Table of Contents

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

FORM 10-Q

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

For the quarterly period ended June 30, 2010

Commission file number 1-13293

The Hillman Companies, Inc.

(Exact name of registrant as specified in its charter)

Delaware	**23-2874736**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**
10590 Hamilton Avenue Cincinnati, Ohio	**45231**
(Address of principal executive offices)	**(Zip Code)**

Registrant's telephone number, including area code: (513) 851-4900

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

Title of Class	Name of Each Exchange on Which Registered
11.6% Junior Subordinated Debentures	**None**
Preferred Securities Guaranty	**None**

Securities registered pursuant to Section 12(g) of the Act: None

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

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

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

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

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

On August 16, 2010, 5,000 shares of the Registrant's common stock were issued and outstanding and 4,217,724 Trust Preferred Securities were issued and outstanding by the Hillman Group Capital Trust. The Trust Preferred Securities trade on the NYSE Amex under symbol HLM.Pr.

Table of Contents

THE HILLMAN COMPANIES, INC. AND SUBSIDIARIES

IN DEX

THE HILLMAN COMPANIES, INC. AND SUBSIDIARIES

CONDENSED CONSOLIDATED BALANCE SHEETS
(dollars in thousands)

	Successor June 30, 2010 (Unaudited)	Predecessor December 31, 2009
ASSETS		
Current assets:		
Cash and cash equivalents	$ 9,631	$ 17,164
Restricted investments	334	334
Accounts receivable, net	68,307	51,757
Inventories, net	82,735	83,182
Deferred income taxes, net	8,025	8,100
Other current assets	3,322	2,657
Total current assets	172,354	163,194
Property and equipment, net	45,015	47,565
Goodwill	472,207	257,806
Other intangibles, net	300,866	146,640
Restricted investments	2,694	2,709
Deferred income taxes, net	349	418
Deferred financing fees, net	15,657	5,690
Investment in trust common securities	3,261	3,261
Other assets	935	1,198
Total assets	$ 1,013,338	$ 628,481
LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)		
Current liabilities:		
Accounts payable	$ 28,037	$ 19,191
Current portion of senior term loans	2,900	9,519
Current portion of capitalized lease and other obligations	39	349
Accrued expenses:		
Salaries and wages	5,332	7,624
Pricing allowances	5,625	5,317
Income and other taxes	1,622	1,904
Interest	1,854	2,199
Deferred compensation	334	334
Other accrued expenses	6,061	6,147
Total current liabilities	51,804	52,584
Long term senior term loans	287,100	148,330
Long term capitalized lease and other obligations	17	145
Long term senior notes	150,000	—
Long term unsecured subordinated notes	—	49,820
Junior subordinated debentures	116,050	115,716
Mandatorily redeemable preferred stock	—	111,452
Management purchased preferred options	—	6,617
Deferred compensation	2,694	2,709
Deferred income taxes, net	101,395	50,169
Accrued dividends on preferred stock	—	75,580
Other non-current liabilities	1,109	18,467
Total liabilities	710,169	631,589

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

THE HILLMAN COMPANIES, INC. AND SUBSIDIARIES

CONDENSED CONSOLIDATED BALANCE SHEETS
(dollars in thousands)

	Successor June 30, 2010 (Unaudited)	Predecessor December 31, 2009
LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT) (CONTINUED)		
Common and preferred stock with put options:		
Class A Preferred stock, $.01 par, $1,000 liquidation value, 238,889 shares authorized, none issued and outstanding at December 31, 2009; zero authorized, issued and outstanding at June 30, 2010.	—	—
Class A Common stock, $.01 par, 23,141 shares authorized, 395.7 issued and outstanding at December 31, 2009; zero authorized, issued and outstanding at June 30, 2010.	—	2,158
Class B Common stock, $.01 par, 2,500 shares authorized, 970.6 issued and outstanding at December 31, 2009; zero authorized, issued and outstanding at June 30, 2010.	—	5,293
Commitments and contingencies (Note 6)		
Stockholders' Equity (Deficit):		
Preferred Stock:		
Preferred stock, $.01 par, 5,000 shares authorized, none issued and outstanding at June 30, 2010.	—	—
Class A Preferred stock, $.01 par, $1,000 liquidation value, 238,889 shares authorized, 82,104.8 issued and outstanding at December 31, 2009; zero authorized, issued and outstanding at June 30, 2010.	—	1
Common Stock:		
Common stock, $.01 par, 5,000 shares authorized, issued and outstanding at June 30, 2010.	—	—
Class A Common stock, $.01 par, 23,141 shares authorized, 5,805.3 issued and outstanding at December 31, 2009; zero authorized, issued and outstanding at June 30, 2010.	—	—
Class C Common stock, $.01 par, 30,109 shares authorized, 2,787.1 issued and outstanding at December 31, 2009; zero authorized, issued and outstanding at June 30, 2010.	—	—
Additional paid-in capital	308,641	10,302
Accumulated deficit	(5,470)	(19,377)
Accumulated other comprehensive loss	(2)	(1,485)
Total stockholders' equity (deficit)	303,169	(10,559)
Total liabilities and stockholders' equity (deficit)	$ 1,013,338	$ 628,481

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

THE HILLMAN COMPANIES, INC. AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS (Unaudited)
(dollars in thousands)

	Successor	Predecessor	
	One Month Ended June 30, 2010	Two Months Ended May 28, 2010	Three Months Ended June 30, 2009 (As restated, see Note 2)
Net sales	$ 47,700	$ 77,256	$ 123,813
Cost of sales (exclusive of depreciation and amortization shown separately below)	23,022	37,835	61,109
Gross profit	24,678	39,421	62,704
Operating expenses:			
Selling, general and administrative expenses	14,299	42,562	40,276
Non-recurring expense (Note 14)	10,403	11,311	—
Depreciation	1,522	2,993	4,214
Amortization	1,009	1,071	1,809
Management and transaction fees to related party	—	187	256
Total operating expenses	27,233	58,124	46,555
Other (expense) income, net	(136)	(227)	166
(Loss) income from operations	(2,691)	(18,930)	16,315
Interest expense, net	3,619	4,147	3,300
Interest expense on mandatorily redeemable preferred stock and management purchased options	—	2,242	3,031
Interest expense on junior subordinated debentures	1,051	2,102	3,272
Investment income on trust common securities	(31)	(63)	(94)
(Loss) income before income taxes	(7,330)	(27,358)	6,806
Income tax (benefit) provision	(1,860)	(3,719)	4,453
Net (loss) income	$ (5,470)	$ (23,639)	$ 2,353

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

THE HILLMAN COMPANIES, INC. AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS (Unaudited)
(dollars in thousands)

	Successor	Predecessor	
	One Month ended June 30, 2010	Five Months ended May 28, 2010	Six Months ended June 30, 2009 (As restated, see Note 2)
Net sales	$ 47,700	$ 185,716	$ 236,026
Cost of sales (exclusive of depreciation and amortization shown separately below)	23,022	89,773	119,385
Gross profit	24,678	95,943	116,641
Operating expenses:			
Selling, general and administrative expenses	14,299	82,850	80,216
Non-recurring expense (Note 14)	10,403	11,342	—
Depreciation	1,522	7,283	8,892
Amortization	1,009	2,678	3,537
Management and transaction fees to related party	—	438	509
Total operating expenses	27,233	104,591	93,154
Other expense, net	(136)	(114)	(467)
(Loss) income from operations	(2,691)	(8,762)	23,020
Interest expense, net	3,619	8,327	7,128
Interest expense on mandatorily redeemable preferred stock and management purchased options	—	5,488	5,949
Interest expense on junior subordinated debentures	1,051	5,254	6,454
Investment income on trust common securities	(31)	(158)	(189)
(Loss) income before income taxes	(7,330)	(27,673)	3,678
Income tax (benefit) provision	(1,860)	(2,465)	5,162
Net loss	$ (5,470)	$ (25,208)	$ (1,484)

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

THE HILLMAN COMPANIES, INC. AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (Unaudited)
(dollars in thousands)

	Successor	Predecessor	
	One Month Ended June 30, 2010	Five Months Ended May 28, 2010	Six Months Ended June 30, 2009 (As restated, see Note 2)
Cash flows from operating activities:			
Net loss	$ (5,470)	$(25,208)	$ (1,484)
Adjustments to reconcile net loss to net cash (used for) provided by operating activities:			
Depreciation and amortization	2,531	9,961	12,429
Dispositions of property and equipment	—	74	55
Deferred income tax provision (benefit)	(1,930)	(1,921)	4,226
Deferred financing and original issue discount amortization	172	515	507
Interest on mandatorily redeemable preferred stock and management purchased options	—	5,488	5,949
Stock-based compensation expense	—	19,053	3,800
Changes in operating items:			
(Increase) decrease in accounts receivable, net	266	(16,816)	(15,061)
(Increase) decrease in inventories, net	(2,512)	2,959	13,426
(Increase) decrease in other assets	(569)	124	703
Increase in accounts payable	7,016	1,830	587
Increase in interest payable on junior subordinated debentures	—	—	6,265
(Decrease) increase in other accrued liabilities	(6,582)	4,352	3,602
Other items, net	(82)	(894)	(322)
Net cash (used for) provided by operating activities	(7,160)	(483)	34,682
Cash flows from investing activities:			
Payment for Quick Tag license	(11,500)	—	—
Capital expenditures	(1,349)	(5,411)	(5,347)
Net cash used for investing activities	(12,849)	(5,411)	(5,347)
Cash flows from financing activities:			
Borrowings of senior term loans	290,000	—	—
Repayments of senior term loans	(148,306)	(9,544)	(14,000)
Borrowings of revolving credit loans	600	—	—
Repayments of revolving credit loans	(600)	—	—
Principal payments under capitalized lease obligations	(6)	(459)	(223)
Repayments of unsecured subordinated notes	(49,820)	—	—
Borrowings of senior notes	150,000	—	—
Financing fees, net	(15,729)	—	—
Purchase predecessor equity securities	(506,407)	—	—
Proceeds from sale of successor equity securities	308,641	—	—
Borrowings under other credit obligations	—	—	468
Net cash provided by (used for) financing activities	28,373	(10,003)	(13,755)
Net increase (decrease) in cash and cash equivalents	8,364	(15,897)	15,580
Cash and cash equivalents at beginning of period	1,267	17,164	7,133
Cash and cash equivalents at end of period	$ 9,631	$ 1,267	$ 22,713

