pursuant to one or more of (1) an asset purchase agreement; (2) a share purchase agreement; or (3) a plan of reorganization that, in each case, among other things, (a) does not have any financing or diligence contingency, (b) demonstrates that the purchaser(s) has the wherewithal to close the subject transaction and (c) provides that such closing shall occur on or before the applicable Milestone, and in connection therewith, the Bankruptcy Court enters an order or orders approving such transaction(s) and related documentation and authorizing the Company Parties to enter into such transaction and related documentation, which, in each case, shall be acceptable to (i) the Required Consenting New Money DIP Lenders, (ii) the Required Consenting 2024 FILO Lenders, only with respect to the treatment of the 2024 FILO Claims, (iii) the Required Consenting 2024 FILO Roll-Up Lenders, only with respect to the treatment of the 2024 FILO Roll-Up Claims, (iv) the Required Consenting Prepetition Term Lenders, only with respect to the treatment of the Prepetition Term Loan Claims and (v) the Required Consenting Roll-Up Term Loan Lenders, only with respect to the treatment of the Roll-Up Term Loan Claims; *provided, however*, if any of the foregoing Claims in (y)(3)(c)(ii) through (v) are being paid in full in cash, the holders of such Claims shall not have such consent rights.

"**Ad Hoc Group**" means that certain ad hoc group of Consenting Lenders represented by the Ad Hoc Group Advisors.

"**Ad Hoc Group Advisors**" means (a) Akin Gump Strauss Hauer & Feld LLP, as counsel to the Ad Hoc Group, (b) Perella Weinberg Partners LP, as financial advisor to the Ad Hoc Group, (c) Potter Anderson & Corroon LLP, as local counsel to the Ad Hoc Group, (d) Spencer Stuart, as executive search advisor to the Ad Hoc Group, and (e) such other professionals as may be retained by or on behalf of the Ad Hoc Group from time to time, including any operational or industry advisors.

"**Affiliate**" has the meaning set forth in Bankruptcy Code section 101(2) as if such entity was a debtor in a case under the Bankruptcy Code.

"**Agents**" means, collectively, the New Money DIP Agent, the ABL Agent, the Term Loan Agent, and the 2024 Delayed Draw FILO Loan Agent.

"**Agreement**" has the meaning set forth in the preamble to this Agreement and, for the avoidance of doubt, includes all the exhibits, annexes, and schedules hereto in accordance with Section 16.02 (including, without limitation, the Sale Term Sheet and the DIP Term Sheet).

"**Agreement Effective Date**" means the date on which the conditions set forth in Section 2 of this Agreement have been satisfied or waived by the appropriate Party or Parties in accordance with this Agreement.

"**Agreement Effective Period**" means, with respect to a Party, the period from the Agreement Effective Date (or, in the case of any Consenting Stakeholder that becomes a Party hereto after the Agreement Effective Date, as of the date such Consenting Stakeholder becomes a Party hereto) to the Termination Date applicable to that Party.

"**Alternative Restructuring Proposal**" means any plan, inquiry, proposal, offer, bid, term sheet, discussion, or agreement with respect to a sale, disposition, new-money investment,

restructuring, reorganization, merger, amalgamation, acquisition, consolidation, dissolution, debt investment, equity investment, liquidation, asset sale, share issuance, consent solicitation, exchange offer, tender offer, recapitalization, plan of reorganization or liquidation, share exchange, business combination, joint venture, debt incurrence (including, without limitation, any debtor in possession financing or exit financing), or similar transaction involving any one or more Company Parties (including, for the avoidance of doubt, a transaction premised on a sale of assets under Bankruptcy Code section 363), or the debt, equity, or other interests in any one or more Company Parties that is an alternative to one or more of the Restructuring Transactions.

"**Approved Plan**" means a chapter 11 plan providing for a wind down of the Debtors after an Acceptable Sale, which plan shall be on terms acceptable to (a) the Required Consenting New Money DIP Lenders and (b) to the extent receiving treatment or providing funding under such plan, (i) the Required Consenting 2024 FILO Lenders, (ii) the Required Consenting 2024 FILO Roll-Up Lenders, (iii) the Required Consenting Prepetition Term Lenders, and (iv) the Required Consenting Roll-Up Term Loan Lenders, with respect to such treatment or funding, as applicable.

"**ATD**" has the meaning set forth in the preamble to this Agreement.

"**Bankruptcy Code**" means title 11 of the United States Code, 11 U.S.C. §§ 101–1532, as now in effect and hereafter amended.

"**Bankruptcy Court**" means the United States Bankruptcy Court for the District of Delaware.

"**Bidding Procedures**" means procedures for conducting a competitive bidding process in connection with the Sale Transaction, in the form approved in the Bidding Procedures Order.

"**Bidding Procedures Motion**" means the motion filed with the Bankruptcy Court seeking approval of the Bidding Procedures.

"**Bidding Procedures Order**" means an order of the Bankruptcy Court approving the Bidding Procedures.

"**Business Day**" means any day other than a Saturday, Sunday, "legal holiday" (as defined in Bankruptcy Rule 9006(a)), or other day on which commercial banks are authorized to close under the Laws of, or are in fact closed in, the state of New York. When a period of days under this Agreement ends on a day that is not a Business Day, then such period shall be extended to the specified hour of the next Business Day.

"**Causes of Action**" means any and all claims, interests, damages, remedies, causes of action, demands, rights, actions, controversies, proceedings, agreements, suits, obligations, liabilities, accounts, defenses, offsets, powers, privileges, licenses, liens, indemnities, guaranties, and franchises of any kind or character whatsoever, whether known or unknown, foreseen or unforeseen, existing or hereinafter arising, contingent or non-contingent, liquidated or unliquidated, secured or unsecured, asserted or assertable, direct or derivative, matured or unmatured, suspected or unsuspected, whether arising before, on, or after the Petition Date, in contract, tort, law, equity, or otherwise. Causes of Action also include: (a) all rights of setoff, counterclaim, or recoupment and claims under contracts or for breaches of duties imposed by law

or in equity; (b) the right to object to or otherwise contest Company Claims/Interests; (c) claims pursuant to Bankruptcy Code section 362 or chapter 5 of the Bankruptcy Code; (d) such claims and defenses as fraud, mistake, duress, and usury, and any other defenses set forth in Bankruptcy Code section 558; and (e) any avoidance actions arising under chapter 5 of the Bankruptcy Code or under similar local, state, federal, or foreign statutes and common law, including fraudulent transfer laws.

"**Chapter 11 Cases**" has the meaning set forth in the recitals to this Agreement.

"**Claim**" has the meaning ascribed to it in Bankruptcy Code section 101(5).

"**Company Claims/Interests**" means any Claim against, or Equity Interest in, a Company Party.

"**Company Parties**" has the meaning set forth in the preamble to this Agreement.

"**Company Releasing Party**" means each of the Company Parties, and, to the maximum extent permitted by law, each of the Company Parties, on behalf of their respective Affiliates and Related Parties.

"**Confidentiality Agreement**" means an executed confidentiality agreement, including with respect to the issuance of a "cleansing letter" or other public disclosure of material non-public information agreement, in connection with any proposed Restructuring Transactions, including those certain Confidentiality Agreements between the Company Parties and each of the members of the Ad Hoc Group.

"**Consenting 2024 FILO Lenders**" has the meaning set forth in the preamble of this Agreement.

"**Consenting 2024 FILO Roll-Up Lenders**" means the Consenting Lenders that hold 2024 FILO Roll-Up Claims.

"**Consenting Equity Holders**" has the meaning set forth in the preamble to this Agreement.

"**Consenting New Money DIP Lenders**" has the meaning set forth in the preamble to this Agreement.

"**Consenting Prepetition Term Lenders**" has the meaning set forth in the preamble to this Agreement.

"**Consenting Roll-Up Term Loan Lenders**" means the Consenting Lenders that hold Roll-Up Term Loan Claims.

"**Consenting Stakeholder Releasing Party**" means, each of, and in each case in its capacity as such: (a) the Consenting Stakeholders; (b) the New Money DIP Agent; (c) the Term Loan Agent; (d) the 2024 Delayed Draw FILO Loan Agent; (e) each current and former Affiliate

of each Entity in clause (a) through the following clause (f), and (f) to the maximum extent permitted by Law, each Related Party of each Entity in clause (a) through this clause (f).

"**Consenting Stakeholders**" has the meaning set forth in the preamble to this Agreement.

"**Credit Bid Asset Purchase Agreement**" has the meaning set forth in the Sale Term Sheet.

"**Credit Bid Sale Transaction**" means the sale to be consummated pursuant to the Sale Term Sheet, the Credit Bid Asset Purchase Agreement and related documentation, including the Sale Order.

"**Debtor Advisors**" means (a) Kirkland & Ellis LLP, as restructuring counsel to the Debtors, (b) Moelis & Company, as financial advisor to the Debtors, (c) AlixPartners LLP, as restructuring advisor to the Debtors, (d) Pachulski Stang Ziehl & Jones LLP, as local counsel to the Debtors, and (e) such other professionals as may be retained by or on behalf of the Debtors from time to time, including any operational or industry advisors.

"**Debtors**" means the Company Parties that commence Chapter 11 Cases.

"**Definitive Documents**" means the documents listed in Section 3.01.

"**DIP ABL Facility**" means the senior secured postpetition revolving facility to be made in accordance with the DIP Orders.

"**DIP Documents**" means, collectively, the documentation governing the DIP Facilities, including the New Money DIP Term Sheet, New Money DIP Credit Agreement and any and all other agreements, documents, and instruments delivered or entered into in connection therewith, including any guarantee agreements, pledge and collateral agreements, intercreditor agreements, and other security documents, the DIP Orders, and the DIP Motion (including any amendments, restatements, supplements, or modifications of any of the foregoing).

"**DIP Facilities**" means, together, the DIP ABL Facility and the DIP Term Loan Facility.

"**DIP Motion**" means any motion filed with the Bankruptcy Court seeking approval of the DIP Facilities.

"**DIP Orders**" means, collectively, the Interim DIP Order and the Final DIP Order.

"**DIP Term Loan Facility**" means the senior secured non-amortizing superpriority priming debtor in possession term loan facility comprising the New Money DIP Loans, the roll up of the 2024 FILO Loans and the roll up of the Term Loans to be provided in accordance with the DIP Orders.

"**DIP Term Sheet**" means the term sheet describing the terms of the DIP Term Loan Facility that is attached as **Exhibit D** hereto.

"**Distributable Assets**" means the Excluded Assets and any other assets of the Debtors that are available for distribution to creditors entitled to a recovery under the Approved Plan.

"**Entity**" shall have the meaning set forth in Bankruptcy Code section 101(15).

"**Equity Interests**" means, collectively, the shares (or any class thereof), common stock, preferred stock, limited liability company interests, and any other equity, ownership, or profits interests of any Company Party, and options, warrants, rights, or other securities or agreements to acquire or subscribe for, or which are convertible into the shares (or any class thereof) of, common stock, preferred stock, limited liability company interests, or other equity, ownership, or profits interests of any Company Party (in each case whether or not arising under or in connection with any employment agreement).

"**Excluded Assets**" means any assets that are not acquired assets pursuant to a Sale Transaction.

"**Execution Date**" has the meaning set forth in the preamble to this Agreement.

"**FILO Claims**" means any Claim against any of the Company Parties arising under, derived from, based on, or related to the FILO Term Loans, exclusive of the 2024 FILO Claims.

"**FILO Term Loans**" means "FILO Term Loans," as such term is defined in the ABL Credit Agreement, exclusive of the 2024 Delayed Draw FILO Loans.

"**Final DIP Order**" means the order entered by the Bankruptcy Court approving the DIP Facilities on a final basis.

"**First Day Pleadings**" means any first day pleadings that the Debtors, in consultation with the Required Consenting Lenders, determine are necessary or desirable to file with the Bankruptcy Court, including any pleadings seeking entry of the DIP Orders.

"Governmental Entity" means any applicable federal, state, local, or foreign government or any agency, bureau, board, commission, court, or arbitral body, department, political subdivision, regulatory or administrative authority, tribunal or other instrumentality thereof, or any self-regulatory organization. For the avoidance of doubt, the term Governmental Entity includes any Governmental Unit (as such term is defined in Bankruptcy Code section 101(27)).

"**Interim DIP Order**" means the order entered by the Bankruptcy Court approving the DIP Facilities on an interim basis.

"**Joinder**" means a joinder to this Agreement substantially in the form attached hereto as **Exhibit F**. Any Person or Entity that executes a Joinder shall be a "Party" under this Agreement as provided therein.

"**Law**" means any federal, state, local, or foreign law (including common law), statute, code, ordinance, rule, regulation, order, ruling, or judgment, in each case, that is validly adopted, promulgated, issued, or entered by a governmental authority of competent jurisdiction (including the Bankruptcy Court).

"**Milestones**" has the meaning set forth in Section 4.01 of this Agreement.

"**Multiple Sales**" means more than one Acceptable Sale.

"**New Money DIP Agent**" means the administrative agent under the New Money DIP Credit Agreement, its successors, assigns, or any replacement agent appointed pursuant to the terms of the New Money DIP Credit Agreement, each of which shall be reasonably acceptable to the Company Parties.

"**New Money DIP Claims**" means Claims against any of the Company Parties arising under, derived from, based on, or related to the New Money DIP Loans.

"**New Money DIP Credit Agreement**" means the debtor in possession financing credit agreement, consistent with the terms set forth in the DIP Term Sheet, by and among certain Company Parties, the New Money DIP Agent, and the lenders party thereto setting forth the terms and conditions of the New Money DIP Term Loan Facility.

"**New Money DIP Facility Commitments**" means the commitments of the New Money DIP Facility Commitment Parties to provide New Money DIP Loans.

"**New Money DIP Facility Commitment Parties**" means each Consenting Prepetition Term Lender as of the date of this Agreement that is listed on Schedule 1 hereto.

"**New Money DIP Lenders**" means the lenders of the New Money DIP Loans under the DIP Term Loan Facility.

"**New Money DIP Loans**" means "New Money DIP Term Loans" as such term is defined in the DIP Term Sheet.

"**New Money DIP Term Loan Facility**" means that portion of the senior secured non-amortizing superpriority priming debtor in possession term loan facility comprising the New Money DIP Loans to be provided in accordance with the DIP Orders.

"**Organizational Documents**" means, with respect to any Person other than a natural person, the documents by which such Person was organized or formed (such as a certificate of incorporation, certificate of formation, certificate of limited partnership, or articles of organization, and including certificates of designation for preferred stock or other forms of preferred equity) or which relate to the internal governance of such Person (such as by-laws, a partnership agreement, or an operating, limited liability company, shareholders, or members agreement).

"**Parties**" has the meaning set forth in the preamble to this Agreement.

"**Permitted Transferee**" means each transferee of any Company Claims/Interests who meets the requirements of Section 10.01 of this Agreement.

"**Person**" means an individual, a partnership, a joint venture, a limited liability company, a corporation, a trust, an unincorporated organization, a group, a Governmental Entity, or any legal entity or association.

"**Petition Date**" means the first date any of the Company Parties commences a Chapter 11 Case.

"**Prepetition Term Loan Claims**" means those Term Loan Claims exclusive of the Roll-Up Term Loan Claims.

"**Purchaser**" has the meaning ascribed to such term in the Sale Term Sheet.

"**Qualified Marketmaker**" means an entity that (a) holds itself out to the public or the applicable private markets as standing ready in the ordinary course of business to purchase from customers and sell to customers Company Claims/Interests (or enter with customers into long and short positions in Company Claims/Interests), in its capacity as a dealer or market maker in Company Claims/Interests and (b) is, in fact, regularly in the business of making a market in claims against issuers or borrowers (including debt securities or other debt).

"**Related Party**" means, collectively, with respect to any Person or Entity, each of, and in each case in its capacity as such, current and former directors, managers, officers, committee members, members of any governing body, equity holders (regardless of whether such interests are held directly or indirectly), affiliated investment funds or investment vehicles, managed accounts or funds, predecessors, participants, successors, assigns, subsidiaries, Affiliates, partners, limited partners, general partners, principals, members, management companies, fund advisors or managers, employees, agents, trustees, advisory board members, financial advisors, attorneys (including any other attorneys or professionals retained by any current or former director or manager in his or her capacity as director or manager of an Entity), accountants, investment bankers, consultants, representatives, and other professionals and advisors and any such Person's or Entity's respective heirs, executors, estates, and nominees.

"**Released Claim**" means, with respect to any Releasing Party, any Claim, or Cause of Action that is released by such Releasing Party under Section 15 of this Agreement.

"**Released Company Parties**" means each of, and in each case in its capacity as such: (a) the Company Parties; (b) current and former Affiliates of each Entity in clause (a) through the following clause (c); and (c) each Related Party of each Entity in clause (a) through this clause (c); *provided*, *however*, the Released Company Parties does not, and shall not, include any former officers of any Company Party or any former directors of any Company Party who were also officers of any Company Party.

"**Released Parties**" means each Released Company Party and each Released Stakeholder Party.

"**Released Stakeholder Parties**" means, each of, and in each case in its capacity as such: (a) the Consenting Stakeholders; (b) the New Money DIP Agent, (c) the Term Loan Agent and (d) the 2024 Delayed Draw FILO Loan Agent; (e) current and former Affiliates of each Entity in clause (a) through the following clause (g); and (g) each Related Party of each Entity in clause (a) through this clause (g).

"**Releases**" means the releases contained in Section 15 of this Agreement.

"**Releasing Parties**" means, collectively, each Company Releasing Party and each Consenting Stakeholder Releasing Party.

"**Required Consenting 2024 FILO Lenders**" means, as of the relevant date, Consenting 2024 FILO Lenders holding more than 50.0% of the aggregate outstanding principal amount 2024 FILO Claims that are held by Consenting 2024 FILO Lenders.

"**Required Consenting 2024 FILO Roll-Up Lenders**" means, as of the relevant date, the Consenting 2024 FILO Roll-Up Lenders holding more than 50.0% of the aggregate outstanding principal amount of 2024 FILO Roll-Up Claims that are held by Consenting 2024 FILO Roll-Up Lenders.

"**Required Consenting Lenders**" means the Required Consenting New Money DIP Lenders, the Required Consenting 2024 FILO Lenders (or the Required Consenting 2024 FILO Roll-Up Lenders, as applicable), the Required Consenting Prepetition Term Lenders and the Required Consenting Roll-Up Term Loan Lenders (upon the funding of New Money DIP Loans).

"**Required Consenting New Money DIP Lenders**" means, as of the relevant date, Consenting New Money DIP Lenders holding more than 60.0% of the aggregate outstanding principal amount of the New Money DIP Facility Commitments and New Money DIP Loans that are held by New Money DIP Lenders.

"**Required Consenting Prepetition Term Lenders**" means, as of the relevant date, Consenting Prepetition Term Lenders holding more than 50.0% of the aggregate outstanding principal amount of Prepetition Term Loan Claims that are held by Consenting Prepetition Term Lenders.

"**Required Consenting Roll-Up Term Loan Lenders**" means, upon the funding of the New Money DIP Loans, as of the relevant date, Consenting Roll-Up Term Loan Lenders holding more than 50.0% of the aggregate outstanding principal amount of Roll-Up Term Loan Claims that are held by Consenting Roll-Up Term Loan Lenders.

"**Restructuring Effective Date**" means the date on which the transactions contemplated under the documents governing the Approved Sale are consummated.

"**Restructuring Expenses**" means the reasonable and documented fees and expenses of the Ad Hoc Group Advisors, subject to the terms of any applicable engagement letter or reimbursement letter with any of the Company Parties or the terms of the DIP Orders, as the case may be.

"**Restructuring Transactions**" has the meaning set forth in the recitals to this Agreement.

"**Revolving Credit Claims**" means any Claim against any of the Company Parties arising under, derived from, based on, or related to the Revolving Credit Loans.

"**Revolving Credit Loans**" means "Revolving Credit Loans," as such term is defined in the ABL Credit Agreement.

"**Roll-Up Term Loan Claims**" means those Prepetition Term Loan Claims that are rolled-up pursuant to the DIP Orders.

"**Roll-Up Term Loan Commitments**" means the commitments of the New Money DIP Facility Commitment Parties to roll-up their Prepetition Term Loan Claims pursuant to the DIP Orders.

"**Sale Motion**" means the motion seeking entry of the Sale Order.

"**Sale Order**" means the order of the Bankruptcy Court approving an Acceptable Sale.

"**Sale Term Sheet**" has the meaning set forth in the recitals to this Agreement.

"**Sale Transaction**" has the meaning set forth in the recitals to this Agreement.

"**Securities Act**" means the Securities Act of 1933, as amended.

"**Securities Rules**" means Rule 501(a)(1), (2), (3), (7), (8), (9), (12) and (13) under the Securities Act.

"**Sellers**" has the meaning set forth in the Sale Term Sheet.

"**Solicitation Materials**" means a disclosure statement for an Approved Plan and any related materials for solicitation of votes for an Approved Plan, in each case, in form and substance acceptable to (A) the Required Consenting New Money DIP Lenders, (B) the Required Consenting 2024 FILO Lenders, only with respect to the treatment of the 2024 FILO Claims, (C) the Required Consenting 2024 FILO Roll-Up Lenders, only with respect to the treatment of the 2024 FILO Roll-Up Claims, (D) the Required Consenting Prepetition Term Lenders, only with respect to the treatment of the Prepetition Term Loan Claims and (E) the Required Consenting Roll-Up Term Loan Lenders, only with respect to the treatment of the Roll-Up Term Loan Claims.

"**Special Committee**" means the special committee of the boards of the Company Parties.

"**Supermajority New Money DIP Lenders**" means, as of the relevant date, Consenting New Money DIP Lenders holding more than 66.7% of the aggregate outstanding principal amount of the New Money DIP Facility Commitments and/or the New Money DIP Loans that are held by New Money DIP Lenders.

"**Term Loan Agent**" means the administrative agent under the Term Loan Credit Agreement.

"**Term Loans**" means loans outstanding under the Term Loan Credit Agreement.

"**Term Loan Claims**" means any Claim against any of the Company Parties on account of the Term Loans, including the Roll-Up Term Loan Claims.

"**Term Loan Credit Agreement**" means that certain Term Loan Credit Agreement, dated as of October 22, 2021, as amended by that certain Amendment No. 1 to Credit Agreement, dated

as of March 26, 2023, as further amended by that certain Amendment No. 2 to Credit Agreement, dated as of March 26, 2023 and as further amended by that certain Amendment No. 3 to Term Loan Credit Agreement, dated as of July 24, 2024, as may be further amended, amended, and restated, or otherwise supplemented from time to time.

"**Termination Date**" means the date on which termination of this Agreement as to a Party is effective in accordance with Section 13.

"**Transfer**" means to sell, resell, reallocate, use, pledge, assign, transfer, hypothecate, participate, donate or otherwise encumber or dispose of, directly or indirectly (including through derivatives, options, swaps, pledges, forward sales or other transactions); *provided*, *however*, that any pledge in favor of a bank or broker dealer at which a Consenting Stakeholder maintains an account, where such bank or broker dealer holds a security interest or other encumbrance over property in the account generally shall not be deemed a "Transfer" for any purposes hereunder.

"**Transfer Agreement**" means an executed form of the transfer agreement providing, among other things, that a transferee is bound by the terms of this Agreement and substantially in the form attached hereto as **Exhibit E**.

"**Waterfall Recovery**" means the distributable assets, if any, allocated and paid to holders of Allowed Claims until paid in full in the order of priority set forth for the Term Loan Collateral in the DIP Orders.

1.02. Interpretation. For purposes of this Agreement:

(a) in the appropriate context, each term, whether stated in the singular or the plural, shall include both the singular and the plural, and pronouns stated in the masculine, feminine, or neuter gender shall include the masculine, feminine, and the neuter gender;

(b) capitalized terms defined only in the plural or singular form shall nonetheless have their defined meanings when used in the opposite form;

(c) unless otherwise specified, any reference herein to a contract, lease, instrument, release, indenture, or other agreement or document being in a particular form or on particular terms and conditions means that such document shall be substantially in such form or substantially on such terms and conditions;

(d) unless otherwise specified, any reference herein to an existing document, schedule, or exhibit shall mean such document, schedule, or exhibit, as it may have been or may be amended, restated, amended and restated, supplemented, or otherwise modified or replaced from time to time; *provided* that any capitalized terms herein which are defined with reference to another agreement, are defined with reference to such other agreement as of the date of this Agreement, without giving effect to any termination of such other agreement or amendments to such capitalized terms in any such other agreement following the date hereof;

(e) unless otherwise specified, all references herein to "Sections" are references to Sections of this Agreement;

(f) the words "herein," "hereof," and "hereto" refer to this Agreement in its entirety rather than to any particular portion of this Agreement;

(g) captions and headings to Sections are inserted for convenience of reference only and are not intended to be a part of or to affect the interpretation of this Agreement;

(h) references to "shareholders," "directors," and/or "officers" shall also include "members" and/or "managers," as applicable, as such terms are defined under the applicable limited liability company Laws;

(i) the use of "include" or "including" is without limitation, whether stated or not; and

(j) the phrase "counsel to the Consenting Stakeholders" refers in this Agreement to each counsel specified in Section 16.10 other than counsel to the Company Parties.

Section 2. ***Effectiveness of this Agreement***. This Agreement shall become effective and binding upon each of the Parties at 12:00 a.m., prevailing Eastern Time, on the Agreement Effective Date, which is the date on which all of the following conditions have been satisfied or waived in accordance with this Agreement:

(a) each of the Company Parties shall have executed and delivered counterpart signature pages of this Agreement to counsel to each of the Consenting Stakeholders;

(b) the following shall have executed and delivered counterpart signature pages of this Agreement:

(i) holders of at least fifty percent (50.00%) of the aggregate outstanding principal amount of the Term Loans;

(ii) holders of at least fifty percent (50.00%) of the aggregate outstanding principal amount of the 2024 Delayed Draw FILO Loans; and

(iii) all holders of the New Money DIP Facility Commitments;

(c) the Company Parties shall have executed any engagement letters with the Ad Hoc Group Advisors as of the Effective Date and paid, or caused to be paid, all Restructuring Expenses for which an invoice has been received by the Company Parties prior to the Execution Date; and

(d) counsel to the Company Parties shall have given notice to counsel to the Consenting Stakeholders in the manner set forth in Section 16.10 hereof (by email or otherwise) that the other conditions to the Agreement Effective Date set forth in this Section 2 have occurred.

Section 3. ***Definitive Documents***.

3.01. The Definitive Documents governing the Restructuring Transactions shall include this Agreement and each of the following, to the extent applicable:

(a) the First Day Pleadings and all orders sought pursuant thereto;

(b) the DIP Documents, including the New Money DIP Term Sheet, New Money DIP Credit Agreement, the DIP Orders, and the DIP Motion;

(c) all motions, filings, documents, and agreements related to an Acceptable Sale including, as applicable, the Credit Bid Sale Transaction, including the Credit Bid Asset Purchase Agreement, all schedules and exhibits thereto, the Sale Order, the Bidding Procedures, the Bidding Procedures Motion, and the Bidding Procedures Order;

(d) the Approved Plan and any related disclosure statement, if applicable;

(e) all material pleadings filed by the Debtors, including any related proposed order, in connection with the Chapter 11 Cases; and

(f) any and all other deeds, agreements, filings, notifications, pleadings, orders, certificates, letters, instruments or other documents reasonably necessary or desirable to consummate and document the transactions contemplated by this Agreement, the Credit Bid Asset Purchase Agreement, or the Restructuring Transactions (including any exhibits, amendments, modifications, or supplements from time to time, including, if applicable, any tax-steps memorandum describing the implementation steps of the Credit Bid Asset Purchase Agreement or the Restructuring Transactions).

3.02. The Definitive Documents not executed or in a form attached to this Agreement as of the Execution Date remain subject to negotiation and completion. Upon completion, the Definitive Documents and every other document, deed, agreement, filing, notification, letter or instrument related to the Restructuring Transactions shall contain terms, conditions, representations, warranties, and covenants consistent in all material respects with the terms of this Agreement, as they may be modified, amended, or supplemented in accordance with Section 14 of this Agreement. The Definitive Documents not executed or in a form attached to this Agreement as of the Execution Date shall otherwise be in form and substance (i) acceptable to the Company Parties, (ii) acceptable to the Required Consenting New Money DIP Lenders in their sole discretion, (iii) with respect to the DIP Orders, acceptable to the Required Consenting Lenders in their sole discretion, (iv) with respect to the treatment of the 2024 FILO Claims in any Definitive Document, acceptable to the Required Consenting 2024 FILO Lenders, in their sole discretion, unless such Claims are paid in full in cash, (v) with respect to the treatment of the 2024 FILO Roll-Up Claims in any Definitive Document, acceptable to the Required Consenting 2024 FILO Roll-Up Lenders, in their sole discretion, unless such Claims are paid in full in cash, (vi) with respect to the treatment of the Prepetition Term Loan Claims in any Definitive Document, acceptable to the Required Consenting Prepetition Term Lenders in their sole discretion, unless such Claims are paid in full in cash and (vii) with respect to the treatment of the Roll-Up Term Loan Claims in any Definitive Document, acceptable to the Required Consenting Roll-Up Term Loan Lenders in their sole discretion, unless such Claims are paid in full in cash.

Section 4. ***Milestones***.

4.01. Milestones. The following milestones (the "Milestones") shall apply to this Agreement unless extended or waived in writing (e-mail being sufficient) by the Company Parties and the Supermajority New Money DIP Lenders; *provided* that if any such Milestone falls on a date which is not a Business Day, such Milestone shall be automatically extended to the first Business Day thereafter:

(a) no later than October 22, 2024, the Company Parties shall (i) commence the Chapter 11 Cases in the Bankruptcy Court and (ii) file, within 24 hours thereafter, the First Day Pleadings, including, without limitation, the DIP Motion;

(b) no later than three (3) days following the Petition Date, the Bankruptcy Court shall have entered the Interim DIP Order;

(c) no later than seven (7) days following the Petition Date, the Company Parties shall have filed the Bidding Procedures Motion;

(d) no later than fourteen (14) days following the Petition Date, the Company Parties and the Required Consenting New Money DIP Lenders shall have made a determination as to the necessity and form of any required proceedings in Canada to effectuate the Restructuring Transactions;

(e) no later than twenty-one (21) days following the Petition Date, the Required Consenting Lenders and the ABL Secured Parties shall have agreed on a proposal for exit ABL financing for the Credit Bid Sale Transaction;

(f) no later than twenty-one (21) days following the Petition Date, the Debtors shall have provided a business plan acceptable to the Required Consenting Lenders;

(g) no later than twenty-one (21) days following the Petition Date, the Debtors shall have filed the Credit Bid Asset Purchase Agreement;

(h) no later than thirty-five (35) days following the Petition Date, the Bankruptcy Court shall have entered the Bidding Procedures Order;

(i) no later than thirty-five (35) days after the Petition Date, the Bankruptcy Court shall have entered the Final DIP Order;

(j) no later than forty-five (45) days after the Petition Date, the Purchaser and the ABL Secured Parties shall have executed a commitment letter providing for ABL exit financing on terms and conditions acceptable to the Required Consenting Lenders;

(k) no later than forty-five (45) days after the Petition Date, the Purchaser shall have provided evidence acceptable to the ABL Agent of commitments from the owners of the Purchaser to provide any necessary financing in connection with the purchase and operation of the Purchased Assets (as defined in the Sale Term Sheet);

(l) no later than sixty (60) days after the Petition Date, the bid deadline in the Bidding Procedures Order shall have occurred;

(m) no later than sixty-five (65) days after the Petition Date, the auction in the Bidding Procedures Order shall have occurred, if applicable;

(n) no later than seventy (70) days after the Petition Date, the Bankruptcy Court shall have entered the Sale Order; and

(o) no later than eighty (80) days after the Petition Date, the Sale Transaction shall be consummated; *provided, however*, if the successful bidder is not the Purchaser, then this Milestone may be extended with the consent of the Supermajority New Money DIP Lenders.

Section 5. ***Commitments of the Consenting Lenders***.

5.01. General Commitments, Forbearances, and Waivers.

(a) During the Agreement Effective Period, each Consenting Lender severally, and not jointly nor jointly and severally, agrees to (i) negotiate with the Company Parties and the other relevant Parties as, applicable, the terms and conditions of the Restructuring Transactions in good faith, subject to the terms and conditions of this Agreement including, without limitation, the Sale Term Sheet, and (ii) subject to clause (i), in respect of all of its Company Claims/Interests (as applicable), to:

(i) support the Restructuring Transactions in accordance with the terms and subject to the conditions of this Agreement;

(ii) use commercially reasonable efforts to (A) cooperate with and assist the Company Parties in obtaining additional support for the Restructuring Transactions from the Company Parties' other stakeholders and (B) coordinate its activities with the other Parties hereto (subject to the terms hereof) in respect of all material matters concerning the implementation and consummation of the Restructuring Transactions; *provided* that no Consenting Lender shall be obligated to incur any out-of-pocket costs in discharging such obligation;

(iii) cooperate in good faith and coordinate with the Company Parties to use commercially reasonable efforts to structure and implement the Restructuring Transactions in a tax efficient manner;

(iv) give any notice, order, instruction, or direction to the applicable Agents necessary to give effect to the Restructuring Transactions;

(v) negotiate in good faith and use commercially reasonable efforts to execute and implement the Definitive Documents, including the Credit Bid Asset Purchase Agreement and any other necessary documents that are consistent with this Agreement to which it is required to be a party; and

(vi) forbear from exercising rights and remedies under the ABL Credit Agreement and the Term Loan Credit Agreement, as applicable, arising solely from the occurrence

and the continuation of any "Events of Default" under and as defined in the ABL Credit Agreement and the Term Loan Credit Agreement.

(b) During the Agreement Effective Period, each Consenting Lender severally, and not jointly nor jointly and severally, agrees to, in respect of all of its Company Claims/Interests, that it shall not directly or indirectly, subject to the terms of this Agreement, including the consent rights contained herein:

(i) object to, delay, impede, or take any other action to interfere with, delay, or impede the acceptance, implementation, or consummation of the Restructuring Transactions (including, as applicable, through instructions, directions, notices, or orders to the applicable Agent);

(ii) seek, solicit, encourage, propose, file, support, consent to or vote, or enter into or participate in any discussions, agreements, understandings, or other arrangements with any Person regarding, or pursue or consummate, for any Alternative Restructuring Proposal other than an Alternative Restructuring Proposal that a Consenting Lender believes in good faith would be reasonably likely to be deemed a better bid than the Credit Bid;

(iii) execute or file any motion, pleading, or other document with the Bankruptcy Court or any other court (including any modifications or amendments thereof) that, in whole or in part, is not materially consistent with this Agreement or the Definitive Documents;

(iv) initiate, or have initiated on its behalf, any litigation or proceeding of any kind with respect to the Chapter 11 Cases, this Agreement, or the other Restructuring Transactions contemplated herein against the Company Parties or the other Parties other than to enforce this Agreement or any Definitive Document or as otherwise permitted under this Agreement;

(v) exercise, or direct any other Person to exercise, any right or remedy for the enforcement, collection, or recovery of any of Claims against or Equity Interests in the Company Parties other than in accordance with this Agreement and the Definitive Documents;

(vi) object to, delay, impede, or take any other action to interfere with the Company Parties' ownership and possession of their assets, wherever located, or interfere with the automatic stay arising under Bankruptcy Code section 362; *provided*, *however*, that nothing in this Agreement shall limit the right of any party hereto to exercise any right or remedy provided under this Agreement or any other Definitive Document, including to terminate this Agreement in accordance with its terms;

(vii) announce publicly its intention to not support the Restructuring Transactions; or

(viii) take any action that is inconsistent in any material respect with this Agreement.

5.02. Commitments with Respect to Chapter 11 Cases.

(a) In addition to the commitments, covenants, agreements and other obligations set forth in Section 5.01 of this Agreement, during the Agreement Effective Period, each Consenting Lender agrees that it shall, subject to receipt by such Consenting Lender, whether before or after the commencement of the Chapter 11 Cases, of the Solicitation Materials, if applicable:

(i) to the extent it is entitled to vote with respect to the Approved Plan, vote each of its Company Claims/Interests to accept the Approved Plan by delivering its duly executed and completed ballot accepting the Approved Plan on a timely basis following the commencement of the solicitation of the Approved Plan and its actual receipt of the Solicitation Materials and the ballot;

(ii) to the extent applicable, opt into (or not opt out of) the Releases, injunctions, discharge, and exculpation provisions provided in an Approved Plan to the extent consistent with the Releases set forth herein;

(iii) not object to or otherwise hinder or delay approval of the Releases, injunctions, discharge, and exculpation provisions provided in an Approved Plan to the extent consistent with the Releases set forth herein; and

(iv) not change, withdraw, amend, or revoke (or cause to be changed, withdrawn, amended, or revoked) any vote or election referred to in clauses (i) and (ii) above.

(b) During the Agreement Effective Period, each Consenting Lender, in respect of each of its Company Claims/Interests, will support, and will not directly or indirectly object to, delay, impede, or take any other action to interfere with any motion or other pleading or document filed by a Company Party in the Bankruptcy Court that is consistent with this Agreement.

5.03. Commitments with respect to the New Money DIP Term Loan Facility. Subject to Section 13 of this Agreement, each New Money DIP Facility Commitment Party, severally, and not jointly, nor jointly and severally, hereto commits to (i) negotiate with the Company Parties and the other relevant Parties as, applicable, the terms and conditions of the New Money DIP Term Loan Facility in good faith, subject to the terms and conditions of this Agreement including, without limitation, the New Money DIP Credit Agreement and/or DIP Term Sheet, and (ii) subject to this section, (ii) provide (or cause an Affiliate or Affiliates to provide) its share of the New Money DIP Facility Commitment; *provided*, *however*, that upon a termination of this Agreement in accordance with the provisions hereof prior to the funding of the New Money DIP Loans, the New Money DIP Facility Commitment may terminate upon written notice of the New Money DIP Lenders (email being sufficient). The New Money DIP Facility Commitment shall be allocated *pro rata* on account of the Term Loans held by the Consenting Prepetition Term Lenders. The New Money DIP Facility Commitment Parties (or any of them) may, at their option, arrange for the New Money DIP Credit Agreement and/or DIP Term Sheet to be executed as an initial lender by, and the New Money DIP Facility Commitment of some or all of the New Money DIP Facility Commitment Parties to be funded by, one financial institution reasonably agreed to by the applicable New Money DIP Facility Commitment Parties and the Company (the "**Fronting Lender**"), in which case the applicable New Money DIP Facility Commitment Parties will acquire their shares of the New Money DIP Term Loan Facility by assignment from the Fronting Lender in accordance with the assignment provisions of the New Money DIP Credit Agreement; it being

agreed that Jefferies Capital Services, LLC or any of its Affiliates is reasonably acceptable to New Money DIP Facility Commitment Parties and ATD to be the Fronting Lender.

Section 6. ***Additional Provisions Regarding the Consenting Lenders' Commitments***.

6.01. Notwithstanding anything contained in this Agreement, nothing in this Agreement shall: (a) affect the ability of any Consenting Lender to consult with any other Consenting Stakeholder, the Company Parties, the Debtors, or any other party in interest in the Chapter 11 Cases (including any official committee and the United States Trustee); (b) impair or waive the rights of any Consenting Lender to assert or raise any objection permitted under this Agreement in connection with the Restructuring Transactions; (c) prevent any Consenting Lender from enforcing this Agreement or contesting whether any matter, fact, or thing is a breach of, or is inconsistent with, this Agreement, including any default of the Debtors; (d) from and after a Termination Date (other than a Termination Date as a result of the occurrence of the Restructuring Effective Date), obligate a Consenting Lender to deliver any vote in support of the Restructuring Transactions or prohibit a Consenting Lender from withdrawing any such vote, in each case; *provided* that upon the withdrawal of any such vote after a Termination Date (other than a Termination Date as a result of the occurrence of the Restructuring Effective Date), such vote shall be deemed void *ab initio* and such Consenting Lender shall have the opportunity to change its vote; (e) prevent any Consenting Lender from taking any action which is required by applicable Law; (f) require any Consenting Lender to take any action which is prohibited by applicable Law or to waive or forego the benefit of any applicable legal professional privilege; (g) require any Consenting Lender to incur any expenses, liabilities, or other obligations, or agree to any commitments, undertakings, concessions, indemnities, or other arrangements that could result in expenses, liabilities, or other obligations; (h) prevent any Consenting Lender by reason of this Agreement or the Restructuring Transactions from making, seeking, or receiving any regulatory filings, notifications, consents, determinations, authorizations, permits, approvals, licenses, or the like; (i) prohibit any Consenting Lender from taking any action that is not inconsistent with this Agreement; or (j) limit, condition or restrict the applicable Consenting Lender, in their capacities as lenders under the New Money DIP Credit Agreement from (i) exercising any rights and remedies under the DIP Documents (and any related credit documents, including the DIP Orders), (ii) waiving or forbearing with respect to any "Default" or "Event of Default" under and as defined in the DIP Documents (and any related credit documents, including the DIP Orders), (iii) amending, modifying, or supplementing the DIP Documents (and any related credit documents) in accordance with the terms thereof or (iv) refusing to make additional advances under the DIP Documents (and any related credit documents, including the DIP Orders) consistent with the terms of the applicable DIP Documents.

6.02. Notwithstanding anything to the contrary in this Agreement, any obligation set forth in this Agreement for a Consenting Lender to forbear from taking any action: (a) shall automatically terminate, without the need for any further notice, if this Agreement is terminated in accordance with its terms; (b) shall not constitute a waiver with respect to any Defaults or Events of Default (each as defined in the ABL Credit Agreement and the Term Loan Credit Agreement, as applicable); and (c) shall not bar any Consenting Lender from filing a proof of claim in the Chapter 11 Cases or taking action to establish the amount of such claim consistent with the terms of this Agreement. If the Restructuring Transactions are not consummated, the Parties fully reserve any and all of their rights, remedies, claims, and defenses. Except as expressly provided

in this Agreement, nothing herein is intended to, or does, in any manner waive, limit, impair, or restrict any right of any Consenting Lender to protect and preserve any right, remedy, condition, or approval requirement under this Agreement or the Definitive Documents. Upon the termination of this Agreement in accordance with Section 13 below, the agreement of the Consenting Lender to forbear from exercising rights and remedies in accordance with this Agreement shall immediately terminate without requirement of any demand, presentment, or protest of any kind, all of which the Company Parties hereby waive.

Section 7. ***Commitments of the Consenting Equity Holders.***

7.01. General Commitments.

(a) During the Agreement Effective Period, each Consenting Equity Holder, severally and not jointly, agrees to (i) act in good faith with regard to the consummation of the Restructuring Transactions on terms materially consistent with this Agreement and the Definitive Documents, and (ii) subject to clause (i), in respect of all its Company Claims/Interests (as applicable), to:

(i) support the Restructuring Transactions in accordance with the terms and subject to the conditions of this Agreement and the Definitive Documents; and

(ii) if and as applicable to the applicable Consenting Equity Holder, negotiate in good faith and use commercially reasonable efforts to execute and implement the Definitive Documents, including any Sale Transaction.

(b) During the Agreement Effective Period, each Consenting Equity Holder agrees that it shall not directly or indirectly, subject to the terms of this Agreement:

(i) object to, delay, impede, or take any other action to interfere with, delay, or impede the acceptance, implementation, or consummation of the Restructuring Transactions;

(ii) seek, solicit, encourage, propose, file, support, consent to or vote, or enter into or participate in any discussions, agreements, understandings, or other arrangements with any Person regarding, or pursue any Alternative Restructuring Proposal;

(iii) execute or file any motion, pleading, or other document with the Bankruptcy Court or any other court (including any modifications or amendments thereof) that, in whole or in part, is not materially consistent with this Agreement or the Definitive Documents;

(iv) initiate, or have initiated on its behalf, any litigation or proceeding of any kind with respect to the Chapter 11 Cases, this Agreement, or the other Restructuring Transactions contemplated herein against the Company Parties or the other Consenting Stakeholders other than to enforce this Agreement or any Definitive Document or as otherwise permitted under this Agreement;

(v) announce publicly its intention to not support the Restructuring Transactions;

(vi) seek appointment of an equity committee, whether pursuant to section 1102(a)(2) of the Bankruptcy Code or otherwise; or

(vii) take any action that is inconsistent in any material respect with this Agreement.

7.02. Commitments with Respect to Chapter 11 Cases.

(a) In addition to the commitments, covenants, agreements and other obligations set forth in Section 7.01 of this Agreement, during the Agreement Effective Period, each Consenting Equity Holder agrees that it shall, subject to receipt by such Consenting Equity Holders, whether before or after the commencement of the Chapter 11 Cases, of the Solicitation Materials, if applicable:

(i) to the extent it is entitled to vote with respect to the Approved Plan, vote each of its Company Claims/Interests to accept the Approved Plan by delivering its duly executed and completed ballot accepting the Approved Plan on a timely basis following the commencement of the solicitation of the Approved Plan and its actual receipt of the Solicitation Materials and the ballot;

(ii) to the extent applicable, opt into (or not opt out of) the Releases, injunctions, discharge, and exculpation provisions provided in any chapter 11 plan to the extent consistent with the Releases set forth herein;

(iii) not object to or otherwise hinder or delay approval of the Releases, injunctions, discharge, and exculpation provisions provided in the any chapter 11 plan to the extent consistent with the Releases set forth herein; and

(iv) not change, withdraw, amend, or revoke (or cause to be changed, withdrawn, amended, or revoked) any vote or election referred to in clauses (i) and (ii) above.

(b) During the Agreement Effective Period and for so long as a Termination Date has not occurred with respect to the applicable Consenting Equity Holder, each Consenting Equity Holder shall not and shall cause their affiliates to not, without the prior written consent of the Company Parties: (a) claim any worthless stock deduction with respect to its Company Claims/Interests, (b) pledge, encumber, assign, sell, or otherwise transfer, offer, or contract to pledge, encumber, assign, sell, or otherwise transfer, in whole or in part, directly or indirectly, any portion of its right, title, or interests in any of its shares, stock, or other interests in it Company Claims/Interests, to the extent such pledge, encumbrance, assignment, sale, or other transaction or event may result in an "ownership change" of any Company Party, or any direct or indirect subsidiary thereof, for purposes of Section 382 of the Internal Revenue Code of 1986 (as amended) (the "Internal Revenue Code"), or (c) acquire any outstanding indebtedness of the Company Parties, or any direct or indirect subsidiary thereof, to the extent such acquisition would reasonably be expected to impair or adversely affect any of the tax attributes of the Company Parties or any direct or indirect subsidiary thereof under Sections 108 or 1017 of the Internal Revenue Code.

(c) During the Agreement Effective Period, each Consenting Equity Holder, in respect of each of their Company Claims/Interests, will support, and will not directly or indirectly object

to, delay, impede, or take any other action to interfere with any motion or other pleading or document filed by a Company Party in the Bankruptcy Court that is consistent with this Agreement.

Section 8. ***Commitments of the Company Parties***.

8.01. Affirmative Commitments. Except as set forth in Section 9 of this Agreement, during the Agreement Effective Period, the Company Parties agree to (i) negotiate with the Consenting Lenders and the other relevant Parties as, applicable, the terms and conditions of the Restructuring Transactions in good faith, subject to the terms and conditions of this Agreement including, without limitation, the Sale Term Sheet, and (ii) subject to clause (i) to:

(a) support and take all steps reasonably necessary and desirable to consummate the Restructuring Transactions in accordance with this Agreement, including by using commercially reasonable efforts to implement the Restructuring Transactions;

(b) to the extent any legal or structural impediment arises that would prevent, hinder, or delay the consummation of the Restructuring Transactions contemplated herein, use commercially reasonable efforts to address any such impediment to permit the consummation of the Restructuring Transactions; *provided, however*, that any actions taken in connection therewith shall be acceptable to the Required Consenting New Money DIP Lenders;

(c) use commercially reasonable efforts to obtain any and all required regulatory and/or third-party approvals necessary for the consummation of Restructuring Transactions, including the expiration of any applicable waiting periods;

(d) cooperate in good faith and coordinate with the Consenting Stakeholders to structure and implement the Restructuring Transactions in a tax efficient manner;

(e) negotiate in good faith and use commercially reasonable efforts to execute and deliver the Definitive Documents and any other required agreements to effectuate and consummate the Restructuring Transactions as contemplated by this Agreement and the Credit Bid Asset Purchase Agreement (when and if executed);

(f) use commercially reasonable efforts to seek additional support for the Restructuring Transactions from other material stakeholders (if any) to the extent reasonably prudent;

(g) provide draft copies of all Definitive Documents and any material motions or pleadings to the Ad Hoc Group Advisors as soon as reasonably practicable, but in no event less than two days prior to the date when the Company Parties intend to file such documents, and, without limiting any approval rights set forth herein, consult in good faith with the Ad Hoc Group Advisors regarding the form and substance of any such proposed filing; *provided*, *however*, that in the event that not less than two days' notice is impossible or impracticable under the circumstances, the Company Parties shall provide draft copies of any motions or other pleadings to the Ad Hoc Group Advisors as soon as otherwise practicable before the date when the Company Parties intend to file any such motion or other pleading;

(h) continue ordinary course practices to maintain their good standing under the Laws of the state or other jurisdiction in which they are incorporated or organized except to the extent that any failure to maintain such Company Party's good standing arises solely from the filing of the Chapter 11 Cases;

(i) operate their business and operations in the ordinary course in a manner that is consistent with its past practices and this Agreement but taking into consideration the effects of the Chapter 11 Cases, and use commercially reasonable efforts to preserve intact the Company Parties' business organization and relationships with third parties (including suppliers, customers, and governmental and regulatory authorities and employees) consistent with this Agreement and the Restructuring Transactions, and timely consult with, and provide prior notice and updates to, the Ad Hoc Group Advisors with respect to any material development in connection with any Company Party, including businesses, operations (including material changes to the cash management system, employee benefit programs, and insurance and surety programs, any such changes requiring the prior written consent of the Required Consenting New Money DIP Lenders), material expenditures, and relationships with material third parties (including co-owners, vendors, lessors, and customers);

(j) promptly notify counsel to the Consenting Stakeholders in writing of the commencement or filing of any material governmental or third-party complaints, litigations, investigations, or hearings (or communications indicating that the same may be contemplated or threatened);

(k) if any Company Parties know of a material breach by any Party of such Party's obligations, representations, warranties, or covenants set forth in this Agreement, furnish prompt written notice (and in any event within one (1) Business Day of such actual knowledge) to counsel to the Consenting Stakeholders and promptly take all remedial action necessary to cure such breach by any such Party;

(l) pay and reimburse in full in cash in immediately available funds (i) prior to the Petition Date, all Restructuring Expenses before the Petition Date (if invoiced before such date), (ii) after the Petition Date, subject to any applicable orders of the Bankruptcy Court, including the DIP Orders, but without the need to file fee or retention applications, all Restructuring Expenses incurred prior to (to the extent not previously paid) on and after the Petition Date, but in any event within five (5) Business Days of delivery to the Company Parties of any applicable invoice or receipt, and (iii) on the Restructuring Effective Date, all Restructuring Expenses incurred and outstanding in connection with the Restructuring Transactions (including any estimated fees and expenses estimated to be incurred through the Restructuring Effective Date);

(m) provide, and direct their employees, officers, advisors, and other representatives to provide, to the Consenting Lenders and the Ad Hoc Group Advisors, (i) reasonable access to the Company Parties' books and records during normal business hours on reasonable advance notice to the Company Parties' representatives and without disruption to the operation of the Company Parties' business, (ii) reasonable access to the management and advisors of the Company Parties on reasonable advance notice to such persons and without disruption to the operation of the Company Parties' business, and (iii) such other information as reasonably requested by the

Consenting Lenders and the Ad Hoc Group Advisors, in all cases, subject to the appropriate agreement on use and confidentiality;

(n) if the Company Parties receive an Alternative Restructuring Proposal, except as set forth in the Bidding Procedures Order, (i) promptly notify the Consenting Stakeholders and the Ad Hoc Group Advisors (in each case, no later than one (1) Business Day) after the receipt of such Alternative Restructuring Proposal, (ii) provide the Ad Hoc Group (subject to any Confidentiality Agreement or any other appropriate agreement on use and confidentiality) and the Ad Hoc Group Advisors with a true and complete copy of the Alternative Restructuring Proposal (in each case, no later than one (1) Business Day after the receipt of such Alternative Restructuring Proposal), and (iii) promptly provide any diligence or access to the Company Parties' advisors and management reasonably requested by Ad Hoc Group Advisors with respect to the Alternative Restructuring Proposal; and

(o) timely file a formal objection to any motion filed with the Bankruptcy Court by a third party seeking the entry of an order: (i) challenging any of the Claims or liens of the Consenting Lenders; (ii) directing the appointment of a trustee or examiner (with expanded powers beyond those set forth in Bankruptcy Code sections 1106(a)(3) and (4)); (iii) converting the Chapter 11 Cases to cases under chapter 7 of the Bankruptcy Code; or (iv) dismissing the Chapter 11 Cases.

8.02. Negative Commitments. Except as set forth below or in Section 9 of this Agreement of this Agreement or unless otherwise approved or waived in advance in writing by the Required Consenting Lenders, during the Agreement Effective Period, each of the Company Parties shall not directly or indirectly:

(a) object to, delay, impede, or take any other action to interfere with acceptance, implementation, or consummation of the Restructuring Transactions;

(b) take any action that is inconsistent in any material respect with, or is intended to frustrate or impede approval, implementation and consummation of the Restructuring Transactions or any other transaction described in this Agreement or any Definitive Document;

(c) engage in any merger, consolidation, disposition, acquisition, investment, dividend, incurrence of indebtedness, or other similar transaction outside the ordinary course of business;

(d) file any motion for any sale transaction or other disposition of any assets outside of the ordinary course, or bidding procedures with respect to the foregoing (other than the Sale Motion and the Bidding Procedures Motion);

(e) enter into any material contract or agreement, or amend, waive, or terminate any such agreement, outside the ordinary course of business;

(f) enter into or amend any employee benefit, deferred compensation, incentive, retention, bonus, transition services, or other compensatory arrangements, policies, programs, practices, plans (including key employee incentive programs, key employee retention plans, or plans of similar nature), or agreements, including offer letters, employment agreements, consulting agreements, severance agreements, or change in control agreements with respect to the Company

Parties' executive officers or other insiders or file a motion or seek other approval with respect to any of the foregoing;

(g) reject or assume any agreement, contract, or lease pursuant to Bankruptcy Code section 365 without the consent of the Required Consenting New Money DIP Lenders;

(h) seek to modify the Definitive Documents, in whole or part, in a manner that is not consistent with this Agreement in all material respects;

(i) file any motion, pleading, or Definitive Documents with the Bankruptcy Court or any other court (including any modifications or amendments thereof) that, in whole or in part, is not materially consistent with this Agreement or the Credit Bid Asset Purchase Agreement or is otherwise not in form and substance acceptable to the Required Consenting Lenders in accordance with terms set forth in Section 3 of this Agreement;

(j) announce publicly or announce to any of the Consenting Stakeholders or other holders of Company Claims/Interests, its intention not to support the Restructuring Transactions; or

(k) terminate, breach or fail to remain in compliance with and the reimbursement obligations owed to the Ad Hoc Group Advisors.

Section 9. ***Additional Provisions Regarding Company Parties' Commitments***.