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

THE HILLMAN COMPANIES, INC. AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY (DEFICIT) (Unaudited)

(dollars in thousands)

	Predecessor			Successor					
	Common Stock				Additional		Accumulated Other		
	Class A	Class C	Class A Preferred Stock	Common Stock	Paid-in Capital	Accumulated Deficit	Comprehensive Income (Loss)	Comprehensive Income (Loss)	Total Stockholders' Equity
Balance at December 31, 2009—Predecessor	$ —	$ —	$ 1	$ —	$ 10,302	$ (19,377)	$ (1,485)		$ (10,559)
Net loss	—	—	—	—	—	(25,208)	—	$ (25,208)	(25,208)
Class A Common Stock FMV adjustment (2)	—	—	—	—	(5,650)	—	—	—	(5,650)
Dividends to shareholders	—	—	—	—	(7,583)	—	—	—	(7,583)
Change in cumulative foreign translation adjustment (1)	—	—	—	—	—	—	17	17	17
Change in derivative security value (1)	—	—	—	—	—	—	1,161	1,161	1,161
Comprehensive loss								$ (24,030)	
Balance at May 28, 2010—Predecessor	—	—	1	—	(2,931)	(44,585)	(307)		(47,822)
Close Predecessor's stockholders' deficit at merger date	—	—	(1)	—	2,931	44,585	307		47,822
Issuance of 5,000 shares of common stock				—	308,641				308,641
Balance at May 28, 2010—Successor	—	—	—	—	308,641	—	—		308,641
Net loss	—	—	—	—	—	(5,470)	—	$ (5,470)	(5,470)
Change in cumulative foreign translation adjustment (1)	—	—	—	—	—	—	(2)	(2)	(2)
Comprehensive loss								$ (5,472)	
Balance at June 30, 2010—Successor	$ —	$ —	$ —	$ —	$ 308,641	$ (5,470)	$ (2)		$ 303,169

(1) The cumulative foreign translation adjustment and change in derivative security value are net of taxes and represent the only items of other comprehensive income (loss).

(2) Management of the Predecessor Company controlled 395.7 shares of Class A common stock which contained a put feature that allowed redemption at the holder's option. These shares were classified as temporary equity and were adjusted to fair value. See Note 10, Common and Preferred Stock, for further details.

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

THE HILLMAN COMPANIES, INC. AND SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(dollars in thousands)

1. Basis of Presentation:

The accompanying financial statements include the condensed consolidated accounts of The Hillman Companies, Inc. ("Hillman Companies") and its wholly-owned subsidiaries (collectively "Hillman" or the "Company"). All significant intercompany balances and transactions have been eliminated.

On May 28, 2010, Hillman Companies was acquired by an affiliate of Oak Hill Capital Partners ("OHCP") and certain members of Hillman's management and Board of Directors. Pursuant to the terms and conditions of an Agreement and Plan of Merger dated as of April 21, 2010, the Company was merged with an affiliate of OHCP with the Company surviving the merger (the "Merger Transaction"). As a result of the Merger Transaction, Hillman Companies is a wholly-owned subsidiary of OHCP HM Acquisition Corp. ("Holdco"). The total consideration paid in the Merger Transaction was $831.1 million which includes $11.5 million for the Quick Tag license and related patents, the repayment of outstanding debt and the net value of the Company's outstanding junior subordinated debentures ($105.4 million liquidation value at the time of the merger). The merger consideration is subject to certain post-closing working capital and other adjustments.

Prior to the Merger Transaction, affiliates of Code Hennessy & Simmons LLC ("CHS") owned 49.3% of the Company's outstanding common stock and 54.6% of the Company's voting common stock, Ontario Teacher's Pension Plan ("OTPP") owned 28.0% of the Company's outstanding common stock and 31.0% of the Company's voting common stock and HarbourVest Partners VI ("HarbourVest") owned 8.7% of the Company's outstanding common stock and 9.7% of the Company's voting common stock. Certain current and former members of management owned 13.7% of the Company's outstanding common stock and 4.4% of the Company's voting common stock.

The Company's condensed consolidated balance sheet as of May 28, 2010 and its related statements of operations, cash flows and changes in stockholders' equity for the periods presented prior to May 28, 2010 are referenced herein as the predecessor financial statements (the "Predecessor" or "Predecessor Financial Statements"). The Company's condensed consolidated balance sheet as of June 30, 2010 and its related statements of operations, cash flows and changes in stockholders' equity for the periods presented subsequent to the Merger Transaction are referenced herein as the successor financial statements (the "Successor" or "Successor Financial Statements"). The Predecessor Financial Statements do not reflect certain transaction amounts that were incurred at the close of the Merger Transaction. Such transaction amounts include the write-off of $5,010 in deferred financing fees associated with the Predecessor debt obligations.

The Successor Financial Statements reflect the preliminary allocation of the aggregate purchase price of $831.1 million, including the value of the Company's junior subordinated debentures, to the assets and liabilities of Hillman based on fair values at the date of the Merger Transaction in accordance with ASC Topic 805, "Business Combinations." The Company is in the process of obtaining third-party valuations of certain assets acquired in connection with the Merger Transaction, including but not limited to customer relationships, patents, licenses, property and equipment, non-compete agreements and the corresponding impact of deferred income taxes. The Company is also in the process of finalizing its fair value evaluation of inventory. Thus, the allocation of the purchase price is subject to change. Any amounts attributable to such assets are expected to be finalized during 2010.

THE HILLMAN COMPANIES, INC. AND SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS—(Continued)
(dollars in thousands)

1. Basis of Presentation (continued):

The Company's financial statements have been presented on the basis of push down accounting in accordance with Financial Accounting Standards Board ("FASB") American Standards Codification ("ASC") 805-50-S99 (Prior authoritative literature: Staff Accounting Bulletin No. 54 *Application of "Push Down" Basis of Accounting in Financial Statements of Subsidiaries Acquired by Purchase*). FASB ASC 805-50-S99 states that the push down basis of accounting should be used in a purchase transaction in which the entity becomes wholly-owned by another entity. Under the push down basis of accounting, certain transactions incurred by the parent company which would otherwise be accounted for in the accounts of the parent are "pushed down" and recorded on the financial statements of the subsidiary. Accordingly, certain items resulting from the OHCP Merger Transaction have been recorded on the financial statements of the Company.

The following tables reconcile the fair value of the acquired assets and assumed liabilities to the total purchase price:

	Amount
Cash paid as merger consideration	$ 714,200
Cash paid for Quick Tag license and related patents	11,500
Fair value of consideration transferred	$ 725,700
Cash	$ 1,267
Accounts Receivable, net	68,573
Inventory, net	80,223
Other current assets	11,775
Property and equipment	45,407
Goodwill	472,207
Intangible assets	301,875
Other non-current assets	3,671
Total assets acquired	984,998
Less:	
Accounts payable	(21,021)
Deferred income taxes	(103,681)
Junior subordinated debentures	(105,446)
Junior subordinated debentures premium	(7,378)
Other liabilities assumed	(21,772)
Net assets acquired	$ 725,700

The following table indicates the pro forma financial statements of the Company for the three and six months ended June 30, 2009 (including non-recurring charges of $21,745 as discussed in Note 14). The pro forma financial statements give effect to the Merger Transaction as if it had occurred on January 1, 2010 and January 1, 2009, respectively.

	Three Months Ended June 30, 2010	Six Months Ended June 30, 2010	Three Months Ended June 30, 2009	Six Months Ended June 30, 2009
Net Sales	124,956	233,416	123,813	236,026
Net Income (Loss)	(16,938)	(17,736)	3,360	(8)

THE HILLMAN COMPANIES, INC. AND SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS—(Continued)
(dollars in thousands)

1. Basis of Presentation (continued):

The accompanying unaudited condensed consolidated financial statements present information in accordance with generally accepted accounting principles for interim financial information and the instructions to Form 10-Q and applicable rules of Regulation S-X. Accordingly, they do not include all information or footnotes required by generally accepted accounting principles for complete financial statements. Management believes the financial statements include all normal recurring accrual adjustments necessary for a fair presentation. Operating results for the six month period ended June 30, 2010 do not necessarily indicate the results that may be expected for the full year. For further information, refer to the consolidated financial statements and notes thereto included in the Company's annual report filed on Form 10-K for the year ended December 31, 2009, as amended.

Nature of Operations:

The Company is one of the largest providers of value-added merchandising services and hardware-related products to retail markets in North America through its wholly-owned subsidiary, The Hillman Group, Inc. (“Hillman Group”). A subsidiary of Hillman Group operates in (1) Canada under the name The Hillman Group Canada, Ltd., (2) Mexico under the name SunSource Integrated Services de Mexico SA de CV, and (3) primarily in Florida under the name All Points Industries, Inc. (“All Points”). Hillman Group provides merchandising services and products such as fasteners and related hardware items; threaded rod and metal shapes; keys, key duplication systems and accessories; and identification items, such as tags and letters, numbers and signs to retail outlets, primarily hardware stores, home centers and mass merchants.

2. Restatement of Consolidated Financial Statements:

Subsequent to the issuance of the Company’s December 31, 2009 consolidated financial statements, the Company concluded that certain of its accounting practices with respect to the income tax accounting for the Purchased Options and the Preferred Options were not in accordance with generally accepted accounting principles. As more fully described in Note 10, Common and Preferred Stock, certain members of management were issued options to purchase shares of Hillman Companies Class A Preferred Stock and the Hillman Investment Company Class A Preferred Stock. Changes in the fair value of the Purchased Options were recognized as interest expense and changes in the fair value of the Preferred Options were recognized as compensation expense. For income tax reporting purposes, changes in the fair value of the Purchased Options and the Preferred Options were treated as permanent book versus tax timing differences and, therefore, no income tax benefit was recognized. Management has determined that, upon exercise, the difference between the redemption value and strike price of the Purchased Options and Preferred Options is deductible for federal and state income tax. Therefore, there should be a tax benefit reported in each period where compensation and interest expense was recognized for the change in the fair value of the Preferred Options and the Purchased Options. Additionally, a benefit should be recognized for the cumulative difference in the fair value and the strike price of the Purchased Options at the date of the acquisition of Hillman Companies by CHS, OTPP and HarbourVest in 2004.

THE HILLMAN COMPANIES, INC. AND SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS—(Continued)
(dollars in thousands)

2. Restatement of Consolidated Financial Statements (continued):

As a result of the above, the Company restated its condensed consolidated statements of operations and cash flows for the three month and six month periods ended June 30, 2009. The following is a summary of the effects of these changes on the Company's condensed consolidated statements of operations and cash flows for the three month and six months ended June 30, 2009.

Predecessor	Condensed Consolidated Statement of Operations		
For the three months ended June 30, 2009:	As Previously Reported	Adjustments	As Restated
Income tax provision	$ 4,886	$ (433)	$ 4,453
Net income	1,920	433	2,353

Predecessor	Condensed Consolidated Statement of Operations		
For the six months ended June 30, 2009:	As Previously Reported	Adjustments	As Restated
Income tax provision	$ 6,077	$ (915)	$ 5,162
Net loss	2,399	(915)	1,484

Predecessor	Condensed Consolidated Statement of Cash Flows		
For the six months ended June 30, 2009:	As Previously Reported	Adjustments	As Restated
Net loss	$ 2,399	$ (915)	$ 1,484
Deferred income tax provision	5,141	(915)	4,226

3. Summary of Significant Accounting Policies:

Accounts Receivable and Allowance for Doubtful Accounts:

The Company establishes the allowance for doubtful accounts using the specific identification method and also provides a reserve in the aggregate. The estimates for calculating the aggregate reserve are based on historical collection experience. Increases to the allowance for doubtful accounts result in a corresponding expense. The allowance for doubtful accounts was $522 at June 30, 2010 and $514 at December 31, 2009.

Shipping and Handling:

The costs incurred to ship product to customers, including freight and handling expenses, are included in selling, general and administrative ("SG&A") expenses on the Company's statements of operations. The Successor shipping and handling costs included in SG&A were $1,999 for the one month period ended June 30, 2010. The Predecessor shipping and handling costs included in SG&A were $3,153 and $7,398 for the two and five month periods ended May 28, 2010, respectively. The Predecessor shipping and handling costs included in SG&A were $4,161 and $7,966 for the three and six month periods ended June 30, 2009, respectively.

Use of Estimates in the Preparation of Financial Statements:

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses for the reporting period. Actual results may differ from estimates.

THE HILLMAN COMPANIES, INC. AND SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS—(Continued)
(dollars in thousands)

4. Recent Accounting Pronouncements:

In January 2010, the FASB issued guidance on fair value measurements disclosures. This guidance amends the ASC to require new disclosures for fair value measurements and provides clarification for existing disclosure requirements. The guidance requires new disclosures about transfers in and out of Levels 1 and 2 and further descriptions for the reasons for the transfers. The guidance also requires more detailed disclosure about the activity within Level 3 fair value measurements. The Company adopted the guidance on January 1, 2010, except for the requirements related to Level 3 disclosures, which will be effective for annual and interim reporting periods beginning after December 15, 2010. This guidance requires expanded disclosures only, and did not and is not expected to have a material impact on the Company's consolidated results of operations and financial condition.

In February 2010, the FASB made amendments to certain recognition and disclosure requirements concerning subsequent events. This update addresses the interaction of the requirements of the ASC with the SEC's reporting requirements. The update requires an entity to evaluate subsequent events through the date that the financial statements are issued. The update also provides that a filer is not required to disclose the date through which subsequent events have been evaluated. All the amendments in this update are effective upon issuance of the final update. The adoption of this amendment did not have a material impact on the Company's consolidated results of operations and financial conditions.

5. Other Intangibles, net:

The values assigned to intangible assets in connection with the Merger Transaction were determined by management through a preliminary independent appraisal. The intangible asset values may be adjusted by management for any changes determined upon completion of work on the independent appraisal. In connection with the Merger Transaction, the Company acquired the Quick Tag license for consideration amounting to $11,500. Other intangibles, net as of June 30, 2010 and December 31, 2009 consist of the following:

	Estimated Useful Life (Years)	Successor June 30, 2010	Predecessor December 31, 2009
Customer relationships—Hillman	23	$199,093	$ 126,651
Customer relationships—All Points	15	—	555
Trademarks	Indefinite	77,476	47,394
Patents	9	13,806	7,960
Quick Tag license	6	11,500	—
Non compete agreements	4	—	5,742
Intangible assets, gross		301,875	188,302
Less: Accumulated amortization		1,009	41,662
Other intangibles, net		$300,866	$ 146,640

Intangible assets are amortized over their useful lives. The Predecessor's amortization expense for amortizable assets was $2,678 for the five months ended May 28, 2010 and was $3,537 for the six months ended June 30, 2009. The Successor's amortization expense for amortizable assets for the one month ended June 30, 2010 was $1,009. The combination of the amortization expense for amortizable assets of the Successor and Predecessor for the year ended December 31, 2010 is estimated to be $9,740. For the years ended December 31, 2011, 2012, 2013, 2014, and 2015, the Successor's amortization expense for amortizable assets is estimated to be $12,107, $12,107, $12,107 $12,107 and $12,107, respectively.

THE HILLMAN COMPANIES, INC. AND SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS—(Continued)
(dollars in thousands)

6. Commitments and Contingencies:

The Company self insures its product liability, automotive, workers' compensation and general liability losses up to $250 per occurrence. Catastrophic coverage has been purchased from third party insurers for occurrences in excess of $250 up to $35,000. The two risk areas involving the most significant accounting estimates are workers' compensation and automotive liability. Actuarial valuations performed by the Company's outside risk insurance expert, Insurance Services Office, Inc., were used by management to form the basis for workers' compensation and automotive liability loss reserves. The actuary contemplated the Company's specific loss history, actual claims reported, and industry trends among statistical and other factors to estimate the range of reserves required. Risk insurance reserves are comprised of specific reserves for individual claims and additional amounts expected for development of these claims, as well as for incurred but not yet reported claims. The Company believes the liability of approximately $1,842 recorded for such risk insurance reserves is adequate as of June 30, 2010, but due to judgments inherent in the reserve estimation process, it is possible the ultimate costs will differ from this estimate.

As of June 30, 2010, the Company has provided certain vendors and insurers letters of credit aggregating $5,487 related to its product purchases and insurance coverage of product liability, workers compensation and general liability.

The Company self-insures its group health claims up to an annual stop loss limit of $200 per participant. Aggregate coverage is maintained for annual group health insurance claims in excess of 125% of expected claims. Historical group insurance loss experience forms the basis for the recognition of group health insurance reserves. Provisions for losses expected under these programs are recorded based on an analysis of historical insurance claim data and certain actuarial assumptions. The Company believes the liability of approximately $1,729 recorded for such group health insurance reserves is adequate as of June 30, 2010, but due to judgments inherent in the reserve estimation process, it is possible the ultimate costs will differ from this estimate.