9.01. Notwithstanding anything to the contrary in this Agreement, nothing in this Agreement shall require a Company Party or the board of directors, board of managers, or similar governing body of a Company Party, after consulting with counsel, to take any action or to refrain from taking any action with respect to the Restructuring Transactions to the extent taking or failing to take such action would be inconsistent with applicable Law or its fiduciary obligations under applicable Law, and any such action or inaction pursuant to this Section 9.01 shall not be deemed to constitute a breach of this Agreement.

9.02. Notwithstanding anything to the contrary in this Agreement (but subject to Section 9.01), each Company Party and its respective directors, officers, employees, investment bankers, attorneys, accountants, consultants, and other advisors or representatives shall have the rights to: (a) consider, respond to, and facilitate Alternative Restructuring Proposals; (b) provide access to non-public information concerning any Company Party to any Entity or enter into Confidentiality Agreements or nondisclosure agreements with any Entity that the Company Parties determine, in the exercise of reasonable business judgment, under the circumstances outlined in the Bidding Procedures, proposes or would reasonably be expected to propose a transaction which would or would reasonable be expected to, result in an Acceptable Sale or Multiple Sales; (c) maintain or continue discussions or negotiations with respect to Alternative Restructuring Proposals; (d) otherwise cooperate with, assist, participate in, or facilitate any inquiries, proposals, discussions, or negotiation of Alternative Restructuring Proposals; and (e) enter into or continue discussions or negotiations with holders of Claims against or Equity Interests in a Company Party (including any Consenting Stakeholder), any other party in interest in the Chapter 11 Cases (including any official committee and the United States Trustee), or any other Entity regarding the Restructuring Transactions or Alternative Restructuring Proposals.

9.03. Nothing in this Agreement shall: (a) impair or waive the rights of any Company Party to assert or raise any objection permitted under this Agreement in connection with the Restructuring Transactions; or (b) prevent any Company Party from enforcing this Agreement or any Definitive Document or contesting whether any matter, fact, or thing is a breach of, or is inconsistent with, this Agreement or any Definitive Document.

9.04. During the Agreement Effective Period, the Company Parties (a) will not make or declare any dividends, distributions or other payments on account of any Equity Interests, (b) will not make any payments to the equity holders or any of their respective affiliates, and (c) will ensure that all other Company Parties do not make any transfers (whether by dividend, distribution or otherwise) to any direct or indirect parent entity or shareholder of ATD and that no subsidiaries of ATD make any transfers (whether by dividend, distribution or otherwise) to any direct or indirect parent entity or shareholder of ATD, except, in each case, for any transfers or payments incurred in the ordinary course of business by the equity holders or any of their respective affiliates incurred in the ordinary course of business and unrelated to the equity holders' ownership of Equity Interests, including transfers or payments on account of existing arms' length commercial contracts and vendor, customer, and landlord relationships.

Section 10. ***Transfer of Interests and Securities***.

10.01. During the Agreement Effective Period, no Consenting Stakeholder shall Transfer any ownership (including any beneficial ownership as defined in the Rule 13d-3 under the Securities Exchange Act of 1934, as amended) in any Company Claims/Interests to any affiliated or unaffiliated party, including any party in which it may hold a direct or indirect interest, unless:

(a) in the case of any Company Claims/Interests, the authorized transferee is either (1) a qualified institutional buyer as defined in Rule 144A of the Securities Act, (2) a non-U.S. person in an offshore transaction as defined under Regulation S under the Securities Act, (3) an institutional accredited investor (as defined in the Rules), or (4) a Consenting Stakeholder; and

(b) either (i) the transferee executes and delivers to counsel to the Company Parties, at or before the time of the proposed Transfer, a Transfer Agreement or (ii) the transferee is a Consenting Stakeholder or an Affiliate thereof that has agreed to be bound by the terms of this Agreement, and the transferee provides notice of such Transfer (including the amount and type of Company Claim/Interest Transferred) to counsel to the Company Parties at or before the time of the proposed Transfer.

10.02. Upon compliance with the requirements of Section 10.01, the transferor shall be deemed to relinquish its rights (and be released from its obligations) under this Agreement in respect of such transferred Company Claims/Interests.

10.03. This Agreement shall in no way be construed to preclude the Consenting Stakeholders from acquiring additional Company Claims/Interests; *provided, however*, that (a) such additional Company Claims/Interests shall automatically and immediately upon acquisition by a Consenting Stakeholder be deemed subject to the terms of this Agreement (regardless of when or whether notice of such acquisition is given to counsel to the Company Parties or counsel to the Consenting Stakeholders) and (b) such Consenting Stakeholder shall

provide notice to the extent known by the acquiring Consenting Stakeholder of such acquisition (including the amount and type of Company Claim/Interest acquired and whether such Company Claims/Interests were acquired from an existing Consenting Stakeholder) to counsel to the Company Parties within five (5) Business Days of such acquisition.

10.04. This Section 10 shall not impose any obligation on any Company Party to issue any "cleanse letter" or otherwise publicly disclose information for the purpose of enabling a Consenting Stakeholder to Transfer any of its Company Claims/Interests or any other purpose. Notwithstanding anything to the contrary herein, to the extent a Company Party and another Party have entered into a Confidentiality Agreement, the terms of such Confidentiality Agreement shall continue to apply and remain in full force and effect according to its terms, and this Agreement shall not supersede any rights or obligations otherwise arising under such Confidentiality Agreements, including any obligation thereunder on any Company Party to issue any "cleansing letter" or otherwise publicly disclose information.

10.05. Notwithstanding Section 10.01, a Qualified Marketmaker that acquires any Company Claims/Interests with the purpose and intent of acting as a Qualified Marketmaker for such Company Claims/Interests shall not be required to execute and deliver a Transfer Agreement in respect of such Company Claims/Interests if (i) such Qualified Marketmaker subsequently transfers such Company Claims/Interests (by purchase, sale assignment, participation, or otherwise) within five (5) Business Days of its acquisition to a transferee that is an entity that is not an affiliate, affiliated fund, or affiliated entity with a common investment advisor; (ii) the transferee otherwise is a Permitted Transferee under Section 10.01; and (iii) the Transfer otherwise is a Permitted Transfer under Section 10.01. To the extent that a Consenting Stakeholder is acting in its capacity as a Qualified Marketmaker, it may Transfer (by purchase, sale, assignment, participation, or otherwise) any right, title or interests in Company Claims/Interests that the Qualified Marketmaker acquires from a holder of the Company Claims/Interests who is not a Consenting Stakeholder without the requirement that the transferee be a Permitted Transferee.

10.06. Notwithstanding anything to the contrary in this Section 10, the restrictions on Transfer set forth in this Section 10 shall not apply to (i) the grant of any liens or encumbrances on any claims and interests in favor of a bank or broker-dealer holding custody of such claims and interests in the ordinary course of business and which lien or encumbrance is released upon the Transfer of such claims and interests or (ii) the grant of any liens or encumbrances on any claims or interests in favor of any lender, noteholder, agent or trustee to secure obligations under indebtedness issued or held by a managed fund or account, including any collateralized loan obligation or collateralized debt obligation, in each case in the ordinary course of business and which lien or encumbrance is released upon the transfer of such claims and interests.

10.07. Any Transfer in violation of this Section 10 shall be void *ab initio*.

Section 11. ***Representations and Warranties of Consenting Stakeholders***. Each Consenting Stakeholder severally, and not jointly nor jointly and severally, represents and warrants that, as of the date such Consenting Stakeholder executes and delivers this Agreement and as of the Restructuring Effective Date:

(a) it is the beneficial or record owner (which shall be deemed to include any unsettled trades) of the face amount of the Company Claims/Interests or is the nominee, investment manager, or advisor for beneficial holders of the Company Claims/Interests reflected in, and, having made reasonable inquiry, is not the beneficial or record owner of any Company Claims/Interests other than those reflected in, such Consenting Stakeholder's signature page to this Agreement (including a Joinder hereto) or a Transfer Agreement, as applicable (as may be updated pursuant to Section 10 of this Agreement);

(b) it has (or, upon the settlement of unsettled trades, will have) the full power and authority to act on behalf of, vote and consent to matters concerning, such Company Claims/Interests;

(c) such Company Claims/Interests (or will be upon the settlement of unsettled trades) are free and clear of any pledge, lien, security interest, charge, claim, equity, option, proxy, voting restriction, right of first refusal, or other limitation on disposition, transfer, or encumbrances of any kind, that would materially and adversely affect in any way such Consenting Stakeholder's ability to perform any of its obligations under this Agreement at the time such obligations are required to be performed;

(d) it has (or, upon the settlement of unsettled trades, will have) the full power to vote, approve changes to, and transfer all of its Company Claims/Interests referable to it as contemplated by this Agreement subject to applicable Law;

(e) it has not relied upon any other Party in deciding to enter into this Agreement and has instead made its own independent analysis and decision to enter into this Agreement;

(f) it has made no prior assignment, sale, participation, grant, conveyance, or other Transfer of, and has not entered into any agreement to assign, sell, participate, grant, convey, or otherwise Transfer, in whole or in part, any portion of its rights, title, or interest in any Company Claims/Interests that is inconsistent with the representations and warranties of such Consenting Stakeholder herein or would render such Consenting Stakeholder otherwise unable to comply with this Agreement and perform its obligations hereunder; and

(g) solely with respect to holders of Company Claims/Interests, (i) it is either (A) a qualified institutional buyer as defined in Rule 144A of the Securities Act, (B) not a U.S. person (as defined in Regulation S of the Securities Act), or (C) an institutional accredited investor (as defined in the Rules) and (ii) any securities acquired by the Consenting Stakeholder in connection with the Restructuring Transactions will have been acquired for investment and not with a view to distribution or resale in violation of the Securities Act.

Section 12. ***Mutual Representations, Warranties, and Covenants***. Each of the Parties represents, warrants, and covenants to each other Party, as of the date such Party executed and delivers this Agreement, a Joinder, or a Transfer Agreement, as applicable, on the Agreement Effective Date and as of the Restructuring Effective Date:

(a) it is validly existing and in good standing under the Laws of the state of its organization, and this Agreement is a legal, valid, and binding obligation of such Party, enforceable against it in accordance with its terms, except as enforcement may be limited by

applicable Laws relating to or limiting creditors' rights generally or by equitable principles relating to enforceability;

(b) except as expressly provided in this Agreement, any Definitive Documents and the Bankruptcy Code, no consent or approval is required by any Person or Entity in order for it to effectuate the Restructuring Transactions contemplated by, and perform its respective obligations under, this Agreement;

(c) the entry into and performance by it of, and the Restructuring Transactions contemplated by, this Agreement do not, and will not, conflict in any material respect with any Law or regulation applicable to it or with any of its Organizational Documents;

(d) except as expressly provided in this Agreement, it has (or will have, at the relevant time) all requisite corporate or other power and authority to enter into, execute, and deliver this Agreement and to effectuate the Restructuring Transactions contemplated by, and perform its respective obligations under, this Agreement; and

(e) except as expressly provided by this Agreement, with respect to the Restructuring Transactions, it is not a party to any restructuring or similar agreements or arrangements with any other Entity or the other Parties to this Agreement that have not been disclosed to all Parties to this Agreement.

Section 13. ***Termination Events***.

13.01. Consenting Lenders Termination Events. This Agreement may be terminated by the Required Consenting New Money DIP Lenders (as to the Consenting New Money DIP Lenders), the Required Consenting 2024 FILO Lenders (as to the Consenting 2024 FILO Lenders), the Required Consenting 2024 FILO Roll-Up Lenders (as to the Consenting 2024 FILO Roll-Up Lenders), the Required Consenting Prepetition Term Lenders (as to the Consenting Prepetition Term Lenders) or by the Required Consenting Roll-Up Term Loan Lenders (as to the Consenting Roll-Up Term Loan Lenders) by the delivery to the Company Parties of a written notice in accordance with Section 16.10 hereof upon the occurrence of the following events:

(a) the breach in any material respect by a Company Party of any of the representations, warranties, or covenants of the Company Parties set forth in this Agreement that (i) remains uncured for ten (10) Business Days after such terminating Consenting Lenders transmit a written notice in accordance with Section 16.10 hereof detailing any such breach;

(b) the issuance by any governmental authority, including any regulatory authority or court of competent jurisdiction, of any final, non-appealable ruling or order that (i) enjoins the consummation of a material portion of the Restructuring Transactions and (ii) remains in effect for ten (10) Business Days after such terminating Consenting Lenders transmit a written notice in accordance with Section 16.10 hereof detailing any such issuance; *provided*, that this termination right may not be exercised by any Party that sought or requested such ruling or order in contravention of any obligation or restriction set out in this Agreement;

(c) the appointment of a trustee, receiver or examiner with expanded powers beyond those set forth in Bankruptcy Code sections 1106(a)(3) and (4) in one or more of the Chapter 11 Cases, or the filing of a motion by a Company Party seeking such relief;

(d) the failure to meet any Milestone that has not been waived or extended in accordance with this Agreement provided that no Consenting Lender whose action or inaction has caused such failure may terminate on this basis;

(e) the acceleration of any obligations under the DIP Facilities or the DIP Documents;

(f) the termination of the Credit Bid Asset Purchase Agreement, if applicable, in accordance with its terms; *provided*, that in the event the Company Parties enter into a definitive agreement with respect to an Acceptable Sale Transaction, the Consenting Lenders shall not have the ability to terminate pursuant to this Section 13.01(f);

(g) the termination of a definitive agreement for an Acceptable Sale Transaction;

(h) if applicable, the Bankruptcy Court enters an order denying approval of the Credit Bid Sale Transaction or disallowing any material provision of the Credit Bid Asset Purchase Agreement and such order remains in effect for ten (10) Business Days after entry of such order; *provided*, that in the event the Company Parties enter into a definitive agreement with respect to an Acceptable Sale Transaction, the Consenting Lenders shall not have the ability to terminate pursuant to this Section 13.01(h);

(i) if applicable, if the Credit Bid Sale Transaction is the Acceptable Sale, the Bankruptcy Court enters an order reversing or vacating the Bidding Procedures Order or the Sale Order without the prior written consent of the Required Consenting Lenders, unless the Company Parties have sought a stay of such order within five (5) Business Days after the date of such issuance, and such order is stayed, reversed, or vacated within fifteen (15) Business Days after the date of such issuance; *provided*, that in the event the Company Parties enter into a definitive agreement with respect to an Acceptable Sale Transaction, the Consenting Lenders shall not have the ability to terminate pursuant to this Section 13.01(i);

(j) the Bankruptcy Court grants relief that is materially inconsistent with this Agreement or the Credit Bid Asset Purchase Agreement, as applicable (in each case, as applicable, and with such amendments and modifications as have been effected in accordance with the terms hereof), in a manner that is adverse to Consenting Lenders without the prior written consent of the Required Consenting Lenders, unless the Company Parties have sought a stay of such order within five (5) Business Days after the date of such issuance, and such order is stayed, reversed or vacated within fifteen (15) Business Days after the date of such issuance;

(k) any Company Party (i) files, waives, amends, or modifies a pleading seeking approval of any Definitive Document (including any waiver of any term or condition therein) in a manner that is materially inconsistent with, or constitutes a material breach of, this Agreement (including with respect to the consent rights set forth herein), (ii) terminates the Bidding Procedures or the Credit Bid Asset Purchase Agreement, if applicable, without the prior written consent of the Required Consenting Lenders, (iii) publicly announces its intention not to support the Restructuring Transactions or to take any such acts listed in the foregoing sub-clauses (i) and

(ii), which remains uncured for five (5) Business Days after such terminating Consenting Lenders transmit a written notice in accordance with Section 16.10 hereof detailing any of the foregoing, or (iv) publicly announces that it intends to accept an Alternative Restructuring Proposal or executes a definitive written agreement with respect to an Alternative Restructuring Proposal;

(l) the Bankruptcy Court enters any order authorizing the use of cash collateral or post-petition financing that is not in the form of the DIP Orders or otherwise consented to by the Required Consenting Lenders;

(m) any Company Party or any other Party files a motion, application, or adversary proceeding (or any Company Party or other Party supports any such motion, application, or adversary proceeding filed or commenced by any third party) challenging the validity, enforceability, perfection, or priority of, or seeking avoidance or subordination of, any portion of the loans held by, or asserting any other cause of action against, the Consenting Lenders, or with respect to or relating to such loans or the liens securing any of the loans;

(n) either of the DIP Orders is reversed, stayed, dismissed, vacated, or reconsidered without the prior written consent of the Required Consenting Lenders and the Bankruptcy Court does not, within seven (7) Business Days, enter a revised DIP Order acceptable to the Required Consenting Lenders;

(o) the Bankruptcy Court enters an order granting relief from the automatic stay imposed by Bankruptcy Code section 362 authorizing any party to proceed against any material asset of any Company Party or that would materially and adversely affect any Company Party's ability to operate their businesses in the ordinary course;

(p) without the consent of the Required Consenting New Money DIP Lenders, any Company Party (i) commences a voluntary case under chapter 11 of the Bankruptcy Code other than as provided for under this Agreement, (ii) consents to the appointment of, or taking possession by, a receiver, liquidator, assignee, custodian, trustee, or sequestrator (or similar official) of any Company Party or the property or assets of any Company Party, (iii) seeks any arrangement, adjustment, protection, or relief of its debtors, (iv) makes any general assignment for the benefit of its creditors, or (v) has an involuntary case commenced against it or the filing of an involuntary petition or application seeking bankruptcy, insolvency, winding up, dissolution, liquidation, administration, moratorium, reorganization, corporate reorganization, any stay of enforcement and/or proceedings, or other relief in respect of any Company Party, or their debts, or of a substantial part of their assets, under any federal, state, provincial, or other foreign bankruptcy, insolvency, corporate restructuring, administrative receivership, or similar law now or hereafter in effect (*provided* that such involuntary proceeding is not dismissed within a period of fourteen (14) days after the filing thereof) or if any court grants the relief sought in such involuntary proceeding; or

(q) if applicable, the entry of an order by the Bankruptcy Court, or the filing of a motion or application by any Company Party seeking an order (without the prior written consent of the Required Consenting Lenders), (i) converting one or more of the Chapter 11 Cases of a Company Party to a case under chapter 7 of the Bankruptcy Code, (ii) appointing an examiner with expanded powers beyond those set forth in Bankruptcy Code sections 1106(a)(3) and (4) or a trustee in one

or more of the Chapter 11 Cases of a Company Party, and (iii) dismissing any of the Chapter 11 Cases.

13.02. Consenting Equity Holders Termination Events. This Agreement may be terminated by any Consenting Equity Holder, in each event solely as to the individual Consenting Equity Holder, by the delivery to the Parties of a written notice in accordance with Section 16.10 hereof upon the occurrence of the following event:

(a) any modification of the Releases or the filing of an Approved Plan that does not include the Releases with respect to the Consenting Equity Holders;

(b) any Company Party (i) publicly announces its intention not to support the Restructuring Transactions, (ii) publicly announces that it intends to accept an Alternative Restructuring Proposal, or (iii) executes a definitive written agreement with respect to an Alternative Restructuring Proposal; and

(c) the entry of an order by the Bankruptcy Court (i) converting one or more of the Chapter 11 Cases of a Company Party to a case under chapter 7 of the Bankruptcy Code, (ii) appointing an examiner with expanded powers beyond those set forth in Bankruptcy Code sections 1106(a)(3) and (4) or a trustee in one or more of the Chapter 11 Cases of a Company Party, or (iii) dismissing any of the Chapter 11 Cases.

13.03. Company Party Termination Events. Any Company Party may terminate this Agreement as to all Parties upon prior written notice to all Parties in accordance with Section 16.10 hereof upon the occurrence of any of the following events:

(a) the breach in any material respect by one or more of the Consenting Stakeholders of any provision set forth in this Agreement that remains uncured for a period of ten (10) Business Days after the receipt by the Consenting Stakeholders of notice of such breach; *provided, however*, that so long as the non-breaching Consenting Stakeholders continue to hold or control at least a majority of the aggregate amount of each of the New Money DIP Claims, 2024 FILO Claims, 2024 FILO Roll-Up Claims, Prepetition Term Loan Claims and Roll-Up Term Loan Claims, such termination shall be effective only with respect to such breaching Consenting Stakeholder(s);

(b) the board of directors, board of managers, or such similar governing body of any Company Party determines, after consulting with counsel, (i) that proceeding with any of the Restructuring Transactions would be inconsistent with the exercise of its fiduciary duties or applicable Law or (ii) in the exercise of its fiduciary duties, to pursue an Alternative Restructuring Proposal;

(c) the issuance by any governmental authority, including any regulatory authority or court of competent jurisdiction, of any final, non-appealable ruling or order that (i) enjoins the consummation of a material portion of the Restructuring Transactions and (ii) remains in effect for thirty (30) Business Days after such terminating Company Party transmits a written notice in accordance with Section 16.10 hereof detailing any such issuance; *provided*, that this termination right shall not apply to or be exercised by any Company Party that sought or requested such ruling or order in contravention of any obligation or restriction set out in this Agreement;

(d) the termination of the Credit Bid Asset Purchase Agreement, if applicable, in accordance with its terms, unless such termination is for the purpose of pursuing and consummating another Acceptable Sale.

13.04. Mutual Termination. This Agreement, and the obligations of all Parties hereunder, may be terminated by mutual written agreement among all of the following: (a) the Required Consenting Lenders; and (b) each Company Party.

13.05. Automatic Termination. This Agreement shall terminate automatically as to all Parties without any further required action or notice immediately after the occurrence of the Restructuring Effective Date.

13.06. Effect of Termination. Upon the occurrence of a Termination Date as to a Party, this Agreement shall be of no further force and effect as to such Party and each Party subject to such termination shall be released from its commitments, undertakings, obligations, and agreements under or related to this Agreement and shall have the rights and remedies that it would have had, had it not entered into this Agreement and any of the Definitive Documents, and shall be entitled to take all actions, whether with respect to the Restructuring Transactions or otherwise, that it would have been entitled to take had it not entered into this Agreement, including with respect to any and all Claims or Causes of Action. Upon the occurrence of a Termination Date prior to the Restructuring Effective Date, any and all consents or ballots provided or tendered by the Parties subject to such termination with respect to the Restructuring Transactions, in each case before such Termination Date, shall be deemed, for all purposes, to be null and void from the first instance and shall not be considered or otherwise used in any manner by the Parties in connection with the Restructuring Transactions and this Agreement or otherwise. Nothing in this Agreement shall be construed as prohibiting a Company Party or any of the Consenting Stakeholders from contesting whether any such termination is in accordance with its terms or to seek enforcement of any rights under this Agreement that arose or existed before a Termination Date. Except as expressly provided in this Agreement, nothing herein is intended to, or does, in any manner waive, limit, impair, or restrict (a) any right of any Company Party or the ability of any Company Party to protect and preserve its rights (including rights under this Agreement), remedies, and interests, including its claims against any Consenting Stakeholder, and (b) any right of any Consenting Stakeholder, or the ability of any Consenting Stakeholder, to protect and preserve its rights (including rights under this Agreement), remedies, and interests, including its claims against any Company Party or Consenting Stakeholder. No purported termination of this Agreement shall be effective under this Section 13.06 or otherwise if the Party seeking to terminate this Agreement is in material breach of this Agreement, except a termination pursuant to Section 13.03(b) or Section 13.03(d). Nothing in this Section 13.06 shall restrict any Company Party's right to terminate this Agreement in accordance with Section 13.03(b).

Section 14. ***Amendments and Waivers***.

(a) Other than as expressly provided by the terms of this Agreement, this Agreement may not be modified, amended, or supplemented, and no condition or requirement of this Agreement may be waived, in any manner except in accordance with this Section 14.

(b) This Agreement may be modified, amended, or supplemented, or a condition or requirement of this Agreement may be waived, in a writing signed by: (a) each Company Party and (b) the Required Consenting Lenders; *provided*, *however*, that if the proposed modification, amendment, waiver, or supplement has a material, disproportionate, and adverse effect on any of the Company Claims/Interests held by a Consenting Stakeholder or the economic treatment under the Restructuring Transaction of such Company Claims/Interests as compared to the other holders of the same Company Claims/Interests, then the consent of each such affected Consenting Stakeholder shall also be required to effectuate such modification, amendment, waiver or supplement.

(c) Any waiver, change, modification, or amendment to this Agreement that adversely affects the rights of the Consenting Stakeholders shall require the consent of the Required Consenting Lenders.

(d) Any proposed modification, amendment, waiver or supplement that does not comply with this Section 14 shall be ineffective and void *ab initio*.

(e) The waiver by any Party of a breach of any provision of this Agreement shall not operate or be construed as a further or continuing waiver of such breach or as a waiver of any other or subsequent breach. No failure on the part of any Party to exercise, and no delay in exercising, any right, power or remedy under this Agreement shall operate as a waiver of any such right, power or remedy or any provision of this Agreement, nor shall any single or partial exercise of such right, power or remedy by such Party preclude any other or further exercise of such right, power or remedy or the exercise of any other right, power or remedy. All remedies under this Agreement are cumulative and are not exclusive of any other remedies provided by Law.

Section 15. ***Mutual Releases***.

(a) Releases by the Company Releasing Parties. Except as expressly set forth in this Agreement, effective on the Restructuring Effective Date, in exchange for good and valuable consideration, the adequacy of which is hereby confirmed, each Released Party is hereby conclusively, absolutely, unconditionally, irrevocably, and forever released, waived, and discharged by and on behalf of each and all of the Company Releasing Parties, in each case on behalf of themselves and their respective successors, assigns, and representatives, and any and all other Entities who may purport to assert any claim or Cause of Action, directly or derivatively, by, through, for, or because of the foregoing Entities, from any and all claims and Causes of Action whatsoever (including any avoidance actions and any derivative claims, asserted or assertable on behalf of any of the Company Releasing Parties) that such Entities or their estates, Affiliates, heirs, executory, administrators, successors, assigns, managers, accountants, attorneys, representatives, consultants, agents, and any other Persons claiming under or through them would have been legally entitled to assert in their own right (whether individually or collectively) or on behalf of the Holder of any Claim against, or Equity Interest in, a Company Releasing Parties, based on or relating to, or in any manner arising from, in whole or in part, the Company Parties (including the capital structure, management, ownership, or operation thereof), the Chapter 11 Cases, the Restructuring Transactions, the purchase, sale, or rescission of any security of the Company Parties, the subject matter of, or the transactions or events giving rise to, any Claim or Equity Interest that is treated in any plan for any of the Debtors, the business or contractual arrangements or interaction between

or among any Debtor and any Released Party, the Debtors' in- or out-of-court restructuring efforts, the decision to file the Chapter 11 Cases, any intercompany transactions, avoidance actions, any related adversary proceedings, the formulation, documentation, preparation, dissemination, solicitation, negotiation, entry into, or filing of this Agreement, the Definitive Documents, or any Restructuring Transaction, contract, instrument, release, or other agreement or document created or entered into in connection with this Agreement, the Definitive Documents, the DIP Term Loan Facility, the DIP ABL Facility, the DIP Orders, the DIP Documents, or any plan for any of the Debtors, the filing of the Chapter 11 Cases, the pursuit of confirmation, the pursuit of consummation, the administration and implementation of any plan for any of the Debtors, including the issuance or distribution of securities pursuant to any plan for any of the Debtors, or the distribution of property under any plan for any of the Debtors or any other related agreement, or upon any other act, or omission, transaction, agreement, event, or other occurrence taking place on or before, in respect of the foregoing clause the Restructuring Effective Date.