On May 4, 2010, Hy-Ko Products, Inc. filed a complaint against Hillman Group and Kaba Ilco Corp., a manufacturer of blank replacement keys, in the United States District Court for the Northern District of Ohio Eastern Division, alleging that the defendants engaged in violations of federal and state antitrust laws regarding their business practices relating to automatic key machines and replacement keys. Hy-Ko Products' May 4, 2010 filing against the Company is based, in part, on the Company's previously-filed claim against Hy-Ko Products alleging infringement of certain patents of the Company. The plaintiff is seeking unspecified monetary damages which would be trebled under the federal antitrust laws in the United States, interest and attorney's fees as well as injunctive relief. Because the lawsuit is in a preliminary stage, it is not yet possible to assess the impact that the lawsuit will have on the Company. However, the Company believes that it has meritorious defenses and intends to defend the lawsuit vigorously.

In addition, legal proceedings are pending which are either in the ordinary course of business or incidental to the Company's business. Those legal proceedings incidental to the business of the Company are generally not covered by insurance or other indemnity. In the opinion of management, the ultimate resolution of the pending litigation matters will not have a material adverse effect on the condensed consolidated financial position, operations or cash flows of the Company.

THE HILLMAN COMPANIES, INC. AND SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS—(Continued)
(dollars in thousands)

7. Related Party Transactions:

The Predecessor was obligated to pay management fees to a subsidiary of CHS in the amount of $58 per month. The Predecessor was also obligated to pay transaction fees to a subsidiary of OTPP in the amount of $26 per month, plus out of pocket expenses. The Successor has no management fee charges for the one month period ended June 30, 2010. The Predecessor has recorded aggregate management and transaction fee charges and expenses from CHS and OTPP of $187 and $438 for the two and five month periods ended May 28, 2010, respectively. The Predecessor also recorded aggregate management and transaction fee charges and expenses from CHS and OTPP of $256 and $509 for the three and six month periods ended June 30, 2009, respectively.

Gregory Mann and Gabrielle Mann are employed by All Points as President and Vice President, respectively. All Points leases an industrial warehouse and office facility from companies under the control of the Manns'. The Predecessor and Successor have recorded rental expense for the lease of this facility on an arm's length basis. The Successor recorded rental expense for the lease of this facility in the amount of $28 for the one month period ended June 30, 2010. The Predecessor recorded rental expense for the lease of this facility in the amount of $55 and $138 for the two and five month periods ended May 28, 2010, respectively. The Predecessor also recorded rental expense for the lease of this facility in the amount of $83 and $165 for the three and six month periods ended June 30, 2009, respectively.

8. Income Taxes:

The Company's policy is to estimate income taxes for interim periods based on estimated annual effective tax rates. These are derived, in part, from expected pre-tax income. However, the income tax provision for the three and six month periods ended June 30, 2010 have been computed on a discrete period basis. The Company's variability in income between quarters combined with the large permanent book versus tax differences and relatively low pre-tax income creates the inability to reliably estimate pre-tax income for the full fiscal year. Accordingly, the interim tax provision for the three and six month periods ended June 30, 2010 were calculated by multiplying pre-tax earnings, adjusted for permanent book versus tax basis differences, by the statutory income tax rate.

In the second quarter of 2010, the Company recognized a $323 increase in valuation reserves recorded against certain deferred tax assets. This impacted the effective income tax rate from the federal statutory rate by -0.9% in the six month period ended June 30, 2010. Also in the second quarter of 2010, the Company recognized a $1,554 increase in its reserves for uncertainty in accounting for income taxes. This adjustment decreased the deferred tax asset related to the future tax benefit of the Company's net operating loss carryforward. This impacted the effective income tax rate from the federal statutory rate by -4.4% in the six month period ended June 30, 2010.

The effective income tax rates were 12.4% and 140.3% for the six month periods ended June 30, 2010 and 2009, respectively. In addition to the effect of state taxes, the effective income tax rate differed from the federal statutory rate primarily due to the effect of nondeductible interest on mandatorily redeemable preferred stock and stock compensation expense.

THE HILLMAN COMPANIES, INC. AND SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS—(Continued)
(dollars in thousands)

9. Long Term Debt:

On May 28, 2010, Hillman Companies and certain of its subsidiaries closed on a $320,000 senior secured first lien credit facility (the "Senior Facilities"), consisting of a $290,000 term loan and a $30,000 revolving credit facility ("Revolver"). The term loan portion of the Senior Facilities has a six year term and the Revolver has a five year term. The Senior Facilities provide borrowings at interest rates based on a EuroDollar rate plus a margin of 3.75% (the "EuroDollar Margin"), or a base rate (the "Base Rate") plus a margin of 2.75% (the "Base Rate Margin"). The EuroDollar rate is subject to a minimum floor rate of 1.75% and the Base Rate is subject to a minimum floor of 2.75%.

Concurrently with the acquisition of the Company on May 28, 2010, Hillman Group issued $150,000 aggregate principal amount of its senior notes due June 1, 2018 (the "10.875% Senior Notes"), which are guaranteed by Hillman Companies and its domestic subsidiaries other than the Hillman Group Capital Trust. Hillman Group pays interest on the 10.875% Senior Notes semi-annually on June 1 and December 1 of each year.

The proceeds received from the Senior Facilities and Senior Notes together with proceeds obtained from the sale of Successor equity securities were used to repay the senior term loans and unsecured subordinated notes and to purchase the equity securities of the Predecessor in connection with the Merger Transaction.

10. Common and Preferred Stock:

Common Stock

Prior to the Merger Transaction, Hillman Companies had three classes of Common Stock. Immediately prior to the consummation of the Merger Transaction, the Company had (i) 23,141 authorized shares of Class A Common Stock, 6,201 of which were issued and outstanding, (ii) 2,500 authorized shares of Class B Common Stock, 970.6 of which were issued and outstanding, and (iii) 30,109 authorized shares of Class C Common Stock, 2,787.1 of which issued and outstanding.

Each share of Class A Common Stock entitled its holder to one vote. Each holder of Class A Common Stock was entitled at any time to convert any or all of such shares into an equal number of shares of Class C Common Stock. Holders of Class B Common Stock had no voting rights. The Class B Common Stock was initially purchased by and issued to certain members of the Company's management and was subject to vesting over five years in connection with the acquisition of Hillman Companies by affiliates of CHS and OTPP in 2004. Each share of Class C Common Stock entitled its holder to one vote, provided that the aggregate voting power of Class C Common Stock (with respect to the election of directors) could not exceed 30%. Each holder of Class C Common Stock was entitled at any time to convert any or all of the shares into an equal number of shares of Class A Common Stock.

Under the terms of an executive services agreement entered into by certain members of the Company's management, such members of management had the right to put their shares of Class A Common Stock and Class B Common Stock back to Hillman Companies under certain circumstances.

THE HILLMAN COMPANIES, INC. AND SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS—(Continued)
(dollars in thousands)

10. Common and Preferred Stock (continued):

Upon consummation of the Merger Transaction, each share of Class A Common Stock, Class B Common Stock and Class C Common Stock of Hillman Companies issued and outstanding immediately prior thereto (other than as set forth in the immediately preceding sentence), as well as each outstanding option to purchase any such shares of common stock, was converted into the right to receive, in cash, a portion of the merger consideration in the Merger Transaction. Certain such shares held by Company management were contributed by the holders thereof to Holdco in exchange for shares of Holdco.

After consummation of the Merger Transaction, Hillman Companies has one class of Common Stock. All outstanding shares of Hillman Companies common stock are owned by Holdco.

Preferred Stock:

Immediately prior to the Merger Transaction, Hillman Companies had 238,889 authorized shares of its Class A Preferred Stock, 82,104.8 of which were issued and outstanding and 13,450.7 of which were reserved for issuance upon the exercise of options to purchase shares of its Class A Preferred Stock. Holders of Hillman Companies' Class A Preferred Stock were not entitled to any voting rights and were entitled to preferential dividends that accrued on a daily basis.

In addition, prior to the Merger Transaction, Hillman Investment Company, a subsidiary of Hillman Companies, had 166,667 authorized shares of its Class A Preferred Stock, 57,282.4 of which were issued and outstanding and 9,384.2 of which were reserved for issuance upon the exercise of options to purchase shares of its Class A Preferred Stock. Holders of Hillman Investment Company's Class A Preferred Stock were not entitled to any voting rights and were entitled to preferential dividends that accrued on a daily basis.

Upon consummation of the Merger Transaction, each share of Hillman Companies' Class A Preferred Stock issued and outstanding immediately prior thereto, as well as each outstanding option to purchase any such shares of preferred stock, was converted into the right to receive an amount, in cash, equal to the liquidation value thereof plus all accrued and unpaid dividends on such shares as of the effective time of the Merger Transaction. In addition, at closing of the Merger Transaction, Hillman Investment Company redeemed each outstanding share of its Class A Preferred Stock at an amount equal to the liquidation value thereof plus all accrued and unpaid dividends on such shares as of the effective time of the Merger Transaction. Options to purchase shares of Hillman Investment Company's Class A Preferred Stock were cancelled in exchange for a similar cash payment.

After consummation of the Merger Transaction, neither Hillman Companies nor Hillman Investment Company has issued any shares of preferred stock or any options to purchase any such shares.

THE HILLMAN COMPANIES, INC. AND SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS—(Continued)
(dollars in thousands)

11. Stock-Based Compensation:

On March 31, 2004, the Predecessor adopted its 2004 Stock Option Plan following Board of Director and shareholder approval. Grants under the 2004 Common Option Plan consisted of non-qualified stock options for the purchase of Class B Common Shares. In addition, immediately prior to the consummation of the Merger Transaction, there were outstanding options to purchase 9,274.08 shares of Hillman Companies' Class A Preferred Stock and 6,470.36 shares of Hillman Investment Company's Class A Preferred Stock. In connection with the Merger Transaction, the 2004 Stock Option Plan was terminated, and all options outstanding thereunder were cancelled, and the options to purchase shares of Hillman Companies' and Hillman Investment Company's Class A Preferred Stock were cancelled. See Note 10, Common and Preferred Stock, for more information.

Effective May 28, 2010, Holdco established the OHCP HM Acquisition Corp. 2010 Stock Option Plan (the "Option Plan"), pursuant to which Holdco may grant options for up to an aggregate of 34,293.469 shares of its common stock. The Option Plan is administered by a committee of the Holdco board of directors. Such committee determines the terms of each option grant under the Option Plan, except that the exercise price of any granted options may not be lower than the fair market value of one share of common stock of Holdco as of the date of grant. As of June 30, 2010, no options have been granted under the Option Plan.

12. Derivatives and Hedging:

The Company uses derivative financial instruments to manage its exposures to interest rate fluctuations on its floating rate senior debt. The Company measures those instruments at fair value and recognizes changes in the fair value of derivatives in earnings in the period of change, unless the derivative qualifies as an effective hedge that offsets certain exposures.

On August 29, 2008, the Company entered into an Interest Rate Swap Agreement ("2008 Swap") with a three-year term for a notional amount of $50 million. The 2008 Swap fixed the interest rate at 3.41% plus applicable interest rate margin. The 2008 Swap was terminated on May 24, 2010.

The 2008 Swap was designated as a cash flow hedge, and prior to its termination on May 24, 2010, it was reported on the condensed consolidated balance sheet in other non-current liabilities with a related deferred charge recorded as a component of other comprehensive income in stockholders' equity. For the period ended May 28, 2010, interest expense in the accompanying Predecessor condensed consolidated income statement includes a $1,579 charge incurred to terminate the 2008 Swap.

On June 24, 2010, the Company entered into an Interest Rate Swap Agreement ("2010 Swap") with a two-year term for a notional amount of $115,000. The effective date of the 2010 Swap is May 31, 2011 and its termination date is May 31, 2013. The 2010 Swap fixes the interest rate at 2.47% plus the applicable interest rate margin.

The Company anticipates that the 2010 Swap will be designated as a cash flow hedge when it becomes effective at May 31, 2011. No deferred charges or gains related to the 2010 Swap were recorded as of June 30, 2010.

THE HILLMAN COMPANIES, INC. AND SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS—(Continued)
(dollars in thousands)

13. Fair Value Measurements:

On January 1, 2008, the Company adopted the guidance that applies to all assets and liabilities that are being measured and reported on a fair value basis. The guidance defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The guidance also establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value and requires that assets and liabilities carried at fair value be classified and disclosed in one of the following three categories:

Level 1: Quoted market prices in active markets for identical assets or liabilities.

Level 2: Observable market-based inputs or unobservable inputs that are corroborated by market data.

Level 3: Unobservable inputs reflecting the reporting entity's own assumptions.

The accounting guidance establishes a hierarchy which requires an entity to maximize the use of quoted market prices and minimize the use of unobservable inputs. An asset or liability's level is based on the lowest level of input that is significant to the fair value measurement.

The following tables set forth the Company's financial assets and liabilities that were measured at fair value on a recurring basis during the periods ended June 30, 2010 and December 31, 2009, by level, within the fair value hierarchy:

	As of June 30, 2010			
	Level 1	Level 2	Level 3	Total
Trading securities	$3,028	$ —	$ —	$ 3,028
Fixed rate debt	—	(150,000)	—	(150,000)

	As of December 31, 2009			
	Level 1	Level 2	Level 3	Total
Trading securities	$3,043	$ —	$ —	$ 3,043
Interest rate swap	—	(1,894)	—	(1,894)
Fixed rate debt	—	(49,820)	—	(49,820)

Trading securities are valued using quoted prices on an active exchange. Trading securities represent assets held in a Rabbi Trust to fund deferred compensation liabilities and are included as restricted investments on the accompanying condensed consolidated balance sheets.

For the five months ended May 28, 2010, the unrealized gains on these securities of $16 were recorded by the Predecessor as other income. For the one month ended June 30, 2010, the unrealized losses on these securities of $46 were recorded by the Successor as other expense. In each period, an offsetting entry, for the same amount, adjusting the deferred compensation liability and compensation expense within SG&A was also recorded.

For the six months ended June 30, 2009, the unrealized losses on these securities of $79 were recorded by the Predecessor as other expense. An offsetting entry, for the same amount, decreasing the deferred compensation liability and compensation expense within SG&A was also recorded.

THE HILLMAN COMPANIES, INC. AND SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS—(Continued)
(dollars in thousands)

13. Fair Value Measurements (continued):

The Company utilizes interest rate swap contracts to manage its targeted mix of fixed and floating rate debt, and these swaps are valued using observable benchmark rates at commonly quoted intervals for the full term of the swaps. Prior to its termination on May 24, 2010, the 2008 Swap was included in other non-current liabilities on the accompanying condensed consolidated balance sheet. The 2010 Swap does not become effective until May 31, 2011 and its estimated fair value is zero at June 30, 2010.

Fixed rate debt is valued at its fair value which is approximately equal to its current outstanding principal amount and is included in long-term senior notes on the accompanying condensed consolidated balance sheets.

14. Non-Recurring Expenses:

In the quarter ended June 30, 2010, the Company incurred $21,714 of non-recurring, one-time charges related to the Merger Transaction. The Predecessor incurred $11,311 of the non-recurring expense total primarily for investment banking, legal and other advisory fees related to the sale of the Company. The remaining $10,403 of non-recurring expense was incurred by the Successor for legal, consulting, accounting and other advisory services incurred in connection with the acquisition of the Company.

15. Subsequent Events:

The Company’s management has evaluated potential subsequent events for recording and disclosure in this Quarterly Report on Form 10-Q for the quarter ended June 30, 2010. There are no items requiring disclosure.

Item 2.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

All of the financial information presented in this Item 2 has been adjusted to reflect the restatement of the accompanying consolidated financial statements as of and for the three and six month fiscal periods ended June 30, 2009. Specifically, we have restated our condensed consolidated statement of income and condensed consolidated statement of cash flows for the three and six months ended June 30, 2009. The restatement is more fully described in Note 2 "Restatement of Consolidated Financial Statements," which is included in the notes to condensed consolidated financial statements of this Form 10-Q.

The following discussion provides information which management believes is relevant to an assessment and understanding of the Company's operations and financial condition. This discussion should be read in conjunction with the condensed consolidated financial statements and accompanying notes.

Forward-Looking Statements

Certain disclosures related to acquisitions, refinancing, capital expenditures, resolution of pending litigation and realization of deferred tax assets contained in this quarterly report involve substantial risks and uncertainties and may constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. In some cases, you can identify forward-looking statements by terminology such as "may," "will," "should," "could," "would," "expect," "plan," "anticipate," "believe," "estimate," "continue," "project" or the negative of such terms or other similar expressions.

These forward-looking statements are not historical facts, but rather are based on management's current expectations, assumptions and projections about future events. Although management believes that the expectations, assumptions and projections on which these forward-looking statements are based are reasonable, they nonetheless could prove to be inaccurate, and as a result, the forward-looking statements based on those expectations, assumptions and projections also could be inaccurate. Forward-looking statements are not guarantees of future performance. Instead, forward-looking statements are subject to known and unknown risks, uncertainties and assumptions that may cause the Company's strategy, planning, actual results, levels of activity, performance, or achievements to be materially different from any strategy, planning, future results, levels of activity, performance, or achievements expressed or implied by such forward-looking statements. Actual results could differ materially from those currently anticipated as a result of a number of factors, including the risks and uncertainties discussed under captions "Risk Factors" set forth in Item 1A of the Company's Annual Report on Form 10-K for the year ended December 31, 2009, as amended by Amendment No.1 to the Company's annual report filed on Form 10-K/A. Given these uncertainties, current or prospective investors are cautioned not to place undue reliance on any such forward-looking statements.

All forward-looking statements attributable to the Company or persons acting on its behalf are expressly qualified in their entirety by the cautionary statements included in this report and the risk factors referenced above; they should not be regarded as a representation by the Company or any other individual. We undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. In light of these risks, uncertainties and assumptions, the forward-looking events discussed in this report might not occur or be materially different from those discussed.

General

The Hillman Companies, Inc. ("Hillman" or the "Company") is one of the largest providers of hardware-related products and related merchandising services to retail markets in North America through its wholly-owned subsidiary, The Hillman Group, Inc.

("Hillman Group"). A subsidiary of Hillman Group operates in (1) Canada under the name The Hillman Group Canada, Ltd., (2) Mexico under the name SunSource Integrated Services de Mexico SA de CV, and (3) primarily in Florida under the name All Points Industries, Inc. Hillman Group sells its product lines and provides its services to hardware stores, home centers, mass merchants, pet supply stores, and other retail outlets principally in the United States, Canada, Mexico, Latin America and the Caribbean. Product lines include thousands of small parts such as fasteners and related hardware items; threaded rod and metal shapes; keys, key duplication systems and accessories; and identification items, such as, tags and letters, numbers, and signs ("LNS"). Services offered include design and installation of merchandising systems and maintenance of appropriate in-store inventory levels.