(b) Releases by the Consenting Stakeholder Releasing Parties. Except as expressly set forth in this Agreement, effective on the Restructuring Effective Date, in exchange for good and valuable consideration, the adequacy of which is hereby confirmed, each Released Party is hereby conclusively, absolutely, unconditionally, irrevocably, and forever released, waived and discharged by and on behalf of each and all of the Consenting Stakeholder Releasing Parties, in each case on behalf of themselves and their respective successors, assigns, and representatives, and any and all other Entities who may purport to assert any claim or Cause of Action, directly or derivatively, by, through, for, or because of the foregoing Entities, from any and all claims and Causes of Action whatsoever (including any avoidance actions and any derivative claims, asserted or assertable on behalf of any of the Company Parties) that such Entities or their estates, Affiliates, heirs, executory, administrators, successors, assigns, managers, accountants, attorneys, representatives, consultants, agents, and any other Persons claiming under or through them would have been legally entitled to assert in their own right (whether individually or collectively) or on behalf of the Holder of any Claim against, or Equity Interest in, a Company Releasing Parties, based on or relating to, or in any manner arising from, in whole or in part, the Company Parties (including the capital structure, management, ownership, or operation thereof), the Chapter 11 Cases, the Restructuring Transactions, the purchase, sale, or rescission of any security of the Company Parties, the subject matter of, or the transactions or events giving rise to, any Claim or Equity Interest that is treated in any plan for any of the Debtors, the business or contractual arrangements or interaction between or among any Debtor and any Released Party, the Debtors' in- or out-of-court restructuring efforts, the decision to file the Chapter 11 Cases, any intercompany transactions, avoidance actions any related adversary proceedings, the formulation, documentation, preparation, dissemination, solicitation, negotiation, entry into, or filing of this Agreement, the Definitive Documents, or any Restructuring Transaction, contract, instrument, release, or other agreement or document created or entered into in connection with this Agreement, the Definitive Documents, the DIP Term Loan Facility, the DIP ABL Facility, the DIP Orders, the DIP Documents, or any plan for any of the Debtors, the filing of the Chapter 11 Cases, the pursuit of confirmation, the pursuit of consummation, the administration and implementation of any plan for any of the Debtors, including the issuance or distribution of securities pursuant to any plan for any of the Debtors, or the distribution of property under any plan for any of the Debtors or any other related agreement, or upon any other act, or omission, transaction, agreement, event, or other occurrence taking place on or before, in respect of the foregoing clause the Restructuring Effective Date.

(c) Notwithstanding anything herein to the contrary, the Released Parties do not, pursuant to the releases set forth in this Section 15, release: (i) any Claim or Cause of Action that the Special Committee, following a reasonable investigation into the facts and circumstances relating to such claim or cause of action determines not to release such Claim or Cause of Action; *provided* that this clause (i) does not limit the releases granted in the DIP Documents; (ii) any post-Restructuring Effective Date obligations of any party or entity under the Credit Bid Asset Purchase Agreement, the Sale Order, any Restructuring Transactions, or any document, instrument, or agreement executed to implement the Sale Transaction or the Restructuring Transactions; (iii) the rights of any Released Parties to receive distributions under any plan for any of the Debtors; (iv) any of their rights under this Agreement or any Definitive Document that expressly survive the Restructuring Effective Date (v) any claims or Causes of Action against any former officers of any Company Party or any former directors of any Company Party who were also officers of any Company Party; or (vi) any claim or Cause of Action that constitutes fraud, willful misconduct, or gross negligence.

(d) Covenant Not to Sue. Effective on the Restructuring Effective Date, each of the Releasing Parties hereby further agrees and covenants not to, and shall not, commence or prosecute, or assist or otherwise aid any other Entity in the commencement or prosecution of, whether directly, derivatively or otherwise, any Released Claims.

Section 16. ***Miscellaneous***

16.01. Acknowledgement. Notwithstanding any other provision herein, this Agreement is not and shall not be deemed to be an offer with respect to any securities or solicitation of votes for the acceptance of a plan of reorganization for purposes of Bankruptcy Code sections 1125 and 1126 or otherwise. Any such offer or solicitation will be made only in compliance with all applicable securities Laws, provisions of the Bankruptcy Code, and/or other applicable Law.

16.02. Exhibits Incorporated by Reference; Conflicts. Each of the exhibits, annexes, signatures pages, and schedules attached hereto (together with any exhibits, annexes, or schedules thereto) is expressly incorporated herein and made a part of this Agreement, and all references to this Agreement shall include such exhibits, annexes, and schedules. In the event of any inconsistency between this Agreement (without reference to the exhibits, annexes, and schedules hereto) and the exhibits, annexes, and schedules hereto, this Agreement (without reference to the exhibits, annexes, and schedules thereto) shall govern.

16.03. Further Assurances. Subject to the other terms of this Agreement or in the Credit Bid Asset Purchase Agreement, the Parties agree to execute and deliver such other instruments and perform such acts, in addition to the matters herein specified, as may be reasonably appropriate or necessary, or as may be required by order of the Bankruptcy Court, from time to time, to effectuate the Restructuring Transactions, as applicable.

16.04. Complete Agreement. Except as otherwise explicitly provided herein, this Agreement constitutes the entire agreement among the Parties with respect to the subject matter hereof and supersedes all prior agreements, oral or written, among the Parties with respect thereto, other than any Confidentiality Agreement.

16.05. GOVERNING LAW; SUBMISSION TO JURISDICTION; SELECTION OF FORUM. THIS AGREEMENT IS TO BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK APPLICABLE TO CONTRACTS MADE AND TO BE PERFORMED IN SUCH STATE, WITHOUT GIVING EFFECT TO THE CONFLICT OF LAWS PRINCIPLES THEREOF. Each Party hereto agrees that it shall bring any action or proceeding in respect of any claim arising out of or related to this Agreement, to the extent possible, in the Bankruptcy Court, and solely in connection with claims arising under this Agreement: (a) irrevocably submits to the exclusive jurisdiction of the Bankruptcy Court; (b) waives any objection to laying venue in any such action or proceeding in the Bankruptcy Court; and (c) waives any objection that the Bankruptcy Court is an inconvenient forum or does not have jurisdiction over any Party hereto.

16.06. TRIAL BY JURY WAIVER. EACH PARTY HERETO IRREVOCABLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

16.07. Execution of Agreement. This Agreement may be executed and delivered in any number of counterparts and by way of electronic signature and delivery, each such counterpart, when executed and delivered, shall be deemed an original, and all of which together shall constitute the same agreement. Except as expressly provided in this Agreement, each individual executing this Agreement on behalf of a Party has been duly authorized and empowered to execute and deliver this Agreement on behalf of said Party.

16.08. Rules of Construction. This Agreement is the product of negotiations among the Company Parties and the Consenting Stakeholders, and in the enforcement or interpretation hereof, is to be interpreted in a neutral manner, and any presumption with regard to interpretation for or against any Party by reason of that Party having drafted or caused to be drafted this Agreement, or any portion hereof, shall not be effective in regard to the interpretation hereof. The Company Parties and the Consenting Stakeholders were each represented by counsel during the negotiations and drafting of this Agreement and continue to be represented by counsel.

16.09. Successors and Assigns; Third Parties. Subject to Section 10 of this Agreement, neither this Agreement nor any of the rights or obligations hereunder may be assigned by any Party without the prior written consent of the other Parties, and then only to a Person who has agreed to be bound by the provisions of this Agreement. This Agreement is intended to bind and inure to the benefit of the Parties and their respective successors and permitted assigns, as applicable. There are no third party beneficiaries under this Agreement, and the rights or obligations of any Party under this Agreement may not be assigned, delegated, or transferred to any other person or entity.

16.10. Notices. All notices hereunder shall be deemed given if in writing and delivered, by electronic mail, courier, or registered or certified mail (return receipt requested), to the following addresses (or at such other addresses as shall be specified by like notice, including the addresses provided in any Party's Joinder or Transfer Agreement):

(a) if to a Company Party, to:

American Tire Distributors, Inc.
Attention: Robert Toms, Deputy General Counsel
E-mail address: rtoms@atd.com

with copies to:

Kirkland & Ellis LLP
333 West Wolf Point Plaza
Chicago, IL 60654
Attention: Anup Sathy, P.C., Chad J. Husnick, P.C., and David Gremling
E-mail address: anup.sathy@kirkland.com, chad.husnick@kirkland.com, dave.gremling@kirkland.com

-and-

Kirkland & Ellis LLP
601 Lexington Avenue
New York, NY 10022
Attention: Melissa Mertz
E-mail address: melissa.mertz@kirkland.com

(b) if to the Consenting Lenders or Ad Hoc Group, to:

Akin Gump Strauss Hauer & Feld LLP
One Bryant Park
Bank of America Tower
New York, NY 10036-6745 US
Attn: Philip C. Dublin and Naomi Moss
E-mail address: pdublin@akingump.com, nmoss@akingump.com

(c) if to the Consenting Equity Holders, to:

Polen Capital Credit, LLC
1075 Main Street, Suite 320
Waltham, MA 02451
Attn: Beth Duggan/Legal Department
E-mail address: eduggan@polencapital.com, walthamlegal@polencapital.com

Any notice given by delivery, mail, or courier shall be effective when received.

16.11. Independent Due Diligence and Decision Making. Each Consenting Stakeholder hereby confirms that its decision to execute this Agreement has been based upon its independent investigation of the operations, businesses, financial and other conditions, and prospects of the Company Parties.

16.12. Enforceability of Agreement. Each of the Parties to the extent enforceable waives any right to assert that the exercise of termination rights under this Agreement is subject to the

automatic stay provisions of the Bankruptcy Code, and expressly stipulates and consents hereunder to the prospective modification of the automatic stay provisions of the Bankruptcy Code for purposes of exercising termination rights under this Agreement, to the extent the Bankruptcy Court determines that such relief is required.

16.13. Waiver. If the Restructuring Transactions are not consummated, or if this Agreement is terminated for any reason, the Parties fully reserve any and all of their rights. Pursuant to Federal Rule of Evidence 408 and any other applicable rules of evidence, this Agreement and all negotiations relating hereto shall not be admissible into evidence in any proceeding other than a proceeding to enforce its terms or the payment of damages to which a Party may be entitled under this Agreement.

16.14. Specific Performance. It is understood and agreed by the Parties that money damages would be an insufficient remedy for any breach of this Agreement by any Party, and each non-breaching Party shall be entitled to specific performance and injunctive or other equitable relief (without the posting of any bond and without proof of actual damages) as a remedy of any such breach, including an order of the Bankruptcy Court or other court of competent jurisdiction requiring any Party to comply promptly with any of its obligations hereunder.

16.15. Several, Not Joint, Claims. Except where otherwise specified, the agreements, representations, warranties, and obligations of the Parties under this Agreement are, in all respects, several and not joint.

16.16. Severability and Construction. If any provision of this Agreement shall be held by a court of competent jurisdiction to be illegal, invalid, or unenforceable, the remaining provisions shall remain in full force and effect if essential terms and conditions of this Agreement for each Party remain valid, binding, and enforceable.

16.17. Fiduciary Duties; Relationship Among the Holder Parties. Notwithstanding anything to the contrary herein, the duties and obligations of the Consenting Stakeholders under this Agreement shall be several and neither joint nor joint and several. None of the Consenting Stakeholders shall have any fiduciary duty, any duty or trust or confidence in any form, or other duties or responsibilities to each other, any Consenting Stakeholder, the Company Parties or their affiliates, or any of the Company Parties' or their affiliates' creditors or other stakeholders, including any holders of Company Claims/Interests, and, other than as expressly set forth herein, there are no commitments among or between the Consenting Stakeholders. It is understood and agreed that any Consenting Stakeholder may trade in any equity securities, debt, debt securities or any other financial instruments of the Company Parties or any other entity without the consent of the Company Parties or any other Consenting Stakeholders, subject to applicable Law, including applicable securities Laws, any Confidentiality Agreement, and this Agreement. No prior history, pattern, or practice of sharing confidences among or between any of the Consenting Stakeholders and/or the Company Parties shall in any way affect or negate this understanding and agreement. All rights under this Agreement are separately granted to each Consenting Stakeholder by the Company Parties and vice versa, and the use of a single document is for the convenience of the Company Parties. The decision to commit to enter into the transactions contemplated by this Agreement has been made independently.

16.18. Execution of Agreement. The Parties understand that the Consenting Stakeholders are engaged in a wide range of financial services and businesses. In furtherance of the foregoing, the Parties acknowledge and agree that, to the extent a Consenting Stakeholder expressly indicates on its signature page hereto that it is executing this Agreement on behalf of specific trading desk(s) and/or business group(s) of the Consenting Stakeholder, the obligations set forth in this Agreement shall only apply to such trading desk(s) and/or business group(s) and shall not apply to any other trading desk or business group of the Consenting Stakeholder so long as they are not acting at the direction or for the benefit of such Consenting Stakeholder or such Consenting Stakeholder's investment in the Company; *provided*, that the foregoing shall not diminish or otherwise affect the obligations and liability therefor of any Entity that (a) executes this Agreement or (b) on whose behalf this Agreement is executed by a Consenting Stakeholder.

16.19. Remedies Cumulative. All rights, powers, and remedies provided under this Agreement or otherwise available in respect hereof at Law or in equity shall be cumulative and not alternative, and the exercise of any right, power, or remedy thereof by any Party shall not preclude the simultaneous or later exercise of any other such right, power, or remedy by such Party.

16.20. Capacities of Consenting Stakeholders. Each Consenting Stakeholder has entered into this agreement on account of all Company Claims/Interests that it holds (directly or through discretionary accounts that it manages or advises) and, except where otherwise specified in this Agreement, shall take or refrain from taking all actions that it is obligated to take or refrain from taking under this Agreement with respect to all such Company Claims/Interests.

16.21. Survival. Notwithstanding (i) any Transfer of any Company Claims/Interests in accordance with this Agreement or (ii) the termination of this Agreement in accordance with its terms, the agreements and obligations of the Parties in Section 15 and the Confidentiality Agreements shall survive such Transfer and/or termination and shall continue in full force and effect for the benefit of the Parties in accordance with the terms hereof and thereof. For the avoidance of doubt, the Parties acknowledge and agree that if this Agreement is terminated pursuant to Section 13.05, Section 15 shall survive termination, and any and all Releases shall remain in full force and effect.

16.22. Email Consents. Where a written consent, acceptance, approval, or waiver is required pursuant to or contemplated by this Agreement, pursuant to Section 3.02, Section 14, or otherwise, including a written approval by the Company Parties or the Required Consenting Lenders or any subset thereof in accordance with this Agreement, such written consent, acceptance, approval, or waiver shall be deemed to have occurred if, by agreement between counsel to the Parties submitting and receiving such consent, acceptance, approval, or waiver, it is conveyed in writing (including electronic mail) between each such counsel without representations or warranties of any kind on behalf of such counsel.

16.23. Settlement Discussions. This Agreement is part of a proposed settlement of matters that could otherwise be the subject of litigation among the Parties. Nothing herein shall be deemed an admission of any kind. Pursuant to Federal Rule of Evidence 408, any applicable state rules of evidence and any other applicable law, foreign or domestic, this Agreement and all negotiations relating thereto shall not be admissible into evidence in any proceeding other than to prove the existence of this Agreement or in a proceeding to enforce the terms of this Agreement.

16.24. Confidentiality and Publicity. Other than as may be required by applicable Law and regulation or by any governmental or regulatory authority, no Party shall disclose to any person (including for the avoidance of doubt, any other Consenting Stakeholder), other than legal, accounting, financial and other advisors to the Company Parties (who are under obligations of confidentiality to the Company Parties with respect to such disclosure, and whose compliance with such obligations the Company Parties shall be responsible for), the principal amount or percentage of the Company Claims/Interests held by any Consenting Stakeholder or any of its respective Affiliates (including, for the avoidance of doubt, any Company Claims/Interests acquired pursuant to any Transfer); *provided*, *however*, that the Company Parties shall be permitted to disclose at any time the aggregate principal amount of, and aggregate percentage of, any class of the Company Claims/Interests held by the Consenting Stakeholders collectively. Notwithstanding the foregoing, the Consenting Stakeholders hereby consent to the disclosure of the execution, terms and contents of this Agreement by the Company Parties in the Definitive Documents or as otherwise required by applicable Law or regulation; *provided, however*, that (i) if any of the Company Parties determines that they are required to attach a copy of this Agreement, any Joinder or Transfer Agreement to any Definitive Documents or any other filing or similar document relating to the transactions contemplated hereby, they will redact any reference to or concerning a specific Consenting Stakeholder's holdings of Company Claims/Interests (including before filing any pleading with the Bankruptcy Court) and (ii) if disclosure of additional identifying information of any Consenting Stakeholders is required by applicable Law, advance notice of the intent to disclose, if permitted by applicable Law, shall be given by the disclosing Party to each Consenting Stakeholder (who shall have the right to seek a protective order prior to disclosure). The Company Parties further agree that such information shall be redacted from "closing sets" or other representations of the fully executed Agreement, any Joinder or Transfer Agreement. Notwithstanding the foregoing, the Company Parties will submit to the Ad Hoc Group Advisors all press releases, public filings, public announcements or other communications with any news media, in each case, to be made by the Company Parties relating to this Agreement or the transactions contemplated hereby and any amendments thereof at least two (2) Business Days (it being understood that such period may be shortened to the extent there are exigent circumstances that require such public communication to be made to comply with applicable Law) in advance of release. Nothing contained herein shall be deemed to waive, amend, or modify the terms of any Confidentiality Agreement.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement on the day and year first above written.

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Company Parties' Signature Page to
the Restructuring Support Agreement

American Tire Distributors, Inc.
ATD New Holdings, Inc.
ATD New Holdings II, Inc.
ATD New Holdings III, Inc.
ATD Sourcing Solutions, LLC
ATD Technology Solutions Inc.
FLX FWD Logistics, LLC
Hercules Tire International Inc.
Terry's Tire Town Holdings, LLC
The Hercules Tire & Rubber Company
Tirebuyer.com, LLC
Tire Pros Francorp, LLC
Torqata Data and Analytics LLC

By: Ronald J Bienias

Name: RONALD J. BIENIAS
CHIEF RESTRUCTURING OFFICER

Authorized Signatory

[Consenting Stakeholder Signature Pages on File with the Company]

EXHIBIT A

Company Parties

American Tire Distributors, Inc.
ATD New Holdings, Inc.
ATD New Holdings II, Inc.
ATD New Holdings III, Inc.
ATD Sourcing Solutions, LLC
ATD Technology Solutions Inc.
FLX FWD Logistics, LLC
Hercules Tire International Inc.
Terry's Tire Town Holdings, LLC
The Hercules Tire & Rubber Company
Tirebuyer.com, LLC
Tire Pros Francorp, LLC
Torqata Data and Analytics LLC

EXHIBIT B

Sale Term Sheet

Sale Term Sheet (this "Sale Term Sheet")[1]

Transaction Overview

Sellers	American Tire Distributors, Inc. ("**ATD**") and each of its Affiliates that will be Debtors in the Chapter 11 Cases (collectively, the "**Sellers**").
Purchaser	A newly formed Delaware limited liability company (the "**Purchaser**") to be organized by holders of (i) at least 60% of the New Money DIP Claims; (ii) a majority of the 2024 FILO Roll-Up Claims in the event that the 2024 FILO Roll-Up Claims are included in the credit bid contemplated hereby; and (iii) a majority of the Term Loan Roll-Up Claims and Prepetition Term Loan Claims in the event that the Prepetition Term Loan Claims are included in the credit bid contemplated hereby, in each case, that are members of the Ad Hoc Group (the "**Requisite Purchasing Lenders**"), on behalf of all holders of the (i) New Money DIP Claims; (ii) 2024 FILO Roll-Up Claims in the event that the 2024 FILO Roll-Up Claims are included in the credit bid contemplated hereby; and (iii) Term Loan Roll-Up Claims and Prepetition Term Loan Claims in the event that the Prepetition Term Loan Claims are included in the credit bid contemplated hereby. The Purchaser will be formed prior to the execution of an asset purchase agreement (the "**Credit Bid Asset Purchase Agreement**") among the Sellers and the Purchaser reflecting the terms and conditions described herein, which Credit Bid Asset Purchase Agreement shall be in form and substance reasonably acceptable to the Company Parties and acceptable to the Requisite Purchasing Lenders, in their sole discretion.
Purchase Price	The aggregate consideration for the Purchased Assets (as defined below) shall consist of the following (collectively, the "**Purchase Price**"): (i) pursuant to Bankruptcy Code section 363(k), a credit bid of obligations owed by the Sellers in New Money DIP Claims, 2024 FILO Roll-Up Claims, Term Loan Roll-Up Claims and Prepetition Term Loan Claims, each in an aggregate amount determined by the Requisite Purchasing Lenders; and (ii) an assumption of the Assumed Liabilities (as defined below) by the Purchaser pursuant to the terms of the Credit Bid Asset Purchase Agreement, subject to customary adjustments. The Purchase Price will include a minimum cash component sufficient to pay all cure costs with respect to assumed executory contracts, all of Sellers' transaction expenses incurred in connection with the Credit Bid Asset Purchase Agreement and the transactions contemplated thereby, and any other costs that must be paid in cash in order to consummate such transactions, in each case, to the extent Sellers do not have sufficient cash available to pay such amounts.
Equity Ownership of the Purchaser	The holders of the New Money DIP Claims, 2024 FILO Roll-Up Claims (if applicable), Term Loan Roll-Up Claims, and Prepetition Term Loan Claims shall receive 100% of the common equity of the Purchaser (or a direct or indirect parent thereof) (the "**Purchaser Common Equity**") on a *pro rata* basis according to the allocation of the Purchase Price among the New Money DIP Claims, 2024 FILO Roll-Up Claims (if applicable), Term Loan Roll-Up Claims, and Prepetition Term Loan Claims as determined by the Requisite

[1] Capitalized terms used herein but not otherwise defined shall have the meanings ascribed to them in the Restructuring Support Agreement to which this Sale Term Sheet is attached.

	Purchasing Lenders, subject to dilution for any additional equity to be issued in connection with the financing of the Purchaser (to the extent applicable), any Purchaser management incentive plan and any equity issued from and after the closing of the Credit Bid Sale Transaction (the "**Closing**").
Governance	The governance of the Purchaser shall be agreed upon by the Requisite Purchasing Lenders.
Purchased Assets	"**Purchased Assets**" shall include all assets of the Sellers, except excluded assets to be identified in the Credit Bid Asset Purchase Agreement.
Assumed Liabilities	"**Assumed Liabilities**" shall include only the specific liabilities of the Sellers to be assumed by the Purchaser to be identified in the Credit Bid Asset Purchase Agreement including the Sellers' obligations under the ABL Credit Agreement on terms to be agreed to among the lenders under the ABL Credit Agreement and the Requisite Purchasing Lenders, and the Required Consenting 2024 FILO Lenders to the extent that the Consenting 2024 FILO Lenders will be receiving indebtedness of the Purchaser on account of 2024 FILO Roll-Up Claims in connection with the Sale Transaction.
Assumed Contracts / Excluded Contracts	"**Assumed Contracts**" shall include the Sellers' contracts, supply agreements, franchise agreements, sponsorship and marketing agreements, leases and other written obligations that will be set forth on a schedule to be attached to the Credit Bid Asset Purchase Agreement, subject to the right of the Purchaser to amend such schedule at any time prior to the Closing to remove any such contract, agreement, lease, or other obligation from such schedule, which schedule shall be acceptable to the Requisite Purchasing Lenders.
Sellers Representations and Warranties in Asset Purchase Agreement	The Sellers will make customary representations and warranties in the context of a credit bid pursuant to Bankruptcy Code section 363.
Purchaser Representations and Warranties	The Purchaser will make customary representations and warranties in the context of a credit bid pursuant to Bankruptcy Code section 363.
Sellers Covenants	The Sellers will make customary and other negative and operating covenants in the context of credit bid pursuant to Bankruptcy Code section 363 credit bid transactions, including, without limitation, covenants concerning: (i) conduct of the business in the ordinary course; (ii) provision of financial and operating data, and access to the personnel, facilities, books, contracts, and records of the Sellers and its affiliates and subsidiaries; (iii) efforts to obtain approval of the Bidding Procedures and a motion seeking the entry of orders in the Chapter 11 Cases in form and substance satisfactory to the Purchaser approving the sale to the Purchaser and other case-management undertakings; (iv) the entry into by the Sellers or any of their respective affiliates and subsidiaries of any new, or renewal of existing, material contracts; (v) notice of certain events; and (vi) paying all accounts payable and collecting all account receivables only in the ordinary course of business; and (vii) such other covenants as the Purchaser may reasonably request.

Purchaser Covenants	Purchaser will make customary covenants in the context of Bankruptcy Code section 363 credit bid transactions, including, without limitation, covenants concerning: (i) making offers of employment and hiring employees of Sellers; (ii) using commercially reasonable efforts to obtain all required regulatory approvals; (iii) using reasonable best efforts to satisfy all closing conditions and consummate the transactions as promptly as practicable; (iv) providing post-closing access to books and records to Sellers; and (v) providing transition services, as necessary, to facilitate the Sellers' winding up their business and obtaining a final decree closing the bankruptcy cases at the Sellers' sole cost and expense.
Alternate Bidder	If an auction is held and Purchaser is not selected as the successful bidder, but is selected as the alternate bidder in accordance with the bidding procedures, then Purchaser will be obligated to serve in such capacity and the Credit Bid Asset Purchase Agreement will not terminate until the transaction with the successful bidder closes (or the transaction with Purchaser closes, if applicable).
Tax Cooperation	The Sellers and the Purchaser shall agree to cooperate in good faith to use commercially reasonable efforts to structure the Credit Bid Asset Purchase Agreement and related transactions in a tax efficient manner for the parties thereto.
Bidding Procedures[2]	The Credit Bid Sale Transaction shall be conducted in accordance with the Bidding Procedures.
Bidder Protections	The Bidding Procedures Order shall contain language, in form and substance acceptable to the Required Consenting New Money DIP Lenders, approving the following provisions: Break-Up Fee: The Sellers will pay to the Purchaser a break-up fee in cash equal to 3% of the amount of the portion of the Purchase Price pursuant to the Credit Bid Asset Purchase Agreement that is not in the form of a credit bid (the "**Break-Up Fee**") concurrently with the closing of a superior proposal that occurs no later than 120 days after the termination of the Credit Bid Asset Purchase Agreement, if the Credit Bid Asset Purchase Agreement is terminated due to a breach by the Sellers under the Credit Bid Asset Purchase Agreement or Sellers' exercise their "fiduciary out" to terminate the Credit Bid Asset Purchase Agreement. Expense Reimbursement: The Sellers shall reimburse the Purchaser's out-of-pocket costs, fees, and expenses (including legal, financial advisory, accounting and other similar costs, fees and expenses) incurred in connection with the formation and operation of the Purchaser, this Sale Term Sheet, the

[2] Only bids that comply in all respects with the Bidding Procedures shall be considered by the Sellers (each such bid, a "**Qualified Bid**"). For the avoidance of doubt, (i) the Purchaser's offer to purchase the Purchased Assets pursuant to the Credit Bid Asset Purchase Agreement shall be a Qualified Bid for all purposes related to the Bidding Procedures and (ii) in the event that any other Qualified Bid is submitted, the Sellers shall conduct the auction for the Sellers' assets (the "**Auction**") and the Sellers, subject to Bankruptcy Court approval, shall at the Auction select the highest or otherwise best Qualified Bid.