Merger Transaction

On May 28, 2010, Hillman was acquired by affiliates of Oak Hill Capital Partners ("OHCP") and certain members of Hillman's management and Board of Directors. Pursuant to the terms and conditions of an Agreement and Plan of Merger dated as of April 21, 2010, the Company was merged with an affiliate of OHCP with the Company surviving the merger (the "Merger Transaction"). As a result of the Merger Transaction, Hillman is a wholly-owned subsidiary of OCHP HM Acquisition Corp. ("Holdco"). The total consideration paid in the Merger Transaction was $831.1 million including repayment of outstanding debt and including the value of the Company's outstanding junior subordinated debentures ($105.4 million liquidation value at time of the merger). The merger consideration is subject to certain post-closing working capital and other adjustments.

Prior to the Merger Transaction, affiliates of Code Hennessy & Simmons LLC ("CHS") owned 49.3% of the Company's outstanding common stock and 54.6% of the Company's voting common stock, Ontario Teacher's Pension Plan ("OTPP") owned 28.0% of the Company's outstanding common stock and 31.0% of the Company's voting common stock and HarbourVest Partners VI owned 8.7% of the Company's outstanding common stock and 9.7% of the Company's voting common stock. Certain current and former members of management owned 13.7% of the Company's outstanding common stock and 4.4% of the Company's voting common stock.

The Company's condensed consolidated balance sheet as of May 28, 2010 and its related statements of operations, cash flows and changes in stockholders' equity for the periods presented prior to May 28, 2010 are referenced herein as the predecessor financial statements (the "Predecessor" or "Predecessor Financial Statements"). The Company's condensed consolidated balance sheet as of June 30, 2010 and its related statements of operations, cash flows and changes in stockholders' equity for the periods presented subsequent to the Merger Transaction are referenced herein as the successor financial statements (the "Successor" or "Successor Financial Statements"). The Predecessor Financial Statements do not reflect certain transaction amounts that were incurred at the close of the Merger Transaction. Such transaction amounts include the write-off of $5.0 million in deferred financing fees associated with the Predecessor debt obligations.

Financing Arrangements

On May 28, 2010, the Company and certain of its subsidiaries closed on a $320.0 million senior secured first lien credit facility (the "Senior Facilities"), consisting of a $290.0 million term loan and a $30.0 million revolving credit facility ("Revolver"). The term loan portion of the Senior Facilities has a six year term and the Revolver has a five year term. The Senior Facilities provide borrowings at interest rates based on a EuroDollar rate plus a margin of 3.75% (the "EuroDollar Margin"), or a base rate (the "Base Rate") plus a margin of 2.75% (the "Base Rate Margin"). The EuroDollar rate is subject to a minimum floor of 1.75% and the Base Rate is subject to a minimum floor of 2.75%.

Concurrently with the consummation of the Merger Transaction, Hillman Group issued $150.0 million aggregate principal amount of its senior notes due June 1, 2018 (the "10.875% Senior Notes"), which are guaranteed by Hillman and its domestic subsidiaries other than the Hillman Group Capital Trust (the "Trust"). Hillman Group pays interest on the 10.875% Senior Notes semi-annually on June 1 and December 1 of each year.

Prior to the consummation of the Merger Transaction, the Company, through Hillman Group, was party to a Senior Credit Agreement (the "Old Credit Agreement"), consisting of a $20.0 million revolving credit line and a $235.0 million term loan. The facilities under the Old Credit Agreement had a maturity date of March 31, 2012. In addition, the Company, through Hillman Group, had issued $49.8 million in aggregate principal amount of unsecured subordinated notes to a group of investors, including affiliates of AEA Investors LP, CIG & Co. and several private investors that were scheduled to mature on September 30, 2012. In connection with the Merger Transaction, both the Old Credit Agreement and the subordinated note issuance were repaid and terminated.

The Senior Facilities contain financial and operating covenants. These covenants require the Company to maintain certain financial ratios, including an interest coverage ratio and leverage ratios. These debt agreements provide for customary events of default, including, but not limited to, payment defaults, breach of representations or covenants, cross-defaults, bankruptcy events, failure to pay judgments, attachment of its assets, change of control and the issuance of an order of dissolution. Certain of these events of default are subject to notice and cure periods or materiality thresholds. The occurrence of an event of default permits the lenders under the Senior Facilities to accelerate repayment of all amounts due.

The Company pays interest to the Trust on the Junior Subordinated Debentures underlying the Trust Preferred Securities at the rate of 11.6% per annum on their face amount of $105.4 million, or $12.2 million per annum in the aggregate. The Trust distributes an equivalent amount to the holders of the Trust Preferred Securities. In order to retain capital, the Company's Board of Directors determined to temporarily defer interest payments on the Junior Subordinated Debentures and the Trust determined to defer the payment of cash distributions to holders of Trust Preferred Securities beginning with the January 2009 distribution. The Company's decision to defer the payment of interest on the Junior Subordinated Debentures was designed to ensure that the Company preserve cash and maintain its compliance with the financial covenants contained in its Senior Credit and Subordinated Debt Agreements. Pursuant to the Indenture that governs the Trust Preferred Securities, the Trust is able to defer distribution payments to holders of the Trust Preferred Securities for a period that cannot exceed 60 months (the "Deferral Period"). During the Deferral Period, the Company was required to accrue the full amount of all interest payable, and such deferred interest payable was immediately payable by the Company at the end of the Deferral Period. On July 31, 2009, the Company ended the Deferral Period and the Trust resumed monthly distributions and paid all deferred distributions to holders of the Trust Preferred Securities.

On August 29, 2008, the Company entered into an Interest Rate Swap Agreement (the "2008 Swap") with a three-year term for a notional amount of $50 million. The 2008 Swap fixed the interest rate at 3.41% plus applicable interest rate margin. The 2008 Swap was terminated on May 24, 2010.

On June 24, 2010, the Company entered into an Interest Rate Swap Agreement (the "2010 Swap") with a two-year term for a notional amount of $115 million. The effective date of the 2010 Swap is May 31, 2011 and its termination date is May 31, 2013. The 2010 Swap fixes the interest rate at 2.47% plus applicable interest rate margin.

Results of Operations

The Company's accompanying interim condensed consolidated financial statements are presented for two periods, Predecessor and Successor, which relate to the accounting periods preceding and succeeding the completion of the Merger Transaction. The Predecessor and Successor periods have been separated by a vertical line on the face of the condensed consolidated financial statements to highlight the fact that the financial information for such periods has been prepared under two different historical cost bases of accounting. The following analysis of results of operations includes a brief discussion of the factors that affected the Company's operating results in the Predecessor period of April 1 – May 28, 2010, and a comparative analysis of the Successor period of May 29 – June 30, 2010 and the Predecessor period of the three months ended June 30, 2009.

(dollars in thousands)	Successor One Month Ended June 30, 2010 Amount	% of Total	Predecessor Two Months Ended May 28, 2010 Amount	% of Total	Predecessor Three Months Ended June 30, 2009 Amount (As restated)	% of Total
Net sales	$ 47,700	100.0%	$ 77,256	100.0%	$ 123,813	100.0%
Cost of sales (exclusive of depreciation and amortization shown separately below)	23,022	48.3%	37,835	49.0%	61,109	49.4%
Gross profit	24,678	51.7%	39,421	51.0%	62,704	50.6%
Operating expenses:						
Selling	7,193	15.1%	12,722	16.5%	19,174	15.5%
Warehouse & delivery	5,046	10.6%	8,121	10.5%	12,478	10.1%
General & administrative	2,060	4.3%	4,093	5.3%	6,120	4.9%
Stock compensation expense	—	0.0%	17,626	22.8%	2,504	2.0%
Total SG&A	14,299	30.0%	42,562	55.1%	40,276	32.5%
Non-recurring expense (a)	10,403	21.8%	11,311	14.6%	—	0.0%
Depreciation	1,522	3.2%	2,993	3.9%	4,214	3.4%
Amortization	1,009	2.1%	1,071	1.4%	1,809	1.5%
Management and transaction fees to related party	—	0.0%	187	0.2%	256	0.2%
Total operating expenses	27,233	57.1%	58,124	75.2%	46,555	37.6%
Other (expense) income, net	(136)	-0.3%	(227)	-0.3%	166	0.1%
(Loss) income from operations	(2,691)	-5.6%	(18,930)	-24.5%	16,315	13.2%
Interest expense, net	3,619	7.6%	4,147	5.4%	3,300	2.7%
Interest expense on mandatorily redeemable preferred stock & management purchased options	—	0.0%	2,242	2.9%	3,031	2.4%
Interest expense on junior subordinated notes	1,051	2.2%	2,102	2.7%	3,272	2.6%
Investment income on trust common securities	(31)	-0.1%	(63)	-0.1%	(94)	-0.1%
(Loss) income before income taxes	(7,330)	-15.4%	(27,358)	-35.4%	6,806	5.5%
Income tax (benefit) provision	(1,860)	-3.9%	(3,719)	-4.8%	4,453	3.6%
Net (loss) income	$ (5,470)	-11.5%	$ (23,639)	-30.6%	$ 2,353	1.9%

(a) Represents one-time charges for investment banking, legal and other professional fees incurred in connection with the Merger Transaction.

Current Economic Conditions

The U.S. economy has undergone a period of recession and the future economic environment may continue to be less favorable than that of recent years. This slowdown has, and could further lead to, reduced consumer and business spending in the foreseeable future, including by our customers. In addition, economic conditions, including decreased access to credit, may result in financial difficulties leading to restructurings, bankruptcies, liquidations and other unfavorable events for our customers, suppliers and other service providers. If such conditions continue or further deteriorate in the remainder of 2010 or through fiscal 2011, our industry, business and results of operations may be impacted.

The Company's business is impacted by general economic conditions in the U.S. and international markets, particularly the U.S. retail markets including hardware stores, home centers, mass merchants, and other retailers. In recent quarters, operations have been negatively impacted by the general downturn in the U.S. economy, including higher unemployment figures, and the contraction of the retail market. Although there have been certain signs of improvement in the economy, generally such conditions are not expected to improve significantly in the near term and may have the effect of reducing consumer spending which could adversely affect our results of operations during the remainder of this year or beyond.

The Company is sensitive to inflation or deflation present in the economies of the United States and foreign suppliers located primarily in Taiwan and China. For the last several years leading up to 2009, the rapid growth in China's economic activity produced significantly rising costs of certain imported fastener products. In addition, the cost of commodities such as copper, zinc, aluminum, nickel, and plastics used in the manufacture of other Company products increased sharply. Further, increases in the cost of diesel fuel contributed to transportation rate increases. In the second half of 2008 and during the first half of 2009, national and international economic difficulties started a reversal of the trend of rising costs for our products and commodities used in the manufacture of our products, including a decrease in the cost of oil and diesel fuel. During the second half of 2009 and the first half of 2010,the Company has seen an end to decreasing costs and, in certain instances, moderate increases in the costs for our products and commodities used in the manufacture of our products. While inflation and resulting cost increases over a period of years would result in significant increases in inventory costs and operating expenses, the opposite is true when exposed to a prolonged period of cost decreases. The ability of the Company's operating divisions to institute price increases and seek price concessions, as appropriate, is dependent on competitive market conditions.

Predecessor Period of April 1 - May 28, 2010 vs Predecessor Period of the Three Months Ended June 30, 2009

Revenues

Net sales for the period of April 1 – May 28, 2010 (the "2010 two month period") were $77.3 million, or $1.93 million per ship day, compared to net sales for the second quarter of 2009 of $123.8 million, or $1.97 million per ship day. The decrease in revenue of $46.5 million was directly attributable to comparing operating results of 40 ship days in the 2010 two month period to the results from 63 ship days in 2009. The sales per ship day of $1.93 million in the 2010 two month period was approximately 2.0% less than the sales per ship day of $1.97 million in the second quarter of 2009.

Expenses

Operating expenses for the period of April 1 – May 28, 2010 were $58.1 million compared to $46.6 million for the second quarter of 2009. The increase in operating expenses is primarily due to the higher amount of stock compensation and non-recurring expense recorded in connection with the Merger Transaction in the 2010 two month period. The shorter 40 day ship period in the 2010 two month period provided certain favorable operating expense variances as compared to the 63 day ship period in the second quarter of 2009. The following changes in underlying trends also impacted the change in operating expenses:

- The Company's gross profit percentage was 51.0% in the 2010 two month period compared to 50.6% in the second quarter of 2009. The Company experienced a significant increase in the unit cost of inventory during most of 2008 as a result of increases in related commodities used in our products such as steel, zinc, nickel, aluminum, copper and plastics. The higher unit cost negatively impacted gross profit in the second half of 2008 and first half of 2009 as the higher unit cost product sold through inventory. In 2009, commodity prices moderated and in particular the cost of steel based fasteners sourced primarily from Taiwan and China returned to the levels prior to the significant price increases seen in 2008. The Company anticipates that the average inventory unit costs will remain stable for the remainder of this year.
- Warehouse and delivery expense was $8.1 million, or 10.5% of net sales, in the 2010 two month period compared to $12.5 million, 10.1% of net sales in the second quarter of 2009. Freight expense, the largest component of warehouse and delivery expense, increased from 3.9% of net sales in 2009 to 4.4% of net sales in the 2010 period. The 2010 freight costs included the negative impact of higher fuel surcharges and lower average customer order sizes.
- Stock compensation expenses from stock options primarily related to the 2004 Merger Transaction resulted in a charge of $17.6 million in the 2010 two month period. The change in the fair value of the Class B Common Stock is included in stock compensation expense and this resulted in an additional charge of $13.4 million. The significant increase in the fair value of the Class B Common Stock in this predecessor period resulted from the acquisition price paid by OHCP for the Company. In addition, a stock compensation charge of $3.7 million was recorded for the increase in the fair value of the common stock options. The stock compensation expense was $2.5 million in the second quarter of 2009.
- Non-recurring expense of $11.3 million in the 2010 two month period represents one-time charges for investment banking, legal and other expenses incurred by the Predecessor in connection with the Merger Transaction. There were no non-recurring expenses in the second quarter of 2009.
- Interest expense, net, was $4.1 million in the 2010 two month period compared to $3.3 million for the second quarter of 2009. The increase in interest expense for the 2010 two month period was primarily the result of a $1.6 million interest charge incurred for the termination of the 2008 Swap.

Successor Period of May 28 – June 30, 2010 vs Predecessor Period of the Three Months Ended June 30, 2009

Revenues

Net sales for the period of May 28 – June 30, 2010 (the "2010 period") were $47.7 million, or $1.99 million per ship day, compared to net sales for the second quarter of 2009 of $123.8 million, or $1.97 million per ship day. The decrease in revenues of $76.1 million are directly attributable to comparing operating results of 24 ship days in the 2010 period to the results from 63 ship days in 2009. However, the sales per ship day of $1.99 million in the 2010 period were approximately 1.0% more than the sales per ship day of $1.97 million in the second quarter of 2009.

Expenses

Operating expenses for the 2010 period ended June 30, 2010 were $27.2 million compared to $46.6 million for the second quarter of 2009. The decrease in operating expenses is primarily due to the 24 day ship period in the 2010 period as compared to the 63 day ship period in the second quarter of 2009. The following changes in underlying trends also impacted the change in operating expenses:

- The Company's gross profit percentage was 51.7% in the 2010 period compared to 50.6% in the second quarter of 2009. The Company experienced a significant increase in the unit cost of inventory during most of 2008 as a result of increases in related commodities used in our products such as steel, zinc, nickel, aluminum, copper and plastics. The higher unit cost negatively impacted gross profit in the second half of 2008 and first half of 2009 as the higher unit cost product sold through inventory. In 2009, commodity prices moderated and in particular the cost of steel based fasteners sourced primarily from Taiwan and China returned to the levels prior to the significant price increases seen in 2008. The Company anticipates that the average inventory unit costs will remain stable for the remainder of this year.
- Warehouse and delivery expense was $5.0 million, or 10.6% of net sales, in the 2010 period compared to $12.5 million, or 10.1% of net sales in the second quarter of 2009. Freight expense, the largest component of warehouse and delivery expense, increased from 3.9% of net sales in 2009 to 4.6% of net sales in the 2010 period. The 2010 freight costs included the negative impact of higher fuel surcharges and lower average customer order sizes.
- No stock options or incentive awards have been granted by the Successor, and accordingly, there was no stock compensation expense recorded in the 2010 period. The stock compensation expense was $2.5 million in the second quarter of 2009.
- Non-recurring expense of $10.4 million in the 2010 period represents one-time charges for legal, professional, diligence and other expenses incurred by the Successor in connection with the Merger Transaction. There were no non-recurring expenses in the second quarter of 2009.
- Amortization expense was $1.0 million in the 2010 period, or an estimated annual rate of $12.0 million. The amortization expense of $1.8 million in the second quarter of 2009 amounted to an estimated annual rate of approximately $7.1 million. The higher annual rate of amortization expense for the 2010 period was due to the increase in intangible assets subject to amortization acquired as a result of the Merger Transaction.
- Interest expense, net, was $3.6 million in the 2010 period, or an estimated annual rate of approximately $43.2 million. The interest expense was $3.3 million for the second quarter of 2009, or an estimated annual rate of approximately $13.2 million. The increase in estimated annual rate of interest expense was primarily the result of the higher level of debt outstanding following the Merger Transaction.
- The Successor incurred no interest expense on mandatorily redeemable preferred stock and management purchased options as a result of their redemption in connection with the Merger Transaction. The interest expense on these securities was $3.0 million for the second quarter of 2009.

The Company's accompanying interim condensed consolidated financial statements are presented for two periods, Predecessor and Successor, which relate to the accounting periods preceding and succeeding the completion of the Merger Transaction. The Predecessor and Successor periods have been separated by a vertical line on the face of the condensed consolidated financial statements to highlight the fact that the financial information for such periods has been prepared under two different historical cost bases of accounting. The following analysis of results of operations includes a brief discussion of the factors that affected the Company's operating results in the Predecessor period of January 1 – May 28, 2010, and a comparative analysis of the Successor period of May 29 – June 30, 2010 and the Predecessor period of the six months ended June 30, 2009.