	Chapter 11 Cases, the Credit Bid Asset Purchase Agreement, and the Credit Bid Sale Transaction (to the extent such out-of-pocket costs, fees and expenses are not otherwise paid or reimbursed by the Sellers under the terms of the DIP Orders), in each case to the extent incurred in connection with or for the purpose of effecting the Credit Bid Sale Transaction, promptly after the Credit Bid Asset Purchase Agreement is terminated other than due to a breach by the Purchaser under the Credit Bid Asset Purchase Agreement (collectively referred to as the "**Expense Reimbursement**"), *provided that* the Expense Reimbursement and Break-Up Fee shall, in the aggregate, not exceed 4% of the Purchase Price. The full amount of the Break-Up Fee and the Expense Reimbursement shall be afforded super priority administrative expense protection pursuant to Bankruptcy Code sections 507 and 503(b), junior only to the Carve-Out and the obligations owing under the DIP Facilities.
Closing Conditions	The Credit Bid Asset Purchase Agreement shall contain customary closing conditions in the context of Bankruptcy Code section 363 credit bid transactions, including the bringdown of representations, warranties, and covenants at closing, obtaining all regulatory consents required to close and the absence of an injunction prohibiting the closing.
Termination	The Credit Bid Asset Purchase Agreement will contain customary termination provisions in the context of Bankruptcy Code section 363 credit bid transactions.
Confidentiality; Public Announcements	The Credit Bid Asset Purchase Agreement will contain customary confidentiality and public announcement provisions in the context of Bankruptcy Code section 363 credit bid transactions.
Definitive Agreements and Due Diligence	The Credit Bid Asset Purchase Agreement, the Sale Order, the Restructuring Support Agreement, and such other definitive agreements for the acquisition of the Purchased Assets as the parties mutually agree upon (collectively, the "**Definitive Agreements**") shall memorialize this Sale Term Sheet and contain such representations, warranties, covenants, and conditions as set forth herein and may be acceptable to the parties. The signing of the Definitive Agreements will be subject to, among other things, the negotiation by the Sellers and the Purchaser of acceptable terms and conditions for the Definitive Agreements, additional legal, accounting, financial, tax, business, and regulatory due diligence and (i) agreement with the lenders under the ABL Credit Agreement with respect to a new ABL Credit Agreement and (ii) a business plan from the Company, in each case acceptable to the Required Consenting Lenders in their sole discretion.

EXHIBIT C

Restructuring Term Sheet

AMERICAN TIRE DISTRIBUTORS, INC., *ET AL.*

WIND-DOWN PLAN TERM SHEET

OCTOBER 22, 2024

THIS TERM SHEET (TOGETHER WITH ALL ANNEXES, SCHEDULES, AND EXHIBITS HERETO, THIS "**WIND-DOWN PLAN TERM SHEET**") DESCRIBES THE PRINCIPAL TERMS AND CONDITIONS OF A POTENTIAL WIND-DOWN CHAPTER 11 PLAN FOR AMERICAN TIRE DISTRIBUTORS, INC. ("**ATD**") AND CERTAIN OF ITS SUBSIDIARIES AND AFFILIATES (TOGETHER WITH ATD, THE "**COMPANY**") IN CONNECTION WITH THE COMPANY'S CASES UNDER CHAPTER 11 OF THE BANKRUPTCY CODE (THE "CHAPTER 11 CASES") IN THE BANKRUPTCY COURT, ON THE TERMS, AND SUBJECT TO THE CONDITIONS, SET FORTH IN THE RESTRUCTURING SUPPORT AGREEMENT (TOGETHER WITH THE EXHIBITS AND SCHEDULES ATTACHED TO SUCH AGREEMENT, INCLUDING THIS WIND-DOWN PLAN TERM SHEET, EACH AS MAY BE AMENDED, RESTATED, SUPPLEMENTED, OR OTHERWISE MODIFIED FROM TIME TO TIME IN ACCORDANCE WITH THE TERMS THEREOF, THE "**RESTRUCTURING SUPPORT AGREEMENT**").[1]

THIS WIND-DOWN PLAN TERM SHEET IS NOT AN OFFER OR A SOLICITATION WITH RESPECT TO ANY SECURITIES, LOANS, OR OTHER INSTRUMENTS OF THE COMPANY OR A SOLICITATION OF ACCEPTANCES OR REJECTIONS AS TO ANY CHAPTER 11 PLAN, IT BEING UNDERSTOOD THAT SUCH AN OFFER OR SOLICITATION, IF ANY, SHALL COMPLY WITH ALL APPLICABLE PROVISIONS OF SECURITIES, BANKRUPTCY, AND/OR OTHER APPLICABLE LAWS.

THIS WIND-DOWN PLAN TERM SHEET IS FOR DISCUSSION AND SETTLEMENT PURPOSES ONLY. ACCORDINGLY, THIS WIND-DOWN PLAN TERM SHEET AND THE INFORMATION CONTAINED HEREIN ARE ENTITLED TO PROTECTION FROM ANY USE OR DISCLOSURE TO ANY PARTY OR PERSON PURSUANT TO RULE 408 OF THE FEDERAL RULES OF EVIDENCE AND ANY OTHER APPLICABLE RULE, STATUTE, OR DOCTRINE OF SIMILAR IMPORT PROTECTING THE USE OR DISCLOSURE OF CONFIDENTIAL SETTLEMENT DISCUSSIONS. THIS WIND-DOWN PLAN TERM SHEET DOES NOT PURPORT TO SUMMARIZE ALL OF THE TERMS, CONDITIONS, AND OTHER PROVISIONS WITH RESPECT TO THE TRANSACTIONS DESCRIBED HEREIN, WHICH TRANSACTIONS WILL BE SUBJECT TO THE COMPLETION OF DEFINITIVE DOCUMENTS INCORPORATING THE TERMS SET FORTH HEREIN, AND THE CLOSING OF ANY TRANSACTION SHALL BE SUBJECT TO THE TERMS AND CONDITIONS SET FORTH IN SUCH DEFINITIVE DOCUMENTS.

[1] Capitalized terms used but not immediately defined herein shall have the meaning hereinafter ascribed to such terms, or if not defined herein, shall have the meaning given to them in the Restructuring Support Agreement.

GENERAL PROVISIONS	
Company Parties	A list of the Company Parties is attached to the Restructuring Support Agreement as Exhibit A.
Debtors	The Company Parties from and after the commencement of the Chapter 11 Cases.
Claims and Interests Subject to Restructuring	The claims and interests that will be restructured or otherwise addressed in connection with the Chapter 11 Cases include the following, to the extent applicable and to the extent such claims and interests have not otherwise been satisfied in whole or in part as of the Effective Date: • DIP Obligations; • Term Loan Obligations; • RCF Obligations; • 2024 FILO Obligations; • "**General Unsecured Claims**": prepetition claims against the Company Parties that, as of the Petition Date, are neither secured by collateral or entitled to priority under the Bankruptcy Code or any order of the Bankruptcy Court; • "**510(b) Claims**": any claims against a Debtor subject to subordination under section 510(b) of the Bankruptcy Code; and • "**Prepetition Equity Interests**": all Interests in ATD New Holdings, Inc.
Definitive Documents	Any documents contemplated by this Wind-Down Plan Term Sheet, including any related documentation that remain the subject of negotiation as of the Agreement Effective Date shall be subject to the rights and obligations set forth in the Restructuring Support Agreement. Failure to reference such rights and obligations as it relates to any document referenced in this Wind-Down Plan Term Sheet shall not impair such rights and obligations.

GENERAL PROVISIONS REGARDING THE WIND-DOWN PLAN	
Plan Administrator	The person or Entity, or any successor thereto, designated by the Debtors, to be appointed on the Wind-Down Plan Effective Date and who will serve as the administrator for the Wind-Down Debtor as set forth in the Wind-Down Plan (the "**Plan Administrator**").
Wind-Down Debtor	At least one Debtor shall continue in existence after the Wind-Down Plan Effective Date (the "**Wind-Down Debtor**") for the purpose of (i) winding down the Debtors' business and affairs as expeditiously as reasonably possible and liquidating any assets held by the Wind-Down Estates after the Wind-Down Plan Effective Date, (ii) performing any obligations under any transition services agreement entered into in connection with the Sale Transaction, (iii) resolving any Disputed Claims, (iv) paying Allowed Claims, (v) filing appropriate tax returns, and (vi) administering the Wind-Down Plan, if applicable, in an effective manner. The Wind-Down Debtor shall be deemed to be substituted as the party-in-lieu of the Debtors in

	all matters, including (1) motions, contested matters, and adversary proceedings pending in the Bankruptcy Court and (2) all matters pending in any courts, tribunals, forums, or administrative proceedings outside of the Bankruptcy Court, in each case without the need or requirement for the Plan Administrator to file motions or substitutions of parties or counsel in each such matter.
Wind-Down Amount	The Debtors and the Required New Money DIP Lenders shall negotiate the extent to which amounts may be included in a segregated account (the "**Wind-Down Account**") held in trust by the Wind-Down Entity that is administered by the Plan Administrator an amount (the "**Wind-Down Amount**") with respect to payment of costs, fees, and expenses related to the wind-down of the Debtors' estates. Any Wind-Down Amount shall be in addition to the Professional Fee Escrow Amount held in the Professional Fee Escrow Account.
Cancellation of Notes, Instruments, Certificates, and Other Documents	On the Wind-Down Plan Effective Date, all notes, instruments, certificates, and other documents evidencing Claims or Interests, including credit agreements and indentures, shall be canceled, and the Debtors' obligations thereunder or in any way related thereto shall be deemed satisfied in full and discharged.
Retained Causes of Action	The Debtors or Wind-Down Debtor, as applicable, shall retain all rights to commence and pursue any Causes of Action, other than any Causes of Action transferred in or released in connection with the Acceptable Sale or released by the Debtors pursuant to the release and exculpation provisions outlined in this Wind-Down Plan Term Sheet.
Releases, Exculpation Set Forth in the Approved Plan	The Wind-Down Plan and the Confirmation Order shall contain the exculpation provisions and releases consistent with those set forth in Restructuring Support Agreement. Parties consent to, and agree to seek court approval of, customary exculpation provisions in favor of the Company and any other estate fiduciaries and their respective related parties.
Retention of Jurisdiction	The Wind-Down Plan will provide for the retention of jurisdiction by the Bankruptcy Court for usual and customary matters.
D&O Insurance	Each directors, officers, and employee liability insurance policy (including, without limitation, any "tail policy" and all agreements, documents, or instruments related thereto) shall be a retained asset of the Company Debtors' bankruptcy estates and shall be maintained for the benefit of the beneficiaries thereunder.

TREATMENT OF CLAIMS AND INTERESTS UNDER THE APPROVED PLAN	
Administrative Claims	Except to the extent that a Holder of an Allowed Administrative Claim agrees to less favorable treatment, on the Wind-Down Plan Effective Date, each Holder of an Allowed Administrative Claim that is not assumed by the Purchaser shall receive treatment in a manner consistent with section 1129(a)(2) of the Bankruptcy Code.
Professional Fee Claims	On or before the Effective Date, the Company Debtors shall establish and fund a professional fee escrow account (the "**Professional Fee Escrow Account**"), in an amount sufficient to pay all estimated fees of the Company Debtors' estate professionals and those of any statutory committee that may have been appointed (collectively,

	the "**Retained Professionals**") through the Effective Date of the Approved Plan (the "**Professional Fee Escrow Amount**"). For the avoidance of doubt, the Professional Fee Escrow Account shall be maintained in trust solely for the Retained Professionals. Such funds shall not be considered property of the Estates of the Company Debtors or the Wind-Down Entity, as applicable.
DIP Term Loan Claims	Treated under Acceptable Sale.
DIP ABL Claims	Treated under Acceptable Sale.
Priority Tax Claims	Except to the extent that a holder of an allowed claim of a Governmental Unit, as defined in section 101(27) of the Bankruptcy Code, against a Debtor of the kind specified in section 507(a)(8) of the Bankruptcy Code ("**Priority Tax Claim**") agrees to a less favorable treatment, in full and final satisfaction, compromise, settlement, release, and discharge of, and in exchange for, each allowed Priority Tax Claim, each holder of such allowed Priority Tax Claim shall be treated in accordance with the terms set forth in section 1129(a)(9)(C) of the Bankruptcy Code.
Other Secured Claims	Except to the extent that a holder of a secured claim that is not a Term Loan Claim or ABL Claim ("**Other Secured Claims**") has had its Other Secured Claim addressed in connection with the Acceptable Sale or agrees to a less favorable treatment, in full and final satisfaction, compromise, settlement, and release of and in exchange for such allowed Other Secured Claim, each holder of an allowed Other Secured Claim shall receive the collateral securing such holder's Other Secured Claim.
Priority Non-Tax Claims	Except to the extent that a holder of a claim entitled to priority in right of payment under section 507(a) of the Bankruptcy Code ("**Priority Non-Tax Claims**") agrees to a less favorable treatment, in full and final satisfaction, compromise, settlement, and release of and in exchange for such allowed Other Priority Claim, each holder of an allowed Other Priority Claim shall receive, at the option of the applicable Debtor or the Plan Administrator, as applicable: (i) payment in full in cash, or (ii) such other treatment as to render such holder's Priority Non-Tax Claim unimpaired.
Term Loan Claims	Except to the extent that a Holder of an Allowed Term Loan Claim agrees to a less favorable treatment, on the Wind-Down Plan Effective Date, each Holder of an Allowed Term Loan Claim shall receive its Pro Rata share of the Distributable Assets, if any, pursuant to the Waterfall Recovery.
ABL Claims	Treated under Acceptable Sale
General Unsecured Claims	All General Unsecured Claims against any applicable Debtor shall be cancelled, released, discharged, and extinguished and will be of no further force or effect, and Holders of General Unsecured Claims shall not receive or retain any distribution, property, or other value on account of such General Unsecured Claims.

510(b) Claims	All Section 510(b) Claims against any applicable Debtor shall be cancelled, released, discharged, and extinguished and will be of no further force or effect, and Holders of Section 510(b) Claims shall not receive or retain any distribution, property, or other value on account of such Section 510(b) Claims.
Intercompany Claims	Each allowed Intercompany Claim shall either be cancelled, released, reinstated, contributed, distributed, or transferred pursuant to a Sale Transaction. No distributions shall be made on account of any Intercompany Claims.
Intercompany Interests	Each Intercompany Interest shall either be cancelled, released, extinguished, reinstated, or transferred pursuant to the Sale Transaction. Each holder of an Intercompany Interest shall not receive or retain any distribution, property, or other value on account of its Intercompany Interest.
Equity Interests	Equity Interests shall be cancelled, and the holders thereof shall not receive or retain any property on account of such interests under the Approved Plan.

EXHIBIT D

DIP Term Sheet

Senior Secured Debtor in Possession Term Loan Facility

Summary of Terms and Conditions[1]

Set forth below is a summary of the principal terms and conditions for the DIP Term Loan Facility (as defined herein). The summary of terms and conditions (together with all annexes, exhibits, and schedules attached hereto, as may be amended, amended and restated, supplemented or otherwise modified from time to time, this "**DIP Term Sheet**") shall be a binding agreement with respect to the DIP Term Loans (as defined herein) but does not purport to summarize all of the terms, conditions, representations, warranties and other provisions with respect to the DIP Term Loan Facility which would be contained in the DIP Term Loan Facility Documents (as defined herein). The obligations of the New Money DIP Lenders to provide the New Money DIP Term Loans pursuant to this DIP Term Sheet is conditioned upon entry of the DIP Orders (as defined herein) and the execution and delivery of the Restructuring Support Agreement (as defined herein) to which this DIP Term Sheet is attached as Exhibit C by all parties hereto and shall be subject to the terms and conditions set forth herein.

Borrower:	American Tire Distributors, Inc., a Delaware corporation ("**Company**" or "**Borrower**"), in its capacity as a debtor and debtor in possession in a case (the "**Borrower's Chapter 11 Case**") under chapter 11 of title 11 of the United States Code (the "**Bankruptcy Code**") to be filed in the United States Bankruptcy Court for the District of Delaware (the "**Bankruptcy Court**").
Guarantors:	The obligations of the Borrower under the DIP Term Loan Facility (the "**Borrower Obligations**) will be guaranteed by ATD New Holdings III, Inc., Borrower's parent company ("**Parent**"), and the Borrower's subsidiaries identified on Schedule 1 attached hereto, including, for the avoidance of doubt, all such subsidiaries that are guarantors under the Term Loan Credit Agreement referred to below (collectively, the "**Guarantors**" and, together with Borrower, the "**Loan Parties**"; and the obligations of the Loan Parties, including, for the avoidance of doubt, fees and expenses of the DIP Agents (as defined herein) that are payable as set forth herein, collectively, the "**DIP Term Loan Obligations**"), each of which will be a debtor and a debtor in possession in cases commenced under chapter 11 of the Bankruptcy Code in the Bankruptcy Court (collectively, the "**Guarantors' Chapter 11 Cases**" and, together with the Borrower's Case, collectively, the "**Chapter 11 Cases**"), filed contemporaneously and jointly administered with the Borrower's Case) (the date of such filing, the "**Petition Date**").
Certain Prepetition Debt Facilities and Instruments:	The following financing arrangements are referred to herein collectively as the "**Prepetition Facilities,**" and, collectively, the holders of secured indebtedness described in this section, the "**Prepetition Secured Parties**"): **ABL Loans**: indebtedness and/or commitments (other than the 2024 Delayed Draw FILO Obligations) currently outstanding under that certain ABL Credit Agreement, dated as of October 22, 2021, by and among Wells Fargo Bank, National Association, as administrative agent and collateral agent (the "**ABL Agent**"), the borrowers, including the Company, party thereto, Parent and the other guarantors and lenders party thereto (as amended by the First Amendment to Credit Agreement, dated as of April 13, 2023, Second Amendment to Credit Agreement, dated as of July 16, 2023,

[1] Capitalized terms used but not defined herein have the meanings ascribed to such terms in the Restructuring Support Agreement (as defined herein) to which this DIP Term Sheet is attached.

Third Amendment to Credit Agreement, dated as of July 24, 2024, and as further amended, restated, amended and restated, supplemented or otherwise modified from time to time in accordance with its terms, the "**ABL Credit Agreement**"), in the aggregate principal amount of approximately $683 million and $100 million in respect of the "Revolving Credit Loans" and "FILO Term Loans", respectively (each term as defined in the ABL Credit Agreement) thereunder (the "**ABL Loans**"), which amounts, for the avoidance of doubt, exclude approximately $49 million of letters of credit issued under the ABL Credit Agreement.

2024 Delayed Draw FILO Obligations: indebtedness currently outstanding under the ABL Credit Agreement in the aggregate principal amount of $75 million in respect of the "2024 Delayed Draw FILO Loans" (as defined in the ABL Credit Agreement) thereunder plus all accrued and unpaid interest thereon, fees, premiums and other expenses incurred in connection therewith (collectively, the "**2024 Delayed Draw FILO Obligations**") provided by certain lenders thereunder (the "**2024 FILO Lenders**").

Term Loan Obligations: indebtedness currently outstanding under that certain Term Loan Credit Agreement, dated as of October 22, 2021 (as amended by Amendment No. 1 to Credit Agreement, dated as of March 26, 2023, Amendment No. 2 to Credit Agreement, dated as of March 26, 2023, Amendment No. 3 to Credit Agreement, dated as of July 24, 2024 and as further amended, restated, amended and restated, supplemented or otherwise modified from time to time in accordance with its terms, the "**Term Loan Credit Agreement**"), by and among Bank of America, N. A., as administrative agent and collateral agent (the "**Term Loan Agent**"), the Company, as borrower, Parent and the other guarantors party thereto, and the lenders party thereto (the "**Term Loan Lenders**"), in the aggregate principal amount of $975 million plus all accrued and unpaid interest thereon, fees, premiums and other expenses incurred in connection therewith (collectively, the "**Term Loan Obligations**").

ABL/TL Intercreditor Agreement: the respective priorities of the liens on the collateral securing the obligations under the ABL Credit Agreement and the Term Loan Credit Agreement are governed by terms and conditions set forth in that certain Amended and Restated Intercreditor Agreement, dated as of July 24, 2024, by and among the ABL Agent, the Term Loan Agent and Wells Fargo Bank, National Association, as agent for lenders holding the 2024 Delayed Draw FILO Obligations (the "**2024 FILO Agent**") and acknowledged and agreed to by Parent, the Borrower and the other grantors party thereto (the "**ABL/TL Intercreditor Agreement**").

TL Intercreditor Agreement: the respective priorities of the liens on the collateral securing the obligations in respect of Term Priority Collateral (as defined in the ABL/TL Intercreditor Agreement) are governed by terms and conditions set forth in that certain First Lien Pari Passu Intercreditor Agreement, dated as of July 24, 2024, by and among the ABL Agent, the Term Loan Agent and 2024 FILO Agent and acknowledged and agreed to by Parent, the Borrower and the other grantors party thereto.

DIP Lenders: The parties identified on Schedule 1 attached to the Restructuring Support Agreement agree to provide New Money DIP Term Loans (as defined herein) (such party in such capacity, a "**New Money DIP Lender**" and, collectively, the "**New Money DIP**

Lenders") and roll-up their 2024 Delayed Draw FILO Obligations and a portion of their Term Loan Obligations under the DIP Term Loan Facility (collectively, the "**DIP Lenders**") [2].

DIP Term Loan Agent and DIP Escrow Agent: Wilmington Savings Fund Society, FSB ("**WSFS**") shall act as administrative agent and collateral agent with respect to the DIP Term Loan Facility (in such capacity, the "**DIP Term Loan Agent**") and as escrow agent with respect to the DIP Escrow Account (as defined herein) (in such capacity, the "**DIP Escrow Agent**" and, together with the DIP Term Loan Agent, the "**DIP Agents**").

DIP Term Loan Facility: A senior secured non-amortizing superpriority priming debtor in possession term loan facility (the "**DIP Term Loan Facility**") in an aggregate principal amount comprised of (i) term loans in a principal amount of up to $250 million (collectively, the "**New Money DIP Term Loans**" and the commitments of the New Money DIP Lenders to fund the New Money DIP Term Loans, the "**New Money DIP Term Loan Commitments**") to be made available to the Borrower in two draws, of which (a) a principal amount of $125 million will be available to be drawn in a single drawing on or after the Closing Date (as defined herein) upon satisfaction of the conditions set forth in the DIP Term Loan Facility Documents and the entry of the Interim DIP Order (as defined herein) (the "**Initial Draw**") and (b) an additional principal amount equal to the undrawn New Money DIP Term Loan Commitments will be available to be drawn in a single drawing after the Closing Date upon satisfaction of the conditions set forth in the DIP Term Loan Facility Documents and the entry of the Final DIP Order (the "**Final Draw**" and, together with the Initial Draw, the "**New Money DIP Draws**"); *provided, that* the proceeds of the New Money DIP Term Loans that are not used, pursuant to the Approved Budget, on the date on which such New Money DIP Term Loans are funded (such proceeds, the "**Escrowed Loan Amount**") shall be deposited into an escrow account (the "**DIP Escrow Account**") with the DIP Escrow Agent to be withdrawn and used solely in accordance with (x) the Approved Budget (as defined below) (for the avoidance of doubt, any amount in the DIP Escrow Account shall accrue interest at the interest rate set forth in the Annex A attached hereto) and (y) the withdrawal conditions set forth in section "Withdrawal Conditions" herein, and (ii) (x) a roll-up of all outstanding 2024 Delayed Draw FILO Obligations held by each New Money DIP Lender or its affiliate that is a 2024 FILO Lender, as applicable, into term loans under the DIP Term Loan Facility (collectively, the "**2024 FILO Roll-Up DIP Loans**" on the date that the Initial Draw is made and (y) a three-to-one (3.00:1.00) roll-up of the outstanding Term Loan Obligations held by each New Money DIP Lender or its affiliate that is a Term Lender, as applicable into term loans under the DIP Term Loan Facility (collectively, the "**Term Loan Roll-Up DIP Loans**" and, collectively with the New Money DIP Term Loans and the 2024 FILO Roll-Up Loans, the "**DIP Term Loans**"), on the date that the Initial Draw or the Final Draw, as applicable, is made; *provided*, *further*, that the New Money Term DIP Loan Commitments with respect to the New Money Term DIP Loans will be initially provided and funded through Jefferies Capital Services, LLC, as fronting lender (the "**Fronting Lender**"), in accordance with the terms of this DIP Term Sheet, that certain a master consent agreement by and among Jefferies, the

[2] So long as the Fronting Lender is a holder of New Money DIP Term Loans, the Fronting Lender shall be included in the definition of New Money DIP Term Lenders.

Borrower, and WSFS (the "**Master Consent**") and the Fronting Fee Letter (as defined below).

All DIP Term Loans shall become due and payable and all New Money DIP Term Loan Commitments shall be terminated on the DIP Term Loan Facility Termination Date (as defined herein).

DIP ABL Facility: The Debtors shall incur a senior secured postpetition revolving facility on a superpriority basis solely comprised of a roll-up through collected receipts (i.e., creeping roll-up) or refinancing of the outstanding ABL Loans under the ABL Credit Agreement on a dollar-for-dollar basis into new revolving loans or commitments, as applicable, on terms and conditions satisfactory to the Required Consenting New Money DIP Lenders (the "**DIP ABL Facility**" and, together with the DIP Term Loan Facility, the "**DIP Facilities**," the agent under the DIP ABL Facility, the "**DIP ABL Agent**" and the lenders under the DIP ABL Facility, the "**DIP ABL Lenders**").

DIP Orders: "**Interim DIP Order**" has the meaning set forth in the Restructuring Support Agreement.

"**Final DIP Order**" has the meaning set forth in the Restructuring Support Agreement.

"**DIP Orders**" has the meaning set forth in the Restructuring Support Agreement.

DIP Term Loan Facility Termination Date: The "**DIP Term Loan Facility Termination Date**" with respect to the DIP Term Loan Facility shall be the earliest to occur of: (a) the date that is 120 days after the Closing Date; *provided that* such date may be extended with the consent of the Supermajority New Money DIP Lenders by 30 days (and if such date shall not be a business day, the next succeeding business day), so long as (i) no default or Event of Default shall exist or result therefrom, (ii) the representations and warranties are true and correct in all material respects (or in the case of representations and warranties with a "materiality" qualifier, true and correct in all respects) immediately prior to, and after giving effect to, such extension, except to the extent such representations and warranties expressly relate to an earlier date, in which case they shall be true and correct in all material respects as of such earlier date, (iii) the DIP Orders shall be in full force and effect and shall not have been vacated, reversed, modified, amended or stayed in any respect without the consent of the Supermajority New Money DIP Lenders, and (v) the Supermajority New Money DIP Lenders, in their sole discretion, shall be satisfied with the Approved Budget; (b) the substantial consummation (as defined in section 1101 of the Bankruptcy Code and which for purposes hereof shall be no later than the "effective date" thereof) of a plan of reorganization filed in the Chapter 11 Cases that is confirmed pursuant to an order entered by the Bankruptcy Court; (c) the acceleration of the DIP Term Loans and the termination of the DIP Term Loan Commitments in accordance with the DIP Term Loan Facility Documents; (d) the consummation of a sale of all or substantially all of the assets of the Debtors pursuant to section 363 of the Bankruptcy Code; and (e) dismissal of the Chapter 11 Cases or conversion of the Chapter 11 Cases to a case under chapter 7 of the Bankruptcy Code.

Amortization: None.

Purpose:	The proceeds of (a) the New Money DIP Term Loans shall be used, in each case, subject to the Approved Budget and DIP Orders: (i) for the payment of working capital and other general corporate needs of the Debtors in the ordinary course of business; *provided*, *however*, that the payments to critical vendors shall be pursuant to critical vendor designation and approval procedures approved by the Required Consenting New Money DIP Lenders; (ii) for the payment of the fees, costs, and expenses of administering the Chapter 11 Cases; (iii) to pay obligations arising from or related to the Carve Out (as defined herein); (iv) to pay such other prepetition obligations as set forth in the Approved Budget, or otherwise as approved by the Bankruptcy Court, subject to the prior written consent of the Required Consenting New Money DIP Lenders acting in their sole discretion; (v) for the payment of the agency fees and reasonable and documented fees and expenses of the DIP Agents and the DIP Lenders owed under the DIP Term Loan Facility Documents; (vi) to make any adequate protection payments; and (vii) any other purposes of the Debtors permitted by the Approved Budget or approved by the prior written consent of the Required Consenting New Money DIP Lenders acting in their sole discretion, (b) the FILO Roll-Up DIP Loans shall be deemed to be used to repay the equivalent principal amount of the 2024 Delayed Draw FILO Obligations outstanding under the ABL Credit Agreement and (c) the Term Loan Roll-Up DIP Loans shall be deemed to be used to repay the equivalent principal amount of the Term Loan Obligations outstanding under the Term Loan Credit Agreement.
DIP Term Loan Facility Documents:	"**Documentation Principles**" means that the DIP Term Loan Facility will be documented in this DIP Term Sheet and, upon the execution thereof, a credit agreement (the "**DIP Credit Agreement**") and other guarantee, security, intercreditor and other relevant documentation (collectively, the "**DIP Term Loan Facility Documents**") and through the terms of the DIP Orders reflecting the terms and provisions set forth in this DIP Term Sheet and otherwise in form and substance satisfactory to the DIP Term Loan Agent, the Required Consenting Lenders, the Fronting Lender and the Debtors; *provided, that* such DIP Term Loan Facility Documents shall be drafted substantially in the form of the Term Loan Credit Agreement and the related collateral documents, in each case modified to reflect the express terms and conditions set forth in this DIP Term Sheet or customary for debtor in possession financings of this type which are agreed to by the parties thereto. It being understood and agreed that (i) the DIP Credit Agreement shall be executed by all parties thereto not later than 10 business days after the Petition Date (or such later time as the Required Consenting New Money DIP Lenders may agree but in any event prior to the date of the entry of the Final DIP Order and (ii) upon the execution and delivery of the DIP Credit Agreement any provisions of this DIP Term Sheet shall be superseded by the corresponding provisions of the DIP Credit Agreement.
Interest Rates and Fees:	As set forth on Annex A attached hereto and in any applicable fee letters.
Optional Prepayments:	The Borrower may, upon at least three (3) business days' notice, prepay in full or in part, subject to breakage costs and the Exit Fee set forth on Annex A attached hereto but otherwise without premium or penalty, the DIP Term Loans; *provided* that each such partial prepayment shall be in an aggregate amount of $1,000,000 or multiples

of $500,000 in excess thereof (or, if less, the then outstanding principal amount of the DIP Term Loans). Once repaid, DIP Term Loans may not be re-borrowed.

Mandatory Prepayments: Mandatory prepayments of the DIP Term Loans shall be required with 100% of the net cash proceeds from (A) the sale or other disposition of assets of the Borrower and its subsidiaries outside the ordinary course of business, with any exceptions to be agreed; *provided* that net cash proceeds from the disposition of ABL Priority Collateral (as defined in the ABL/TL Intercreditor Agreement) shall not be required to be used to prepay DIP Term Loans to the extent required to prepay ABL Loans under the ABL Credit Agreement and/or loans under the ABL DIP Facility, (B) any casualty events, insurance and condemnation proceeds, subject to exceptions to be agreed, (C) any sale or issuance of debt (other than permitted debt to be agreed), and (D) any extraordinary receipts to be agreed, in each case, subject to breakage cost and the Exit Premium.

Any optional or mandatory prepayments of the DIP Term Loans shall be applied as follows: (a) to the extent such prepayment is done with the proceeds of the ABL Priority Collateral, such prepayment shall be applied *first*, to prepay the 2024 FILO Roll-Up DIP Loans until all such 2024 FILO Roll-Up Loans are repaid in full, *second*, to prepay New Money DIP Term Loans until all such New Money DIP Term Loans are repaid in full and, *third*, to prepay any Term Loan Roll-Up DIP Loans until all such Term Loan Roll-Up DIP Loans are repaid in full and (b) to the extent such prepayment is done with the proceeds of the Term Priority Collateral, such prepayment shall be applied *first*, to prepay the New Money DIP Term Loans until all such New Money DIP Term Loans are repaid in full and, *second*, to prepay any 2024 FILO Roll-Up DIP Loans and Term Loan Roll-Up DIP Loans *pro rata*, until all such 2024 FILO Roll-Up DIP Loans and Term Loan Roll-Up DIP Loans are repaid in full.

Security and Priority: The DIP Term Loan Obligations shall be, subject to (i) the Carve-Out, (ii) the prepetition and postpetition liens of the ABL Agent on the ABL Priority Collateral solely with respect to the DIP ABL Loans and ABL Loans and (iii) certain liens senior by operation of law and otherwise permitted by the "Loan Documents" (as defined in the Term Loan Credit Agreement), but solely to the extent such permitted liens were valid, properly perfected, non-avoidable and senior in priority to the prepetition liens securing the Terms Loans and other obligations under the Term Loan Credit Agreement, as of the Petition Date, or valid, non-avoidable, senior priority liens in existence as of the Petition Date that are perfected after the Petition Date as permitted by section 546(b) of the Bankruptcy Code (the "**Permitted Liens**"):

(a) pursuant to section 364(c)(1) of the Bankruptcy Code, entitled to joint and several superpriority administrative expense claim status in all of the Chapter 11 Cases (the "**DIP Term Loan Superpriority Claims**"); and

(b) pursuant to sections 364(c)(2), 364(c)(3) and 364(d)(1) of the Bankruptcy Code, secured by fully perfected senior security interests and liens on the DIP Collateral (as defined herein), including the collateral securing the Term Loan Obligations (collectively, the "**DIP Term Loan Liens**").

The DIP Term Loan Liens shall be effective and perfected upon entry of the Interim DIP Order without the necessity of the execution, filing or recordation of mortgages, security agreements, pledge agreements, financing statements or other agreements.

"**DIP Collateral**" means all owned or hereafter acquired, whether first arising prior to or following the Petition Date, assets and property of the Loan Parties (including, without limitation, inventory, accounts receivable, equipment, property, plant, equipment, material fee owned and ground leased real property, real property leaseholds, investment property, insurance proceeds, deposit accounts (other than payroll, trust and tax accounts), rights under leases and other contracts, patents, copyrights, trademarks, tradenames and other intellectual property and capital stock of subsidiaries), and the proceeds thereof, including, subject to entry of Final DIP Order, the proceeds of the Avoidance Action (as defined herein) but not including claims and causes of action under sections 502(d), 544, 545, 547, 548, 549 and 550 of the Bankruptcy Code (collectively, the "**Avoidance Actions**"), in each case other than "Excluded Property" (to be defined in the DIP Term Loan Facility Documents).

It being understood and agreed that the proceeds of the New Money DIP Loans deposited into the DIP Loan Proceeds Account (as defined herein) shall not constitute DIP Collateral securing any obligations under the ABL Credit Agreement and the DIP ABL Credit Agreement.

Intercreditor Arrangements: The respective priorities of the liens on the DIP Collateral securing the obligations under the DIP Term Loan Facility, the liens on the DIP Collateral securing the obligations under the DIP ABL Facility and adequate protection liens shall be governed by terms and conditions set forth in the DIP Orders.

Carve-Out: As set forth in the DIP Orders.

Limitation on Use of Carve-Out and Proceeds of DIP Term Loans: For the avoidance of doubt and notwithstanding anything to the contrary herein or in the DIP Term Loan Facility Documents, the Carve-Out, the DIP Collateral, including cash collateral, and any portion or proceeds of the DIP Term Loans shall not include, apply to or be available for any fees or expenses incurred by any party in connection with (a) the investigation, initiation or prosecution of any claims, causes of action, adversary proceedings or other litigation, other than the investigation of such claims by the unsecured creditors committee (the "**Creditors' Committee**") prior to the delivery of a Carve-Out Trigger Notice and subject to the Investigation Budget Cap, (i) against any of the DIP ABL Lenders, DIP ABL Agent, DIP Lenders, the DIP Agents, the Term Loan Agent or any other Prepetition Secured Parties (whether in such capacity or otherwise), or (ii) challenging the amount, validity, perfection, priority or enforceability of, or asserting any defense, counterclaim or offset to, the obligations and the liens and security interests granted under the DIP Term Loan Facility Documents, the ABL Credit Agreement or the Term Loan Credit Agreement, including, in each case without limitation, for lender liability or pursuant to section 105, 510, 544, 547, 548, 549, 550 or 552 of the Bankruptcy Code, applicable non-bankruptcy law or otherwise; (b) attempts to modify any of the rights granted to the DIP Lenders or the DIP Agents with respect to the DIP Term Loan Facility, other than in accordance with the DIP Orders; (c) attempts to prevent, hinder or otherwise delay any of the DIP Lenders', the DIP Agents' or Prepetition Secured Parties' assertion, enforcement or realization upon any DIP Collateral or Prepetition Collateral in accordance with the DIP Term Loan Facility Documents, ABL Credit

Agreement or Term Loan Credit Agreement and the DIP Orders once an Event of Default has occurred and after the applicable Remedies Notice Period (as defined herein) has expired and the Bankruptcy Court has not enjoined any such enforcement action; or (d) objecting or challenging or contesting in any manner, or raising any defenses to, the validity, extent, amount, perfection, priority or enforceability of any of the obligations under or in respect of (i) the DIP Term Loan Facility or the Prepetition Facilities, (ii) the liens securing the DIP Term Loan Facility or the Prepetition Facilities; (iii) any other rights or interest of any of the DIP Agents, the DIP Lenders or the Prepetition Secured Parties following the occurrence of an Event of Default and after the applicable Remedies Notice Period.

The "**Investigation Budget Cap**" means a cap of $75,000 with respect to Allowed Professional Fees to be incurred by the Creditors' Committee under the investigation budget.

Adequate Protection & Other Protections: As set forth in the DIP Orders.

Termination of Consent to Use Cash Collateral: The consensual use of cash collateral will be terminated upon (i) the occurrence and during the continuance of any Event of Default unless waived in writing by the Required Consenting New Money DIP Lenders and (ii) following the Remedies Notice Period.

Conditions Precedent to the Initial Extension of Credit: The initial extension of credit (the "**Closing**"; the date on which the Closing occurs, the "**Closing Date**") under the DIP Term Loan Facility shall be subject to the following conditions (and the conditions set forth under "Conditions Precedent to Each Loan" below), unless waived by the Required Consenting New Money DIP Lenders and, to the extent the satisfaction of any condition requires the consent of the Fronting Lender or the failure to satisfy such condition would adversely affect the Fronting Lender, the Fronting Lender:

A. DIP Agents' fee letter, in form and substance satisfactory to the DIP Agents' in their sole discretion, shall have been executed and delivered by each party thereto.

B. [Reserved].

C. The DIP Escrow Account shall have been established.

D. The Petition Date shall have occurred, and each Loan Party (including Guarantors incorporated under the laws of Canada or any province thereof) shall be a debtor and a debtor in possession.

E. Not later than three (3) business days following the Petition Date, the Bankruptcy Court shall have entered the Interim DIP Order in form and substance consistent with this DIP Term Sheet and otherwise acceptable to DIP Agents, the Required Consenting Lenders and the Fronting Lender, which Interim DIP Order shall not have been vacated, reversed, modified, amended or stayed.

F. No trustee or examiner with expanded powers shall have been appointed with respect to any Loan Party or any of the Loan Parties' respective properties pursuant to section 1104 of the Bankruptcy Code.

G. All fees, invoiced costs and expenses (including, without limitation, reasonable, documented and invoiced legal fees and expenses) and other compensation contemplated by the DIP Term Loan Facility Documents or otherwise required to be paid to the Ad Hoc Group Advisors, the DIP Agents and the DIP Lenders on or before the Closing shall have been paid. It being understood and agreed that the DIP Agents shall be entitled to net any administrative and/or agency fees from the proceeds of the funded New Money DIP Term Loans.

H. The DIP Agents and the DIP Lenders shall have received, prior to the Closing Date, in a form and substance satisfactory to the Required Consenting New Money DIP Lenders, a thirteen (13) week rolling cash flow budget for the period from the Closing Date through the end of such 13-week period (such initial approved budget and subsequent budgets approved by the Supermajority New Money DIP Lenders as described below, the "**Approved Budget**"). Each budget provided after the Closing Date shall include the aggregate principal amount of undrawn and outstanding loans under the DIP ABL Facility. It being understood and agreed that the Initial Approved Budget attached as Exhibit 3 to the Interim DIP Order is satisfactory to the Required Consenting New Money DIP Lenders.

I. The DIP Agents and the DIP Lenders shall have received, on or prior to the Closing Date, customary closing deliverables with respect to each Debtor addressing such customary matters as the DIP Lenders shall reasonably request, including good standing certificates, secretary's certificates with organizational documents, resolutions and incumbency certificates attached and officer's closing certificate, in each case, in form and substance reasonably satisfactory to the Required Consenting New Money DIP Lenders.

J. There shall exist no known unstayed action, suit, investigation, litigation, or proceeding pending in any court or before any arbitrator or governmental instrumentality (other than the Chapter 11 Cases) that would reasonably be expected to result in a Material Adverse Effect.

"**Material Adverse Effect**" shall mean any circumstance or condition that would individually or in the aggregate, have a material adverse effect on (i) the business, assets, liabilities (actual or contingent), operations, properties or condition (financial or otherwise) of the Borrower and its subsidiaries and affiliates taken as a whole (other than as a result of events leading up to and customarily resulting from the commencement of the Chapter 11 Cases and the continuation and prosecution thereof), (ii) the ability of the Loan Parties (taken as a whole) to perform or consummate their respective payment obligations under any DIP Term Loan Facility Document (other than as a result of events leading up to and resulting from the commencement of the Chapter 11 Cases and the continuation and prosecution thereof), or (iii) the rights, benefits and remedies of the DIP Lenders or the DIP Agents under any DIP Term Loan Facility Document, including the ability of the DIP Agents and DIP Lenders to enforce the DIP Term Loan Facility Documents.

K. Since the Petition Date, there shall not have occurred any circumstance or conditions, which individually or in the aggregate, constitutes or is reasonably expected to constitute, a Material Adverse Effect.

L. All necessary and material governmental and third-party consents and approvals necessary in connection with the DIP Term Loan Facility and the transactions contemplated thereby shall have been obtained on or prior to the Closing Date (without the imposition of any materially adverse conditions to the DIP Lenders (taken as a whole) that are not acceptable to the Required Consenting New Money DIP Lenders) and shall remain in effect; and no law or regulation shall be applicable in the judgment of the Required Consenting New Money DIP Lenders, as applicable, that restrains, prevents, or imposes materially adverse conditions upon the DIP Term Loan Facility or the transactions contemplated thereby.

M. The DIP Agents and each DIP Lender who has requested the same at least five (5) business days before the Closing Date shall have received, no later than three (3) business days before the Closing Date, all documentation and other information required under applicable "know your customer" and anti-money laundering rules and regulations, including the U.S. Patriot Act.

N. Granting valid and perfected liens, satisfactory to the DIP Lenders, for the benefit of the DIP Agents and the DIP Lenders via entry of the Interim Order, on the security interests in the DIP Collateral of the Loan Parties contemplated by the "Security and Priority" section above (including granted pursuant to a customary security agreement in form and substance satisfactory to the DIP Agents and the DIP Lenders); the Loan Parties shall have delivered Uniform Commercial Code financing statements, in suitable form for filing satisfactory to the DIP Agents.

O. The Restructuring Support Agreement, dated as of October 22, among the Company Parties and Consenting Stakeholders (as each such term is defined therein)(the "**Restructuring Support Agreement**"), shall be in full force and effect as of the Closing Date and shall not have been amended or modified without the consents required therein.

P. All "first day orders" entered at the time of commencement of the Chapter 11 Cases shall be satisfactory in form and substance to the Required Consenting New Money DIP Lenders; *provided, however*, the DIP Orders shall be satisfactory in form and substance to the Required Consenting Lenders.

Q. (i) The "Covenant Trigger Period" (as defined in the ABL Credit Agreement) and related provisions of the ABL Credit Agreement or the agreement governing the DIP ABL Facility (the "**DIP ABL Credit Agreement**"), as applicable, shall have been amended on the terms satisfactory to the Required Consenting New Money DIP Lenders to reduce the Excess Availability threshold for the purposes of such "Covenant Trigger Period" definition (the "**ABL Excess Availability Threshold**") to the fixed amount of (x) upon entry of the Initial DIP Order, $64 million Order and (y) upon entry of the Final DIP Order and for the term of the DIP Term Loan Facility, $54 million; (ii) the definition of "Borrowing Base" and related provisions under the ABL Credit Agreement or the DIP ABL Credit Agreement, as applicable, shall remain unchanged and no discretionary reserves shall have been established as compared to those set forth in the ABL Credit

Agreement in effect as of the date of the Restructuring Support Agreement and additional reserves added shortly prior to the Petition Date have been removed (collectively, together with interest rates referred to in clause R below, "**Certain ABL Components**") and (iii) the DIP Term Loan Agent and the DIP Lenders shall have received copies of such Ratification and Amendment Agreement with the DIP ABL Credit Agreement attached thereto as Exhibit A, duly executed by all parties thereto.

R. The loans (other than the 2024 Delayed Draw FILO Loans) under the ABL Credit Agreement or the DIP ABL Credit Agreement, as applicable, shall bear interest at the *per annum* rate equal to the Default Rate under and as defined in the ABL Credit Agreement in effect as of the date of the Restructuring Support Agreement.

S. (i) The Fronting Fee Letter and (ii) the Master Consent shall have been duly executed and delivered in each case to each of the parties signatory thereto.

T. All premiums, fronting or seasoning fees, and the reasonable fees, costs, and expenses of professionals for the Fronting Lender (including, without limitation, the reasonable fees, charges and expenses of Orrick, Herrington & Sutcliffe LLP and Mandel, Katz & Brosnan LLP), in each case pursuant to invoices delivered to the Debtors before the Closing Date, and all other amounts required to be paid to the Fronting Lender in accordance with the Fronting Fee Letter, shall have been paid (or will be paid with the proceeds of the Loan(s) authorized under the Interim Order).

Conditions Precedent to Each DIP Term Loan:

On the funding date of each DIP Term Loan: (i) no Default or an Event of Default under the DIP Term Loan Facility Documents shall exist, or would result from such proposed funding or from the application of the proceeds therefrom, unless waived by the Supermajority New Money DIP Lenders; (ii) the representations and warranties of the Loan Parties in the DIP Term Loan Facility Documents shall be true and correct in all material respects (or in the case of representations and warranties with a "materiality" qualifier, true and correct in all respects (after giving effect to any qualification therein)) immediately prior to, and after giving effect to, such funding or issuance, except to the extent such representations and warranties expressly relate to an earlier date, in which case they shall be true and correct in all material respects as of such earlier date, unless waived by the Required Consenting New Money DIP Lenders; (iii) the making of such DIP Term Loan shall not violate any requirement of material law, the violation of which constitutes or is reasonably expected to constitute a Material Adverse Effect, after giving effect to the Interim DIP Order, the Final DIP Order, and any other order of the Bankruptcy Court, and shall not be enjoined, temporarily, preliminarily or permanently, unless waived by the Required Consenting New Money DIP Lenders; (iv) the making of such DIP Term Loan shall not result in the aggregate outstanding amount under the DIP Term Loan Facility exceeding the amount authorized by the Interim DIP Order or the Final DIP Order, as applicable (or any sub-cap expressed in the DIP Term Loan Facility Documents), unless waived by the Required Consenting New Money DIP Lenders; (v) with respect to the Final Draw, the Final DIP Order, which shall be consistent with the Interim DIP Order and otherwise in form and substance satisfactory to DIP Agents and the Required Consenting Lenders, and, so long as the New Money DIP Term Loans funded pursuant to the Initial Draw and any New Money DIP Term Loan

Commitments have not been assigned by the Fronting Lender to the applicable DIP Lenders, the Fronting Lender, shall have been entered and the Interim DIP Order or Final DIP Order, as the case may be, shall be in full force and effect and shall not have been vacated, reversed, modified, amended or stayed in any respect, unless waived by the Required Consenting Lenders; (vi) no Material Adverse Effect shall have occurred since the Petition Date, unless waived by the Required Consenting New Money DIP Lenders; (vii) none of the Chapter 11 Cases shall have been dismissed or converted to a chapter 7 case, unless waived by the Required Consenting New Money DIP Lenders; (viii) no trustee under chapter 7 or chapter 11 of the Bankruptcy Code or examiner with enlarged powers beyond those set forth in section 1106(a)(3) and (4) of the Bankruptcy Code shall have been appointed in any of the Chapter 11 Cases, unless waived by the Required Consenting New Money DIP Lenders; (ix) (A) with respect to the Initial Draw, the DIP Term Loan Agent shall have received, a written borrowing notice two (2) business days prior to funding and (B) with respect to the Final Draw, the DIP Term Loan Agent shall have received, a borrowing notice five (5) business days prior to funding, in each case, in the form set forth in the DIP Term Facility Documents and unless waived by the Required Consenting New Money DIP Lenders; (x) satisfaction by the Debtors of all DIP Milestones that have occurred as of each borrowing, unless waived by the Supermajority New Money DIP Lenders; (xi) the funding of the New Money DIP Term Loan complies with the Approved Budget, unless waived by the Supermajority New Money DIP Lenders; and (xii) prior to the Final Draw, all material "first day" orders shall have been entered on a final basis and shall be reasonably satisfactory in form and substance to the Required Consenting New Money DIP Lenders; *provided, however*, the DIP Orders shall be satisfactory in form and substance to the Required Consenting Lenders.

Withdrawal Conditions: The Borrower shall be allowed to make one or more withdrawals from the Escrow Account (each, a "**Loan Withdrawal**") after the Closing Date, subject to the satisfaction (or waiver by the Supermajority New Money DIP Lenders) of each of the following conditions:

A. The DIP Term Loan Agent and the DIP Escrow Agent shall have received a Loan Withdrawal Notice in the form set forth on Exhibit A attached hereto with respect to the New Money DIP Loans by no later than 12:00 Noon (New York time) one Business Day prior for a proposed withdrawal of such Loan Withdrawal on the immediately following Business Day (such date, the "**Proposed Withdrawal Date**"), which shall include a certification that the proceeds of such Loan Withdrawal shall be used pursuant to the Approved Budget (subject to Permitted Variances).

B. The representations and warranties of the Loan Parties set forth herein shall be true and correct in all material respects on and as of the Proposed Withdrawal Date as though made on and as of such Proposed Withdrawal Date, except to the extent such representations and warranties expressly relate to an earlier date, in which case they shall be true and correct in all material respects as of such earlier date.

C. No default or Event of Default shall have occurred and be continuing on such Proposed Withdrawal Date or after giving effect to the Loan Withdrawal requested to be made.

D. Then applicable Approved Budget shall be in full force and effect on and as of the Proposed Withdrawal Date, and the withdrawal shall be in accordance with such Approved Budget (subject to Permitted Variances).

E. Then applicable DIP Order shall be in full force and effect and shall not have been reversed, vacated or stayed, and shall not have been amended, supplemented or otherwise modified without the prior written consent of the Required Consenting Lenders.

F. The Loan Parties shall have satisfied each of the DIP Milestones (to the extent such DIP Milestone occurs prior to the Proposed Withdrawal Date) on or prior to the Proposed Withdrawal Date.

G. Since the Closing Date, there shall be no changes to the Certain ABL Components (as defined herein) unless such changes have been made in compliance with the terms hereof.

By delivery of any Loan Withdrawal Notice (and acceptance of any Loan Withdrawal), the Borrower shall be deemed to have further represented and warranted to the DIP Lenders that the calculations of the amounts requested to be withdrawn pursuant to such Loan Withdrawal are reasonable and accurate based on the facts and circumstances in existence at the time of its preparation, calculation and delivery. Upon receipt of the Loan Withdrawal Notice and satisfaction of the conditions set forth in this section "Withdrawal Conditions", the DIP Term Loan Agent shall promptly direct the DIP Escrow Agent to disburse funds by 4:00 p.m. (New York City time) on the business day immediately following such Loan Withdrawal Notice.

The DIP Escrow Account shall be subject to, and the DIP Escrow Agent shall be retained pursuant to, the arrangements set forth on Annex C attached hereto.

Any amounts withdrawn pursuant to a Loan Withdrawal that are not used pursuant to the Approved Budget shall either be (i) netted against any subsequent Loan Withdrawal or (ii) returned to the DIP Escrow Agent to be deposited in the DIP Escrow Account.

Representations and Warranties: Substantially consistent with the representations and warranties set forth in the Term Loan Credit Agreement, subject to the Documentation Principles, with changes to reflect the requirements of WSFS, as agent. For purposes of funding on Closing Date under this DIP Term Sheet, the representations and warranties shall include the following which shall be substantially consistent with the representations and warranties set forth in the Term Loan Credit Agreement (including with respect to exceptions and materiality thresholds and qualifiers) as if all of such representations and warranties were included in this DIP Term Sheet as of the date of Initial Draw and additional representations set forth below: valid existence, compliance with law (including Official of Foreign Asset Control ("**OFAC**"), Foreign Corrupt Practices Act, etc.), requisite power, due authorization, approvals, no conflict with organizational documents, material agreements (to the extent enforceable

postpetition) or applicable law, enforceability of the DIP Term Loan Facility Documents, no Default or an Event of default under DIP Term Loan Facility Documents after taking into account the funding under the DIP Term Loan Facility, ownership of subsidiaries and property, material accuracy of financial statements and all other information and disclosure provided, absence of material adverse change, absence of material litigation, taxes, margin regulations, no burdensome restrictions, inapplicability of Investment Company Act, employee benefit plans and the Employee Retirement Income Security Act ("**ERISA**"), use of proceeds, insurance, labor matters, environmental matters, sanctioned persons, anti-corruption laws, Patriot Act, perfection and security interests, intellectual property and licenses, deposit accounts, ownership of properties and liens, the Interim DIP Order, the DIP liens and the superpriority administrative expense claims.

Affirmative Covenants:

Until the date of the execution of the DIP Credit Agreement (the "**DIP Credit Agreement Execution Date**"), the Loan Parties shall comply with all affirmative covenants set forth in the Term Loan Credit Agreement, this DIP Term Sheet and the DIP Orders.

The DIP Term Loan Facility Documents will contain affirmative covenants substantially consistent with the Term Loan Credit Agreement, subject to the Documentation Principles, with changes to reflect the requirements of WSFS, as agent, but in any event shall include the following:

A. Payment of taxes.

B. Preservation of existence.

C. Maintenance of properties.

D. Maintenance of insurance (including flood insurance).

E. Compliance with laws (including ERISA and environmental laws), sanctions, anti-bribery, OFAC, PATRIOT Act, money-laundering and other anti-terrorism laws, etc.

F. Conduct of business.

G. Maintenance of and access to books and records and inspection rights.

H. Provision of additional collateral, guarantees and mortgages.

I. Delivery of certain reports and information.

J. Use of proceeds.

K. DIP Milestones.

L. Certain customary bankruptcy matters, including provision of material draft motions and pleadings (subject to customary limitations and exceptions) and Bankruptcy Court orders, motions and other filings being acceptable to the

Required Consenting New Money DIP Lenders; *provided, however*, the DIP Orders shall be acceptable to the Required Consenting Lenders.

M. Limitations on changes to fiscal year.

N. Delivery of notices of defaults and certain other events that would reasonably be expected to result in a Material Adverse Effect.

O. Weekly commercial update calls with the DIP Lenders or their representatives.

P. Maintenance of proceeds of the New Money DIP Loans withdrawn from the DIP Escrow Account to the extent not otherwise applied in accordance with the Approved Budget in a segregated U.S. deposit account of the Borrower and, subject to clause (R) below, subject to springing control of the DIP Term Loan Agent (the "**DIP Loan Proceeds Account**").

Q. Compliance with the cash management order acceptable to the Required Consenting New Money DIP Lenders.

R. Further assurances and post-closing covenant (including post-closing obligations to (i) obtain insurance endorsements naming the DIP Term Loan Agent, on behalf of the DIP Lenders, as an additional insured and loss payee, as applicable, under all insurance policies to be maintained with respect to the properties of the Loan Parties and their respective subsidiaries forming part of the New Money DIP Lenders' collateral and (ii) the applicable Loans Party using its commercially reasonable efforts to establish an account control agreement over the DIP Loan Proceeds Account, in each case within 20 business days after the Closing Date (or such later time as the Required Consenting New Money DIP Lenders may agree)).

S. Use of commercially reasonable efforts to obtain within a term period after the Closing Date to be agreed credit ratings in respect of the DIP Term Loan Facility from each of Standard & Poor's Ratings Services and Moody's Investors Service, Inc.; *provided that* obtaining such rating shall not be a precondition to draw.

DIP Milestones: The Debtors shall comply with all milestones set forth on Annex B hereto (the "**DIP Milestones**"), unless waived by the Supermajority New Money DIP Lenders.

Negative Covenants: Until the DIP Credit Agreement Execution Date, the Loan Parties shall not create any lien, incur any debt, merge or consolidate with any person, may any investments (other than intercompany investments between Loan Parties), make any restricted payments, grant any negative pledge, or allow any restrictions on subsidiary distributions in each case without the written consent of the Required Consenting New Money DIP Lenders; *provided that* such consent can be delivered to the Borrower in the form of an e-mail confirmation from the DIP Lenders' counsel or financial advisor.

The DIP Term Loan Facility Documents will contain negative covenants substantially consistent with the Term Loan Credit Agreement, subject to the Documentation Principles, but in any event shall include the following:

A. Limitations on liens.

B. Limitations on loans and investments.

C. Limitations on debt and guarantees.

D. Limitations on fundamental changes.

E. Limitations on asset sales and dispositions (including sale-leasebacks and disposition of equity); *provided that* any asset sale or disposition not in the ordinary course of business shall require the consent of the Required Consenting New Money DIP Lenders.

F. Limitations on restricted payments, including dividends, redemptions and repurchases with respect to capital stock.

G. Limitations on material changes in business.

H. Limitations on transactions with affiliates.

I. Limitations on restrictions on distributions from subsidiaries, intercompany loans (and repayments), asset transfers or investments and granting of negative pledges.

J. Limitations on use of proceeds.

K. Limitations on accounting changes.

L. Limitations on cancellation of debt and prepayments, repayments, redemptions and repurchases of debt.

M. Limitation on change in business, structure, accounting, name and jurisdiction of organization or other fundamental changes.

N. Limitations on ability of subsidiaries to be non-wholly-owned.

O. Limitations on ability of holding company to take certain actions.

P. Limitations on amendment of constituent documents except for modifications that could not reasonably be expected to adversely affect the interests of the DIP Lenders.

Q. Limitation on incurrence or existence of any claims entitled to a superpriority under section 364(c)(1) of the Bankruptcy Code other than those arising under the DIP Term Loan Facility and the replacement liens and superpriority claims provided as adequate protection to the Prepetition Secured Parties as set forth in the DIP Orders.

R. Limitation on (i) changes to the Certain ABL Components and (ii) contracts and lease rejections or assumptions, in each case, without prior written consent of the Supermajority New Money DIP Lenders.

For the avoidance of doubt and notwithstanding anything to the contrary herein, the negative covenants applicable to the DIP Term Loan Facility shall not contain exceptions based on an "available amount" or like concept or "unrestricted subsidiary" or like concept.

Financial Covenants: The DIP Term Loan Facility will contain the following financial covenants (which will be applicable to the Loan Parties and their respective subsidiaries):

Variance Covenant. As of the last date of each Test Period, commencing with the third full week after the Petition Date, (1) the unfavorable variance (as compared to the Approved Budget) of the cumulative operating cash receipts of the Debtors shall not exceed 10% and (2) the unfavorable variance (as compared to the Approved Budget) of the cumulative operating disbursements (other than all professional fees, including professional fees and expenses incurred by the Debtors, the DIP Term Loan Agent, the DIP Escrow Agent, the DIP Lenders, the DIP ABL Agent, the DIP ABL Lenders, U.S. Trustee and the Creditors' Committee that are owed and payable by the Debtors) shall not exceed 10% in each case, based on a rolling four-week period (collectively, the "**Permitted Variances**"). "**Test Period**" shall mean (i) initially, the third full week after the Petition Date and (ii) thereafter, each one-week period.

Minimum Liquidity Covenant. As of the last day of any week following the Closing Date, minimum Liquidity[3] in excess of the ABL Excess Availability Threshold to be no less than $20 million; *provided* that the Borrower may make a Loan Withdrawal from the DIP Escrow Account in the amount necessary to satisfy the foregoing requirement (except that such Loan Withdrawal must otherwise be in accordance with Section "Withdrawal Conditions" of this DIP Term Sheet).

Budget and Financial Reporting Requirements: The Company shall provide: (i) on or prior to the Thursday of each week, Approved Budget variance reports on a line-item basis and liquidity reports, in each case, for the preceding calendar week and a computation of Liquidity compared to the ABL Excess Availability Threshold as of the preceding calendar week-end; (ii) on or prior to Thursday of every fourth week, an updated forecast on a rolling 13-week basis, in form and substance satisfactory to the Supermajority New Money DIP Lenders in their sole discretion, which shall become the then Approved Budget upon approval by Supermajority New Money DIP Lenders in their sole discretion (and to the extent any updated budget is not approved by the Supermajority New Money DIP Lenders, the Approved Budget that is then in effect shall continue to constitute the Approved Budget for purposes of the DIP Term Loan Facility); *provided* that the Approved Budget shall be deemed to be amended or modified with the consent of the Supermajority New Money DIP Lenders and such amendments or modifications shall be deemed to be permitted hereunder if neither the Supermajority New Money DIP Lenders nor their advisors have objected to any amendments or modifications requested by the Borrower within five (5) Business Days of receipt of such request; (iii) on Thursday of each week, commencing with Thursday, October 31, 2024, an operational update report from AlixPartners (or such other advisor reasonably acceptable to the Required Consenting New Money DIP Lenders), which such report shall include cost savings information and other information provided to the management of the Borrower and otherwise be in a form of the operational update

[3] "Liquidity" to be defined substantially similar to the definition thereof in the Term Loan Credit Agreement with conforming changes to the DIP ABL Credit Agreement.

report being delivered pursuant to the Term Loan Credit Agreement, (iv) on or prior to the 20th calendar day after the end of each fiscal month, AP aging reports as of the most recently ended fiscal month, (v) on or prior to the 21st calendar day after the end of each fiscal month, (1) a preliminary profit and loss statement for the most recently ended fiscal month (provided that this requirement shall be extended to the 28th day after the end of each fiscal month for fiscal year-ends and fiscal quarter-ends) and (2) month-end reporting of gross accounts receivable and inventory, in each case, as of the last day of the preceding fiscal month, (vi) beginning with the Thursday of the third week following the Petition Date and on the Thursday of every other week thereafter, a sales volume report for the preceding calendar week, an inventory report as of the preceding calendar week-end (by category, with book value of the inventory), and a report of tire vendor payments by supplier, with corresponding total dollar amounts, for the preceding calendar week, (vii) each borrowing base certificate delivered under the DIP ABL Facility, (viii) on or prior to Thursday of each week, a written update on the status of any proposed asset sale(s) (excluding any ordinary course sales, which ordinary course sales exclusion shall encompass sales made to customers at discounted rates pursuant to internal programs or initiatives, and further excluding any de minimis sales or disposals of property having a book value of less than $50,000) and any term sheets or similar documents received in connection therewith or, to the extent such documents are subject to confidentiality, summaries thereof and (ix) within one business day of the filing of the same on the Bankruptcy Court docket, copies of monthly operating reports.

Other Reporting Requirements: Customary for facilities of this type, including customary notices in respect of certain filings made in the Chapter 11 Cases.

Events of Default: DIP Term Loan Facility Documents will contain events of default (each, an "**Event of Default**") substantially consistent with the Term Loan Credit Agreement, subject to the Documentation Principles, and in any event shall include the following:

A. Failure to pay principal, interest or any other amount when due, subject in the case of payment of interest or any other amount, to 5 business day grace period;

B. Representations and warranties incorrect in any material respect when made or deemed made;

C. Failure to comply with covenants, with customary grace periods for certain affirmative covenants;

D. Cross default with the DIP ABL Facility, if applicable, or other indebtedness in excess of $2.5 million (other than any indebtedness the payment of which is stayed as a result of the filing of the Chapter 11 Cases);

E. Failure to comply with DIP Milestones;

F. Unstayed judgments or postpetition judgments arising from postpetition obligations in excess of $1.0 million after applying proceeds from any applicable insurance policies;

G. Bankruptcy or insolvency of any of the Company's subsidiaries that is not a Debtor as of the Petition Date, unless prior to filing such subsidiary becomes a

Loan Party and within five (5) business days of filing, such subsidiary's chapter 11 case becomes jointly administered with the Debtors;

H. Commencement of ancillary insolvency proceedings in applicable foreign jurisdictions with respect to any Debtor and the entry of applicable recognition, administrative and substantive orders by the applicable court (other than a proceeding that would not reasonably be expected to have a Material Adverse Effect or cause a material delay of the Chapter 11 Cases), in each case without prior consent of the Required Consenting New Money DIP Lenders or on terms not satisfactory to the Required Consenting New Money DIP Lenders;

I. The occurrence of certain ERISA events (or foreign equivalent), environmental event or other similar reportable events that are not stayed and that result in a claim in excess of $1.0 million;

J. Actual or asserted (by any Loan Party or any affiliate thereof) invalidity or impairment of any DIP Term Loan Facility Document (including the failure of any lien to remain perfected);

K. Change of control;

L. (i) The entry of an order dismissing any of the Chapter 11 Cases or converting any of the Chapter 11 Cases to a case under chapter 7 of the Bankruptcy Code;

(ii) The entry of an order appointing a chapter 11 trustee in any of the Chapter 11 Cases;

(iii) The entry of an order staying, reversing, vacating or otherwise modifying the Interim DIP Order or the Final DIP Order, in each case in a manner adverse in any respect to any DIP Agent and the DIP Lenders;

(iv) The entry of an order in any of the Chapter 11 Cases appointing an examiner having expanded powers (beyond those set forth under sections 1106(a)(3) and (4) of the Bankruptcy Code);

(v) The entry of an order in any of the Chapter 11 Cases denying or terminating use of cash collateral by the Loan Parties or imposing any additional conditions thereon;

(vi) The entry of a final, non-appealable order in any of the Chapter 11 Cases granting relief from any stay of proceeding (including, without limitation, the automatic stay) so as to allow a third party to (i) proceed against any material assets of the Loan Parties in excess of $1.0 million in the aggregate (other than in connection with any Approved Sale conducted by the Debtors in connection with the Chapter 11 Cases) or (ii) pursue other actions that would have a Material Adverse Effect on the Debtors or their estates;

(vii) the filing of any pleading by any Loan Party seeking, or otherwise consenting to, any of the matters set forth in clauses (i) through (vi) above;

(viii) The entry of a final non-appealable order in the Chapter 11 Cases charging any of the DIP Collateral under section 506(c) of the Bankruptcy Code against any DIP Agent, the DIP Lenders or the Prepetition Secured Parties;

(ix) The Loan Parties or any of their subsidiaries, or any person claiming by or through the Loan Parties or any of their subsidiaries, shall obtain court authorization to commence, or shall commence, join in, assist or otherwise participate as an adverse party in any suit or other proceeding against any of the DIP Agents, the DIP Lenders or any Prepetition Secured Parties and their respective rights and remedies under or related to the DIP Term Loan Facility or the DIP Orders in any of the Chapter 11 Cases or inconsistent with the DIP Term Loan Facility Documents and the DIP Orders;

(x) Other than the DIP Orders, the entry of an order in any of the Chapter 11 Cases seeking authority to use cash collateral or to obtain financing under section 364 of the Bankruptcy Code;

(xi) The entry of an order in any of the Chapter 11 Cases granting adequate protection to any other person other than as set forth in the DIP Orders;

(xii) Filing of a chapter 11 plan or disclosure statement that is not acceptable to (A) the Required Consenting New Money DIP Lenders in their sole discretion, (B) with respect to the treatment of the 2024 FILO Claims or the 2024 FILO Roll-Up Claims, acceptable to the Required Consenting 2024 FILO Lenders or the Required Consenting 2024 FILO Roll-Up Lenders, respectively, in their sole discretion, (C) with respect to the treatment of the Prepetition Term Loan Claims, acceptable to the Required Consenting Prepetition Term Lenders in their sole discretion, and (D) with respect to the treatment of the Roll-Up Term Loan Claims, acceptable to the Required Consenting Roll-Up Term Loan Lenders in their sole discretion;

(xiii) Entry of an order or filing of any document by any of the Debtors in any of the Chapter 11 Cases granting or seeking to grant, other than in respect of the DIP Term Loan Facility, the DIP ABL Facility and the Carve-Out or as otherwise permitted under the applicable DIP Term Loan Facility Documents, any claim superpriority administrative expense claim status in the Chapter 11 Cases pursuant to section 364(c)(1) of the Bankruptcy Code *pari passu* with or senior to the claims of the DIP Agents and the DIP Lenders under the DIP Term Loan Facility or secured by liens *pari passu* with or senior to the liens securing the DIP ABL Facility, the 2024 Delayed Draw FILO Obligations, or the Term Loan Obligations or the adequate protection liens granted to the applicable Prepetition Secured Parties;

(xiv) Any of the Loan Parties or any of their subsidiaries shall seek, support (including by filing a pleading in support thereof) or fail to contest in good faith any of the matters set forth in clauses (i) through (xiii) above;

(xv) Termination of the Restructuring Support Agreement;

(xvi) Termination of the Credit Bid Asset Purchase Agreement, if applicable; or

(xvii) Additional customary events of default relating to the Chapter 11 Cases;

M. The making of any payments in respect of prepetition obligations other than (i) as permitted by the Interim DIP Order or the Final DIP Order, (ii) as permitted by any "first day" orders satisfactory to the Required Consenting New Money DIP Lenders, (iii) as set forth under the Approved Budget or (iv) approved by the Required Consenting New Money DIP Lenders in their sole discretion;

N. The Loan Parties or any of their subsidiaries shall fail to comply with the terms of the Interim DIP Order or the Final DIP Order;

O. The Loan Parties or any of their subsidiaries, or any person claiming by or through the Loan Parties or any of their subsidiaries shall obtain court authorization to commence, or shall commence, join in, assist or otherwise participate as an adverse party in any suit or other proceeding against the agents under the Prepetition Facilities or any of the lenders under the Prepetition Facilities relating to the Prepetition Facilities, in their capacities as such;

P. Other than in connection with an Approved Sale, any Debtor shall file (or fail to oppose) any motion seeking an order authorizing the sale of all or substantially all of the assets of the Loan Parties (unless such sale would result in the repayment in full in cash of all obligations under the DIP Term Loan Facility (including the 2024 FILO Roll Up DIP Loans and the Term Loan Roll Up DIP Loans and, the obligations under the DIP ABL Facility;

Q. The entry of the Final DIP Order shall not have occurred within 35 days after the Petition Date;

R. The Bankruptcy Court shall enter an order denying, terminating or modifying (i) the Debtors' exclusive plan filing and plan solicitation periods under section 1121 of the Bankruptcy Code or (ii) the exclusive right of any Debtor to file a chapter 11 plan pursuant to section 1121 of the Bankruptcy Code, unless such order was entered as a result of a request by, or received support from the Required Consenting New Money DIP Lenders;

S. The Bankruptcy Court enters an order approving a sale transaction other than an Approved Sale or denying approval of an Approved Sale Transaction or disallowing any material provision of the Credit Bid Asset Purchase Agreement, if applicable, and such order remains in effect for five (5) Business Days after entry of such order; or

T. The Bidding Procedures Order or the Sale Order is reversed or vacated.

Upon the occurrence of an Event of Default, and concurrently with delivery of the Carve Out Trigger Notice, the DIP Term Loan Agent, on behalf of the DIP Lenders, with the consent of the Required Consenting New Money DIP Lenders, may (and at the direction of the Required Consenting New Money DIP Lenders in their sole and absolute discretion, shall), subject to the terms of the applicable DIP Order do any of the following: (a) (i) enforce all of the guaranty rights; (ii) accelerate all DIP Term Loans and other outstanding DIP Term Loan Facility Obligations and (iii) declare the principal of and accrued interest, premiums, fees and expenses constituting the DIP

Term Loan Facility Obligations to be due and payable and (b) upon five (5) business days' written notice (the "**Remedies Notice Period**"), without further order of the Bankruptcy Court, without the need for filing any motion for relief from the automatic stay or any other pleading, for the limited purpose of permitting the DIP Term Loan Agent and counsel to the DIP Term Loan Agent to foreclose on the DIP Collateral. Relief from the automatic stay imposed by Bankruptcy Code section 362 relief in favor of the DIP Lenders shall be included in any order approving the DIP Term Loan Facility and the use of cash collateral. At any hearing addressing the exercise of remedies by the DIP Term Loan Agent and/or the DIP Lenders under the DIP Term Loan Facility Documents, the only objection that may be raised by the Borrower and the Creditors' Committee shall be whether an Event of Default has in fact occurred and is continuing, and the Borrower and the Creditors' Committee shall waive their right to seek any relief, whether under section 105 of the Bankruptcy Code or otherwise, that would in any way impair, limit, restrict or delay the rights and remedies of the DIP Agents and the DIP Lenders under the DIP Term Loan Facility Documents.

Right to Credit Bid: Subject to entry of the Interim DIP Order, (i) the DIP Term Loan Agent, at the direction of (x) the Required Consenting New Money DIP Lenders, (y) the Required Consenting 2024 FILO Roll-Up Lenders, and (z) the Required Consenting Roll-Up Term Loan Lenders, and (ii) the Term Loan Agent, at the direction of the Required Lenders (as defined in the Term Loan Credit Agreement), shall have the unconditional right to credit bid (either directly or through one or more acquisition vehicles) as part of any asset sale process or plan sponsorship process up to the full amount of the obligations with respect to the (i) (x) New Money DIP Term Loans, (y) 2024 FILO Roll-Up DIP Loans and (z) Term Loan Roll-Up DIP Loans and (ii) the Term Loans, respectively, during any sale of Debtors' assets (in whole or in part), including without limitation, sales occurring pursuant to section 363 of the Bankruptcy Code or included as part of any restructuring plan subject to confirmation under section 1129(b)(2)(A)(ii)-(iii) of the Bankruptcy Code.

Expenses and Indemnification: The Borrower and each Guarantor shall jointly and severally pay or reimburse the DIP Agents and the DIP Lenders for all reasonable and documented out-of-pocket costs and expenses incurred by the DIP Agents and the DIP Lenders (including Akin Gump Strauss Hauer & Feld, LLP, as primary counsel, Schulte Roth & Zabel LLP, as DIP Agents' counsel, Potter Anderson & Corroon LLP, as Delaware counsel, Perella Weinberg Partners LP, as financial advisor/investment banker, Spencer Stuart, as executive search advisor to the DIP Lenders, and business consultants and/or operators retained by the DIP Lenders, and limited, in the case of the legal expenses, to the reasonable and documented attorney's fees, disbursements, and expenses of (a) one primary and one local counsel for the DIP Agents, (b) one local counsel for each relevant jurisdiction, and (c)] additional conflict counsel, to the extent required) in connection with (i) the Chapter 11 Cases generally (including any sale process); (ii) the preparation, negotiation and execution of the DIP Term Loan Facility Documents; (iii) the funding of the DIP Term Loans; (iv) the creation, perfection or protection of the liens under the DIP Term Loan Facility Documents (including all search, filing and recording fees); and (v) the on-going administration of the DIP Term Loan Facility Documents (including the preparation, negotiation and execution of any amendments, consents, waivers, assignments, restatements or supplements thereto).

The Borrower and each Guarantor further agree to jointly and severally pay or reimburse the DIP Agents and the DIP Lenders for all documented out-of-pocket costs and expenses, including documented attorneys' fees and expenses (including Akin Gump Strauss Hauer & Feld, LLP, as primary counsel, Schulte Roth & Zabel LLP, as DIP Agents' counsel, Potter Anderson & Corroon LLP, as Delaware counsel, Perella Weinberg Partners LP, as financial advisor to the DIP Lenders and business consultants and/or operators retained by the DIP Lenders, incurred by the DIP Agents or the DIP Lenders in connection with (i) the enforcement of the DIP Term Loan Facility Documents; (ii) any refinancing or restructuring of the DIP Term Loan Facility in the nature of a "work-out"; and (iii) any legal proceeding relating to or arising out of the DIP Term Loan Facility or the other transactions contemplated by the DIP Term Loan Facility Documents, subject to customary carve-outs.

The Borrower and each Guarantor further agree to jointly and severally pay or reimburse the DIP Escrow Agent for all documented out-of-pocket costs and expenses, including documented attorneys' fees and expenses, incurred by the DIP Escrow Agent in connection with preparation, maintenance and on-going administration of the DIP Escrow Account.

The DIP Term Loan Facility Documents will contain customary indemnification provisions by the Borrower and each Guarantor (jointly and severally) in favor of the DIP Term Loan Agent, DIP Escrow Agent, each DIP Lender (including, for the avoidance of doubt, the Fronting Lender) and each of their respective affiliates, successors and assigns and the respective partners, officers, directors, employees, agents, advisors, controlling persons and members of each of the foregoing and attorneys and representatives of each of the foregoing (each, an "**Indemnified Person**"); *provided* that no Indemnified Person will be indemnified for any losses, claims, damages, liabilities, or related expenses to the extent determined by a final, non-appealable judgment of a court of competent jurisdiction to have been incurred solely by reason of the gross negligence or willful misconduct of such Indemnified Person; and *provided*, *further*, that prior to the DIP Credit Agreement Execution Date all such provisions set forth in the Term Loan Agreement shall be incorporated herein by reference *mutatis mutandis*.

The Borrower and each Guarantor agree jointly and severally to pay or reimburse the Fronting Lender for all reasonable and documented out-of-pocket costs and expenses incurred by the Fronting Lender as set forth in a letter agreement between the Borrower and the Fronting Lender (the "**Fronting Fee Letter**").

Assignments and Participations: Assignments must be in a minimum amount of $1,000,000 (or, if less, the remaining New Money DIP Term Loan Commitments and/or Loans of any assigning DIP Lender); *provided*, *that* no assignment shall be made to disqualified lenders or any person who is not or does not contemporaneously become, or whose affiliate is not or does not contemporaneously become, a "Consenting New Money DIP Lender" under the Restructuring Support Agreement prior to such assignment; and *provided*, *further* that foregoing restrictions, including the minimum assignment amount, shall not apply and no consent of the DIP Term Loan Agent or the Borrower shall be required with respect to the assignments by the Fronting Lender in connection with the initial syndication of the New Money DIP Loans and unused New Money DIP Term Loan Commitments (the "**Initial Syndication**"). No participation shall include

voting rights, other than for certain matters requiring consent of 100% of the DIP Lenders.

Required Consenting New Money DIP Lenders and Supermajority New Money DIP Lenders:

"**Required Consenting New Money DIP Lenders**" shall have the meaning set forth in the Restructuring Support Agreement; *provided*, *however*, that consent of the New Money DIP Lenders holding greater than 66.7% of the outstanding New Money DIP Loan Commitments and/or the New Money DIP Term Loans (the "**Supermajority New Money DIP Lenders**") shall be required for amendments or waivers of compliance with the Approved Budget covenants (including Permitted Variances), the DIP Milestones, the withdrawal conditions from the DIP Escrow Account set forth in Section "Withdrawal Conditions" hereof and the ability to fund New Money DIP Loans following a default or an Event of Default ("**Supermajority Matters**").

To the extent the Supermajority New Money DIP Lenders are unwilling to fund New Money DIP Term Loans or permit the withdrawal of funds by the Borrower from the DIP Escrow Account following an Event of Default or provide consent to any proposed waiver or amendment to any Supermajority Matter to allow such funding or permit such withdrawal of funds from the DIP Escrow Account, other New Money DIP Loan Lenders that are willing to continue to fund New Money DIP Term Loans or consent to a withdrawal of funds from the DIP Escrow Account upon such an event or provide such consent (the "**Continuing New Money DIP Lenders**") may exercise customary "yank-a-bank" provisions by providing a notice to each non-consenting New Money DIP Lender to purchase such non-consenting New Money DIP Lender's New Money DIP Loan in the amount actually funded (exclusive of OID, Upfront Fee and Exit Fee) plus accreted PIK Interest and all accrued and unpaid cash interest on such amount until, but not including, the repayment date, and assume all remaining New Money DIP Term Loan Commitments with respect to the New Money DIP Loans of the non-consenting New Money DIP Lenders who shall be released from all such New Money DIP Term Loan Commitments; *provided*, *that*, the Term Loan Roll-Up DIP Loans of any non-consenting New Money DIP Lenders shall lose superpriority administrative expense claim status and shall receive the same treatment as the Term Loan Obligations in payment and lien waterfalls; and *provided*, *further*, that, for the avoidance of doubt, under no circumstances shall the treatment of the 2024 FILO Roll-Up DIP Loans shall be modified. If such rights are exercised by the Continuing New Money DIP Lenders such that Supermajority New Money DIP Lenders' consent is obtained after giving effect to the exercise of the yank-a-bank, the Continuing New Money DIP Lenders will be unconditionally obligated to purchase the New Money DIP Term Loans and assume all remaining New Money DIP Term Loan Commitments of non-consenting New Money DIP Lenders within 5 business days and the Supermajority Matter will have deemed to have passed on the date of exercise of the foregoing yank-a-bank rights.

Amendments: Except as otherwise set forth herein and for matters requiring Supermajority New Money DIP Lender consent as set forth herein and the DIP Orders and amendments customarily requiring approval by all affected DIP Lenders under the DIP Term Loan Facility, amendments shall require the consent of the Required Consenting New Money DIP Lenders.

Miscellaneous: The DIP Term Loan Facility Documents will include the following (in each case consistent with the Documentation Principles and customary for debtor in possession financings of this type) (i) standard yield protection provisions (including, without

	limitation, provisions relating to compliance with risk-based capital guidelines, increased costs (including the Dodd-Frank Act and Basel III related gross-ups notwithstanding the date of enactment of the applicable law or regulation thereunder, subject to prompt notice requirements) and payments free and clear of withholding taxes (subject to customary qualifications)), (ii) waivers of consequential damages and jury trial, and (iii) normal agency, set-off and sharing language.
Governing Law and Submission to Exclusive Jurisdiction:	State of New York (and, to the extent applicable, the Bankruptcy Code and Bankruptcy Court), without giving effect to any conflicts of laws provision that would dictate the application of another jurisdiction's laws.
DIP Order Governs:	Notwithstanding anything to the contrary herein or in any other DIP Term Loan Facility Documents, the provisions of this DIP Term Sheet Agreement are subject to the terms of the DIP Orders. In the event of a conflict between the terms of the DIP Orders and this DIP Term Sheet, the terms of the DIP Orders shall govern and control.
Counsel to DIP Agents:	Schulte Roth & Zabel LLP
Counsel to DIP Lenders:	Akin Gump Strauss Hauer & Feld LLP and Potter Anderson & Corroon LLP
Financial Advisors/Investment Banker to DIP Lenders:	Perella Weinberg Partners LP

ANNEX A

Senior Secured Debtor in Possession Term Loan Facility

Interest Rates and Fees

Interest Rates:	At the option of the Borrower, New Money DIP Term Loans will bear interest at a rate per annum equal to (a) Term SOFR plus 9.50% or (b) Base Rate plus 8.50% *per annum*; *provided*, that the Borrower shall pay a portion of interest rate equal to Term SOFR plus 1.50% *per annum* or Base Rate plus 0.50% *per annum,* as applicable, in cash and the remaining 8.00% of such interest rate in-kind by adding such interest rate margin to the aggregate outstanding principal balance of the New Money DIP Term Loans (the "**PIK Interest**"). The 2024 FILO Roll-Up DIP Loans and the Term Loan Roll-Up DIP Loans shall bear interest at the *per annum* non-default rate as set forth in the ABL Credit Agreement and the First Lien Credit Agreement, respectively, in each case payable monthly in arrears and such interest shall be payable in kind. "**Floor**" shall be defined as 3.00% per annum. **"Term SOFR**" shall have the meaning ascribed to the term in the Term Loan Credit Agreement; *provided* that if Term SOFR as so determined shall ever be less than the Floor, then Term SOFR shall be deemed to be the Floor. For the avoidance of doubt, there shall be no credit spread adjustment. Interest shall be calculated on the basis of the actual number of days elapsed in a 360-day year. Interest shall be payable in arrears monthly, regardless of whether Term SOFR or Base Rate.
OID:	7.00%; to be paid in kind as an original issue discount or added to the principal amount of funded New Money DIP Term Loans in connection with each DIP Draw (the "**OID**").
Upfront Premium:	5.00% of the aggregate New Money DIP Term Loan Commitments; to be paid in kind as an original issue discount or added to the principal amount of funded New Money DIP Term Loans on the Closing Date (the "**Upfront Premium**").
Exit Premium:	6.00%; earned upon any repayment or prepayment of the New Money DIP Term Loans or termination of any or part of the New Money DIP Term Loan Commitments in accordance with the terms of the DIP Term Loan Facility and payable in cash upon such repayment, prepayment or termination, as applicable, including the repayment in full in cash or any other discharge of the New Money DIP Term Loans (the "**Exit Premium**"); *provided*, *however*, that to the extent the New Money DIP Term Loans are discharged as a result of the DIP Term Loan Agent exercising its credit bid rights for the full amount of the New Money DIP Term Loans as provided herein, such Exit Premium shall be satisfied by the credit bidding entity.

Default Rate: 2.00% *per annum* at all times automatically following the occurrence and during the continuation of an Event of Default.

ANNEX B

Senior Secured Debtor in Possession Term Loan Facility

DIP Milestones

DIP Milestone[1]	Deadline
Petition Date:	October 22, 2024
Entry of Interim DIP Order:	Shall have occurred within 3 days of the Petition Date
Filing of Bidding Procedures Motion:	Shall have been filed within 7 days of the Petition Date
Determination as to Necessity / Form of any Canadian Proceedings:	Shall have occurred within 14 days of the Petition Date
Delivery of ABL Exit Financing Proposal Letter Acceptable to the Required Consenting New Money DIP Lenders and Requisite Purchasing Lenders (as defined in the Restructuring Support Agreement) and requisite DIP ABL Lenders:	Shall have occurred within 21 days of the Petition Date
Filing of Stalking Horse APA:	Shall have been filed within 21 days of the Petition Date
Entry of Bidding Procedures Order:	Shall have occurred within 35 days of the Petition Date
Entry of Final DIP Order:	Shall have occurred within 35 days of the Petition Date
ABL Exit Financing Commitment:	Within 45 days of the Petition Date, stalking horse purchaser and the ABL providers shall have executed a commitment letter providing for ABL exit financing on terms and conditions acceptable to the parties thereto
Term Exit Financing Commitment:	Within 45 days of the Petition Date, stalking horse purchaser shall have provided evidence acceptable to the DIP ABL Agent showing commitments from owners of stalking horse purchaser to provide any necessary financing in connection with purchase or operation of the Loan Parties
Bid Deadline:	Within 60 days of the Petition Date
Auction:	Shall have occurred within 65 days of the Petition Date
Entry of Sale Order:	Shall have occurred within 70 days of the Petition Date

[1] Subject to the Bankruptcy Court's availability.

Closing of Sale:[2]	Shall have occurred within 80 days of the Petition Date; *provided*, *however*, that if the successful bidder is a third party (not the purchaser set forth in the Credit Bid Asset Purchase Agreement), then this DIP Milestone can be extended with the consent of the Supermajority New Money DIP Lenders, subject to the DIP ABL Lenders receiving payment in full or otherwise consenting to the treatment of the DIP ABL Facility or extension

[2] Dependent upon required regulatory approvals and related timelines for obtaining such.

ANNEX C

Senior Secured Debtor in Possession Term Loan Facility

Escrow Arrangements; Agency Provisions

(a) Appointment and Authority. Each of the DIP Lenders hereby irrevocably appoints WSFS to act on its behalf as each of (i) the DIP Escrow Agent and (ii) the DIP Term Loan Agent, in each case both hereunder and under the other DIP Term Loan Facility Documents and authorizes each such DIP Agent to take such actions on its behalf and to exercise such powers as are expressly delegated to the DIP Agent by the terms hereof or thereof, together with such actions and powers as are reasonably incidental thereto.

(b) Collateral Agent. The DIP Term Loan Agent shall also act as the "collateral agent" under the DIP Term Loan Facility Documents, and each of the DIP Lenders hereby irrevocably appoints and authorizes the DIP Term Loan Agent to act as the agent of (and to hold any security interest, charge or other lien created by the DIP Term Loan Facility Documents for and on behalf of or on trust for) such DIP Lender for purposes of acquiring, holding and enforcing any and all liens on DIP Collateral of the DIP Lenders to secure any of the DIP Term Loan Obligations, together with such powers and discretion as are reasonably incidental thereto.

(c) Investment. During the term of the DIP Term Loan Facility, the Escrowed Loan Amount shall be held by the DIP Escrow Agent in the DIP Escrow Account until the DIP Term Loan Facility Termination Date unless required to be distributed earlier pursuant to the terms of this DIP Term Sheet or the DIP Credit Agreement, as applicable. The Escrowed Loan Amount shall remain uninvested and the DIP Escrow Agent shall have no obligation to invest or reinvest the Escrowed Loan Amount.

(d) Return of Escrowed Loan Amount. All or any portion of the Escrowed Loan Amount that remains in the DIP Escrow Account on the DIP Term Loan Facility Termination Date shall be distributed to the New Money DIP Lenders in accordance with their pro rata share of the New Money DIP Term Loans and the receipt by each New Money DIP Lender of its pro rata share of such returned portion of the Escrowed Loan Amount shall constitute a repayment of the corresponding amount of the New Money DIP Loans held by such New Money DIP Lenders for purposes of this DIP Term Sheet or the DIP Credit Agreement, as applicable.

(e) Taxes. The parties hereto intend that each New Money DIP Lender (following the Initial Syndication) be treated as the owner of the portion of the Escrowed Loan Amount it funded into the DIP Escrow Account for all purposes including U.S. federal and applicable state and local income tax purposes. The DIP Agents shall have no responsibility for the tax consequences of the DIP Term Loan Facility and the parties hereto shall consult with independent counsel concerning any and all tax matters. As applicable, the Loan Parties and New Money DIP Lenders, or the Fronting Lender, as applicable, shall provide each DIP Agent with IRS Form W-9 and an original IRS Form W-8, as applicable, for each payee, together with any other documentation and information reasonably requested by any DIP Agent in connection with such DIP Agent's reporting obligations under applicable IRS regulations, if any. The New Money DIP Lenders agree to assume all obligations imposed now or hereafter by any applicable tax law or regulation with respect to payments or performance under the DIP Term Loan Facility with respect to the

New Money DIP Loans and indemnify and hold each DIP Agent harmless hereunder and pursuant to the DIP Term Loan Facility Documents from any liability or obligation on account of taxes, assessments, additions for late payment, interest, penalties, expenses and other governmental charges, if any, that may be assessed or asserted against such DIP Agent and shall reimburse such DIP Agent for any such amounts paid thereby within two (2) Business Days of request therefor by such DIP Agent. All payments to be made to any DIP Agent under the DIP Term Loan Facility must be made without any set-off or counterclaim and free from any deduction or withholding for or on account of any tax.

(f) Escrow Agent Duties.

The DIP Agents shall have only those duties as are specifically and expressly provided herein, which shall be deemed purely ministerial in nature, and no other duties, including, but not limited to, any trust or fiduciary duty, shall be created or implied. The use of the term "agent" in this DIP Term Sheet and in the DIP Term Loan Facility Documents with reference to any DIP Agent is not intended to connote any fiduciary or other implied (or express) obligations arising under agency doctrine of any applicable law. Instead, such term is used merely as a matter of market custom and is intended to create or reflect only an administrative relationship between independent contracting parties. Each DIP Agent shall not be deemed to assume any obligations or liabilities of any of the DIP Lenders under the DIP Term Loan Facility Documents. Notwithstanding anything to the contrary, each DIP Agent has no knowledge of, nor any obligation to comply with, nor any responsibility for, the terms and conditions of any DIP Term Loan Facility Document that are not expressly applicable to it nor other agreement among the parties hereto and each DIP Agent shall not be responsible for determining the meaning of any capitalized term not entirely defined herein, nor shall any DIP Agent be required to determine if any party hereto has complied with any other agreement or document. Without limiting the foregoing, each DIP Agent shall not be deemed to have knowledge or notice of the occurrence of any default or event of default, except with respect to defaults in the payment of principal, interest and fees required to be paid to each DIP Agent (under the DIP Term Loan Facility Documents), unless each DIP Agent shall have received written notice from a DIP Lender or the Borrower referring to this DIP Term Sheet, describing such default or event of default and stating that such notice is a "notice of default." Each DIP Agent will notify the DIP Lenders of its receipt of any such notice. Each DIP Agent shall have no knowledge of, or duty to determine, or responsibility for, whether any conditions set forth in section "Withdrawal Conditions" of the DIP Term Sheet have been satisfied or waived. Each DIP Agent shall have no duty or obligation to ensure that funds withdrawn from the DIP Escrow Account are applied for the purpose for which they are withdrawn. Notwithstanding the terms of any other agreement between the parties hereto, the terms and conditions of the DIP Term Loan Facility Documents shall control the actions of the DIP Agent with respect to the Escrowed Loan Amount. Upon request of the Required Consenting New Money DIP Lenders, the DIP Escrow Agent shall provide the DIP Lenders with copies of banking statements with respect to the DIP Escrow Account.

Any DIP Agent may conclusively rely upon (i) any writing, communication, signature, resolution, representation, notice, request, consent, certificate, instrument, affidavit, letter, telegram, facsimile, telex or telephone message, electronic mail message, statement or other document or conversation delivered by the parties hereto believed by it in good faith to be genuine and to have been signed by an authorized representative(s), as applicable, without inquiry and without requiring substantiating evidence of any kind and each DIP Agent shall be under no duty to inquire into or investigate the validity, accuracy or content of any such writing, communication, signature, resolution, representation,

notice, request, consent, certificate, instrument, affidavit, letter, telegram, facsimile, telex or telephone message, electronic mail message, statement or other document or conversation (including without limitation any Loan Withdrawal Notice) and (ii) advice and statements of legal counsel, independent accountants and other experts selected by such DIP Agent and shall not incur any liability for relying thereon.

Each DIP Agent shall be fully justified in failing or refusing to take any action under any DIP Term Loan Facility Document unless it shall first receive such advice or concurrence of the DIP Lenders as it deems appropriate and, if it so requests, it shall first be indemnified to its satisfaction by the DIP Lenders against any and all liability and expense which may be incurred by it by reason of taking or continuing to take any such action. Each DIP Agent shall in all cases be fully protected in acting, or in refraining from acting, under this DIP Term Sheet or any other DIP Term Loan Facility Document in accordance with a request or consent of the Required Consenting New Money DIP Lenders (or such greater number of New Money DIP Lenders as may be expressly required hereby in any instance) and such request and any action taken or failure to act pursuant thereto shall be binding upon all the DIP Lenders. Each DIP Agent may consult legal counsel selected by it in the event of any dispute or question as to the construction of any of the provisions of the DIP Term Loan Facility Documents or of any other agreement or of its duties hereunder, or relating to any dispute involving any party hereto, and shall incur no liability and shall be fully indemnified from any liability whatsoever in acting in accordance with the reasonable opinion or advice of such counsel or other advisors. Without limiting the foregoing, whether or not the transactions contemplated by this DIP Term Sheet are consummated, the DIP Lenders shall indemnify upon demand each DIP Agent, each of their respective affiliates, and the officers, directors, employees, agents and attorneys-in-fact of each such DIP Agent and such respective affiliates (each an "**Agent-Related Person**") (to the extent not reimbursed by or on behalf of any Loan Party and without limiting the obligation of any Loan Party to do so), pro rata, and hold harmless each DIP Agent and Agent-Related Person from and against any and all liabilities incurred by it in its capacity as DIP Agent; *provided* that no DIP Lender shall be liable for the payment to any DIP Agent or related-person of any portion of such liabilities resulting from such Agent or related-person's own gross negligence or willful misconduct, as determined by the final and non-appealable judgment of a court of competent jurisdiction; *provided* that no action taken in accordance with the directions of the Required Consenting New Money DIP Lenders (or such other number or percentage of the New Money DIP Lenders as shall be required) shall be deemed to constitute gross negligence or willful misconduct. In the case of any investigation, litigation or proceeding giving rise to any liabilities, the DIP Lenders shall indemnify each DIP Agent or any Agent-Related Person whether any such investigation, litigation or proceeding is brought by any DIP Lender or any other person. Without limitation of the foregoing, each DIP Lender shall reimburse each DIP Agent upon demand for its ratable share of any costs or out-of-pocket expenses (including attorney's costs) incurred by any DIP Agent in connection with the preparation, execution, delivery, administration, modification, amendment or enforcement (whether through negotiations, legal proceedings or otherwise) of, or legal advice in respect of rights or responsibilities under, this DIP Term Sheet, any other DIP Term Loan Facility Document, or any document contemplated by or referred to herein, to the extent that any DIP Agent is not reimbursed for such expenses by or on behalf of the Borrower, provided that such reimbursement by the DIP Lenders shall not affect the Borrower's continuing reimbursement obligations with respect thereto, if any. The Loan Parties shall promptly pay, upon demand, the reasonable and documented fees and expenses of any such counsel or other advisors of each DIP Agent.

The parties hereto agree to perform or cause to be performed all further acts and things, and execute and deliver such further documents, as may be required by law or as each DIP Agent may reasonably request in connection with its duties hereunder. EACH DIP AGENT SHALL NOT BE LIABLE TO ANY PERSON FOR ANY ACTION TAKEN, SUFFERED OR OMITTED TO BE TAKEN BY IT IN GOOD FAITH EXCEPT TO THE EXTENT THAT SUCH DIP AGENT'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT, AS DETERMINED BY A FINAL AND NON-APPEALABLE ORDER OF A COURT OF COMPETENT JURISDICTION, WAS THE CAUSE OF ANY DIRECT LOSS TO ANY SUCH PERSON. Each DIP Agent may execute any of its duties under this DIP Term Sheet or any other DIP Term Loan Facility Document (including for purposes of holding or enforcing any lien on the DIP Collateral (or any portion thereof) granted under the DIP Term Loan Facility Documents or of exercising any rights and remedies thereunder) by or through affiliates, agents, employees, attorneys-in-fact and/or such sub-agents as shall be deemed necessary by such DIP Agent, and shall be entitled to advice of counsel, both internal and external, and other consultants or experts concerning all matters pertaining to such duties. No Agent shall be responsible for the negligence or misconduct of any agent or sub-agent or attorney-in-fact that it selects in the absence of its own gross negligence or willful misconduct in such selection. In the event any DIP Agent shall be uncertain, or believes there is some ambiguity, as to its duties or rights hereunder or receives instructions, claims or demands from any party hereto which in such DIP Agent's good faith judgment conflict with the provisions of the DIP Term Loan Facility Documents, or if such DIP Agent receives conflicting instructions from any of the parties hereto or party to the DIP Term Loan Facility Documents, such DIP Agent shall be entitled either to: (a) refrain from taking any action until it shall be given (i) a written instructions of the Required Consenting New Money DIP Lenders (and, if applicable, the Borrower) or (ii) a final and binding and non-appealable court order issued by a court of competent jurisdiction (it being understood that each DIP Agent shall be entitled conclusively to rely and act upon any such court order and shall have no obligation to determine whether any such court order is final); or (b) file an action in interpleader.

As to any matters not expressly provided for by this DIP Term Sheet or any other DIP Term Loan Facility Document, each DIP Agent shall in all cases be fully protected in acting, or in refraining from acting, hereunder or thereunder in accordance with written instructions given by the Required Consenting New Money DIP Lenders (or, where expressly required by the terms of any DIP Term Loan Facility Document, a greater proportion of the New Money DIP Lenders), and such instructions, and any action taken or failure to act pursuant thereto, shall be binding on all DIP Lenders. No DIP Agent shall have any duty to take any discretionary action or exercise any discretionary powers, except discretionary rights and powers expressly contemplated hereby or by the DIP Term Loan Facility Documents that such DIP Agent is required to exercise as directed in writing by the Required Consenting New Money DIP Lenders (or such other number or percentage of the New Money DIP Lenders as shall be expressly provided for in the DIP Term Loan Facility Documents); *provided* that such DIP Agent shall not be required to take any action that, in its judgment or the judgment of its counsel, may expose such Agent to liability or that is contrary to any DIP Term Loan Facility Document or applicable law. No DIP Agent shall be liable for any action taken or not taken by it with the consent or at the request of the Required Consenting New Money DIP Lenders (or such other number or percentage of the New Money DIP Lenders as shall be expressly provided for in the DIP Term Loan Facility Documents), or in the absence of its own gross negligence or willful misconduct, as determined by the final and non-appealable judgment of a court of competent jurisdiction, in connection with its duties expressly set forth herein. No DIP Agent shall have any liability

to the parties hereto or any other person with respect to any such suspension of performance or disbursement into court, specifically including any liability or claimed liability that may arise, or be alleged to have arisen, out of or as a result of any delay in the disbursement of the Escrowed Loan Amount or any delay in or with respect to any other action required or requested of such DIP Agent. Each DIP Agent shall have no liability to the parties hereto or any other person with respect to any failure or delay in acting upon any communication by reason of any cause beyond such DIP Agent's control, including, without limitation, any breakdown or failure of transmission, or in the case of any corrupted, lost, delayed or incomplete transmission. Each DIP Agent shall have no duty to solicit any payments which may be due to it or the Escrowed Loan Amount, nor shall any DIP Agent have any duty or obligation to confirm or verify the accuracy or correctness of any amounts deposited with it hereunder. Without limiting the generality of the foregoing, each DIP Agent shall not be required under any circumstances to cause or permit the DIP Escrow Account to be overdrawn. No DIP Agent shall be required to risk or expand its own funds in performing its obligations hereunder or under any other DIP Term Loan Facility Document or to take any action which in its reasonable judgment may cause it to incur any expense or financial or other liability for which it is not indemnified to its satisfaction. The rights, privileges and immunities of the DIP Agents otherwise set forth in the DIP Term Loan Facility Documents and the other Loan Documents shall apply to the actions of each DIP Agent hereunder. ANYTHING IN THE DIP TERM LOAN FACILITY DOCUMENTS TO THE CONTRARY NOTWITHSTANDING, IN NO EVENT SHALL THE DIP AGENT BE LIABLE FOR SPECIAL, INCIDENTAL, PUNITIVE, INDIRECT OR CONSEQUENTIAL LOSS OR DAMAGE OF ANY KIND WHATSOEVER (INCLUDING BUT NOT LIMITED TO LOST PROFITS), EVEN IF SUCH DIP AGENT HAS BEEN ADVISED OF THE LIKELIHOOD OF SUCH LOSS OR DAMAGE AND REGARDLESS OF THE FORM OF ACTION, IN EACH CASE OTHER THAN IN THE EVENT OF SUCH DIP AGENT'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT, AS DETERMINED BY A FINAL AND NON-APPEALABLE ORDER OF A COURT OF COMPETENT JURISDICTION.

(g) Following Court Orders. In the event that a legal garnishment, attachment, levy, restraining notice, court order or other governmental order (each, a "**Directive**") is served with respect to any of the Escrowed Loan Amount that remains in the DIP Escrow Account, or the delivery thereof shall be stayed or enjoined by a Directive, each DIP Agent is hereby expressly authorized to obey and comply with all such Directives so entered or issued, and in the event that each DIP Agent obeys or complies with any such Directive it shall not be liable to either of the parties hereto or to any other person by reason of such compliance, notwithstanding such Directive is subsequently reversed, modified, annulled, set aside or vacated.

(h) Termination of DIP Escrow Agent's Duties. The DIP Escrow Agent's obligations hereunder will be discharged and its duties will terminate upon the occurrence of any of the following events: (a) the DIP Escrow Agent has distributed all of the Loan Escrow Amount pursuant in accordance with the DIP Term Loan Facility Documents, or (b) the DIP Escrow Agent has resigned in accordance with the DIP Term Loan Facility Documents. The DIP Escrow Agent may at any time resign hereunder by giving at least thirty (30) days prior written notice and upon the effective date of such resignation, the Escrowed Loan Amount shall be delivered by the DIP Escrow Agent to such person or entity as may be designated in writing by the Required Consenting New Money DIP Lenders, whereupon all the DIP Escrow Agent's obligations hereunder shall cease and terminate. If no such person shall have been designated by such date, the DIP Escrow Agent's sole responsibility thereafter shall be to keep safely the Escrowed Loan

Amount then held by it and to reliver the same to a person designated by the Required Consenting New Money DIP Lenders or in accordance with the direction of a final order of a court of competent jurisdiction.

(i) Force Majeure. No DIP Agent shall be required to perform any of its obligations under the DIP Term Loan Facility Documents if it is prevented from so doing by the occurrence of any event due to any cause beyond its control or if such performance would result in such DIP Agent or its immediate or ultimate parent company being in breach of any law, regulation, ordinance, rule, directive, judgment, order or decree binding on such DIP Agent or its property or on its immediate or ultimate parent company. Each DIP Agent may act or refrain from acting under this DIP term Sheet or the DIP Credit Agreement, as applicable, and may do anything which (in its reasonable opinion after consulting with counsel) is necessary to comply with any such law, regulation, ordinance, rule, directive, judgment, order or decree. Each DIP Agent may use (and its performances will be subject to the rules of) any communications, clearing or payment systems, intermediary bank, or other system in performing any of its duties hereunder or under any of the DIP Term Loan Facility Documents.

EXHIBIT A

Form of Loan Withdrawal Notice

[Date][1]

To: Wilmington Savings Fund Society, FSB, as DIP Term Loan Agent

Ladies and Gentlemen:

Reference is hereby made to that certain Senior Secured Debtor In Possession Term Loan Facility Summary of Terms and Conditions (as amended, restated, amended and restated, supplemented or otherwise modified from time to time, the "**DIP Term Sheet**"), to which this Exhibit A is attached. Terms defined in the DIP Term Sheet Agreement are used herein with the same meanings.

Pursuant to the terms of the DIP Term Sheet, the Borrower hereby submits a withdrawal request (this "**Withdrawal Notice**") for the amount of $[_____] (the "**Loan Withdrawal Amount**"). The date of the Loan Withdrawal (the "**Proposed Withdrawal Date**") is [_____], which is a business day.

The proceeds of the Loan Withdrawal Amount are to be disbursed as follows:

[INSERT ACCOUNT INFORMATION FOR LOAN PROCEEDS DEPOSIT ACCOUNT OR OTHER WIRE INSTRUCTIONS THEREFOR].

This Withdrawal Notice shall be deemed to be a representation by the Borrower that the following statements will be true on the Proposed Withdrawal Date:

1. The representations and warranties of the Loan Parties set forth herein shall be true and correct in all material respects on and as of the Proposed Withdrawal Date as though made on and as of such Proposed Withdrawal Date, except to the extent such representations and warranties expressly relate to an earlier date, in which case they shall be true and correct in all material respects as of such earlier date.

2. No default or Event of Default shall have occurred and be continuing on such Proposed Withdrawal Date or after giving effect to the Loan Withdrawal requested to be made.

3. The Borrower shall have prepared and provided to the DIP Term Loan Agent an attachment, signed by a chief financial officer or a treasurer of the Borrower, to each Loan Withdrawal Notice certifying the proceeds of such Loan Withdrawal shall be used pursuant to the Approved Budget (subject to Permitted Variances).

4. The applicable Approved Budget shall be in full force and effect on and as of the Proposed Withdrawal Date, and the withdrawal shall be in accordance with such Approved Budget (subject to Permitted Variances).

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[1] The DIP Term Loan Agent shall have received this Form by no later than 12:00 Noon (New York City time) one Business Day prior for a proposed funding of such Loan Withdrawal on the immediately following Business Day.

5. The applicable Approved Budget shall be in full force and effect on and as of the Proposed Withdrawal Date, and the withdrawal shall be in accordance with such Approved Budget (subject to Permitted Variances).

6. The Loan Parties shall have satisfied each of the DIP Milestones (to the extent such DIP Milestone occurs prior to the Proposed Withdrawal Date) on or prior to the Proposed Withdrawal Date.

7. Since the Closing Date there shall be no changes to the Certain ABL Components unless such changes have been made in compliance with the terms hereof.

8. By delivery of this Loan Withdrawal Notice (and acceptance of this Loan Withdrawal), the Borrower is deemed to have further represented and warranted to the Lenders that (a) the calculations of the amounts requested to be withdrawn pursuant to such Loan Withdrawal are reasonable and accurate based on the facts and circumstances in existence at the time of its preparation, calculation and delivery and (b) the proceeds of such Loan Withdrawal shall be used pursuant to the Approved Budget (subject to Permitted Variances).

[*signature page follows*]

IN WITNESS WHEREOF, the undersigned responsible officer of the Borrower hereby certifies that the information contained herein is true and correct as of the date hereof.

AMERICAN TIRE DISTRIBUTORS, INC., as a Borrower

By: _____
Name:
Title:

SCHEDULE 1

Subsidiaries Guarantors

1. ATD Sourcing Solutions, LLC
2. Terry's Tire Town Holdings, LLC
3. The Hercules Tire & Rubber Company
4. Tire Pros Francorp, LLC
5. Tirebuyer.com, LLC
6. Torqata Data and Analytics LLC
7. FLX FWD Logistics, LLC
8. ATD Technology Solutions Inc.
9. Hercules Tire International Inc.

EXHIBIT E

Provision for Transfer Agreement

The undersigned ("**Transferee**") hereby acknowledges that it has read and understands the Restructuring Support Agreement, dated as of _____ (the "**Agreement**"),[1] by and among American Tire Distributors, Inc. and its affiliates and subsidiaries bound thereto and the Consenting Stakeholders, including the transferor to the Transferee of any Company Claims/Interests (each such transferor, a "**Transferor**"), and agrees to be bound by the terms and conditions thereof to the extent the Transferor was thereby bound, and shall be deemed a "Consenting Stakeholder" and a "Consenting Stakeholder" under the terms of the Agreement.

The Transferee specifically agrees to be bound by the terms and conditions of the Agreement and makes all representations and warranties contained therein as of the date of the Transfer, including the agreement to be bound by the vote of the Transferor if such vote was cast before the effectiveness of the Transfer discussed herein.

Date Executed:

_____
Name:
Title:
Address:
E-mail address(es):

Aggregate Amounts Beneficially Owned or Managed on Account of:	
Revolving Credit Claims	
FILO Claims	
Term Loan Claims	
2024 FILO Claims	
Equity Interests	

[1] Capitalized terms used but not otherwise defined herein shall having the meaning ascribed to such terms in the Agreement.

EXHIBIT F

Joinder Agreement

The undersigned ("**Joinder Party**") hereby acknowledges that it has read and understands the Restructuring Support Agreement, dated as of _____ (the "**Agreement**"),[1] by and among American Tire Distributors, Inc. and its affiliates and subsidiaries bound thereto and the Consenting Stakeholders, and agrees to be bound by the terms and conditions thereof to the extent that the other Parties are thereby bound, and shall be deemed a "Consenting Stakeholder" and a "Consenting Stakeholder" under the terms of the Agreement.

The Joinder Party specifically agrees to be bound by the terms and conditions of the Agreement and makes all representations and warranties contained therein as of the date this Joinder Agreement is executed and any further date specified in the Agreement.

Date Executed:

_____
Name:
Title:
Address:
E-mail address(es):

Aggregate Amounts Beneficially Owned or Managed on Account of:	
Revolving Credit Claims	
FILO Claims	
Term Loan Claims	
2024 FILO Claims	
Equity Interests	

[1] Capitalized terms used but not otherwise defined herein shall having the meaning ascribed to such terms in the Agreement.

[Schedule 1 on File with the Company]