(dollars in thousands)	Successor One Month Ended June 30, 2010 Amount	% of Total	Predecessor Five Months Ended May 28, 2010 Amount	% of Total	Predecessor Six Months Ended June 30, 2009 Amount (As restated)	% of Total
Net sales	$ 47,700	100.0%	$ 185,716	100.0%	$ 236,026	100.0%
Cost of sales (exclusive of depreciation and amortization shown separately below)	23,022	48.3%	89,773	48.3%	119,385	50.6%
Gross profit	24,678	51.7%	95,943	51.7%	116,641	49.4%
Operating expenses:						
Selling	7,193	15.1%	33,568	18.1%	39,716	16.8%
Warehouse & delivery	5,046	10.6%	19,945	10.7%	24,220	10.3%
General & administrative	2,060	4.3%	10,284	5.5%	12,480	5.3%
Stock compensation expense	—	0.0%	19,053	10.3%	3,800	1.6%
Total SG&A	14,299	30.0%	82,850	44.6%	80,216	34.0%
Non-recurring expense (a)	10,403	21.8%	11,342	6.1%	—	0.0%
Depreciation	1,522	3.2%	7,283	3.9%	8,892	3.8%
Amortization	1,009	2.1%	2,678	1.4%	3,537	1.5%
Management and transaction fees to related party	—	0.0%	438	0.2%	509	0.2%
Total operating expenses	27,233	57.1%	104,591	56.3%	93,154	39.5%
Other expense, net	(136)	-0.3%	(114)	-0.1%	(467)	-0.2%
(Loss) income from operations	(2,691)	-5.6%	(8,762)	-4.7%	23,020	9.8%
Interest expense, net	3,619	7.6%	8,327	4.5%	7,128	3.0%
Interest expense on mandatorily redeemable preferred stock & management purchased options	—	0.0%	5,488	3.0%	5,949	2.5%
Interest expense on junior subordinated notes	1,051	2.2%	5,254	2.8%	6,454	2.7%
Investment income on trust common securities	(31)	-0.1%	(158)	-0.1%	(189)	-0.1%
(Loss) income before income taxes	(7,330)	-15.4%	(27,673)	-14.9%	3,678	1.6%
Income tax (benefit) provision	(1,860)	-3.9%	(2,465)	-1.3%	5,162	2.2%
Net loss	$ (5,470)	-11.5%	$ (25,208)	-13.6%	$ (1,484)	-0.6%

(a) Represents one-time charges for investment banking, legal and other professional fees incurred in connection with the Merger Transaction.

Predecessor Period of January 1 – May 28, 2010 vs Predecessor Period of the Six Months Ended June 30, 2009

Revenues

Net sales for the period of January 1 – May 28, 2010 (the "2010 five month period") were $185.7 million, or $1.77 million per shipping day, compared to net sales for the first half of 2009 of $236.0 million, or $1.83 million per shipping day. The decrease in revenues of $50.3 million was directly attributable to comparing operating results of 105 shipping days in the 2010 five month period to the results from 129 shipping days in 2009. The sales per shipping day of $1.77 million in the 2010 five month period was approximately 3.3% lower than the sales per shipping day of $1.83 million in the first half of 2009. The decrease in sales per day for the 2010 five month period was the result of higher seasonal sales per day during the June period included in the first half of 2009 as compared to the average sales per day for the January to May period.

Expenses

Operating expenses for the period of January 1 – May 28, 2010 were $104.6 million compared to $93.2 million for the first half of 2009. The increase in operating expenses is primarily due to the higher amount of stock compensation and non-recurring expense recorded in connection with the Merger Transaction in the 2010 five month period. The shorter 105 day ship period in the 2010 five month period provided certain favorable operating expense variances as compared to the 129 day ship period in the first half of 2009. The following changes in underlying trends also impacted the change in operating expenses:

- The Company's gross profit percentage was 51.7% in the 2010 five month period compared to 49.4% in the first half of 2009. The Company experienced a significant increase in the unit cost of inventory during most of 2008 as a result of increases in related commodities used in our products such as steel, zinc, nickel, aluminum, copper and plastics. The higher unit cost negatively impacted gross profit in the second half of 2008 and first half of 2009 as the higher unit cost product sold through inventory. In 2009, commodity prices moderated and in particular the cost of steel based fasteners sourced primarily from Taiwan and China returned to the levels prior to the significant price increases seen in 2008. The Company anticipates that the average inventory unit costs will remain stable for the remainder of this year.
- Warehouse and delivery expense was $19.9 million, or 10.7% of net sales, in the 2010 five month period compared to $24.2 million, 10.3% of net sales in the first half of 2009. Freight expense, the largest component of warehouse and delivery expense, increased from 3.8% of net sales in 2009 to 4.1% of net sales in the 2010 five month period. The 2010 freight costs included the negative impact of higher fuel surcharges and lower average customer order sizes.
- Stock compensation expenses from stock options primarily related to the 2004 Merger Transaction resulted in a charge of $19.1 million in the 2010 five month period. The change in the fair value of the Class B Common Stock is included in stock compensation expense and this resulted in an additional charge of $13.9 million. The significant increase in the fair value of the Class B Common Stock in this predecessor period resulted from the acquisition price paid by OHCP for the Company. In addition, a stock compensation charge of $3.7 million was recorded for the increase in the fair value of the common stock options. The stock compensation expense was $3.8 million in the first half of 2009.
- Non-recurring expense of $11.3 million in the 2010 five month period represents one-time charges for investment banking, legal and other expenses incurred in connection with the Merger Transaction. There were no non-recurring expenses in the first half of 2009.
- Interest expense, net, was $8.3 million in the 2010 five month period compared to $7.1 million for the first half of 2009. The increase in interest expense for the 2010 five month period was primarily the result of a $1.6 million interest charge incurred for the termination of the 2008 Swap.

Successor Period of May 28 – June 30, 2010 vs Predecessor Period of the Six Months Ended June 30, 2009

Revenues

Net sales for the period of May 28 – June 30, 2010 were $47.7 million, or $1.99 million per shipping day, compared to net sales for the first half of 2009 of $236.0 million, or $1.83 million per shipping day. The decrease in revenues of $188.3 million was directly attributable to comparing operating results of 24 shipping days in the 2010 period to the results from 129 shipping days in 2009. However, the sales per shipping day of $1.99 million in the 2010 period was approximately 8.7% higher than the sales per shipping day of $1.83 million in the first half of 2009. The increase in sales per day for the 2010 period was the result of higher seasonal sales per day during the June period as compared to the average sales per day for the January to June period of 2009.

Expenses

Operating expenses for the 2010 period ended June 30, 2010 were $27.2 million compared to $93.2 million for the first half of 2009. The decrease in operating expenses is primarily due to the 24 day shipping period in the 2010 period as compared to the 129 day shipping period in the first half of 2009. The following changes in underlying trends also impacted the change in operating expenses:

- The Company's gross profit percentage was 51.7% in the 2010 period compared to 49.4% in the first half of 2009. The Company experienced a significant increase in the unit cost of inventory during most of 2008 as a result of increases in related commodities used in our products such as steel, zinc, nickel, aluminum, copper and plastics. The higher unit cost negatively impacted gross profit in the second half of 2008 and first half of 2009 as the higher unit cost product sold through inventory. In 2009, commodity prices moderated and in particular the cost of steel based fasteners sourced primarily from Taiwan and China returned to the levels prior to the significant price increases seen in 2008. The Company anticipates that the average inventory unit costs will remain stable for the remainder of this year.
- Warehouse and delivery expense was $5.0 million, or 10.6% of net sales, in the 2010 period compared to $24.2 million, or 10.3% of net sales in the first half of 2009. Freight expense, the largest component of warehouse and delivery expense, increased from 3.8% of net sales in 2009 to 4.6% of net sales in the 2010 period. The 2010 freight costs included the negative impact of higher fuel surcharges and lower average customer order sizes.

- No stock options or incentive awards have been granted by the Successor, and accordingly, there was no stock compensation expense recorded in the 2010 period. The stock compensation expense was $3.8 million in the first half of 2009.
- Non-recurring expense of $10.4 million in the 2010 period represents one-time charges for legal, professional, diligence and other expenses incurred by the Successor in connection with the Merger Transaction. There were no non-recurring expenses in the first half of 2009.
- Amortization expense was $1.0 million in the 2010 period, or an estimated annual rate of $12.0 million. The amortization expense of $3.5 million in the first half of 2009 amounted to an estimated annual rate of approximately $7.1 million. The higher annual rate of amortization expense for the 2010 period was due to the increase in intangible assets subject to amortization acquired as a result of the Merger Transaction.
- Interest expense, net, was $3.6 million in the 2010 period, or an estimated annual rate of approximately $43.2 million. The interest expense was $7.1 million for the first half of 2009, or an estimated annual rate of approximately $14.2 million. The increase in estimated annual rate of interest expense was primarily the result of the higher level of debt outstanding following the Merger Transaction.
- The Successor incurred no interest expense on mandatorily redeemable preferred stock and management purchased options as a result of their redemption in connection with the Merger Transaction. The interest expense on these securities was $6.0 million for the first half of 2009.

Income Taxes

In the second quarter of 2010, the Company recognized a $0.3 million increase in valuation reserves recorded against certain deferred tax assets. This impacted the effective income tax rate from the federal statutory rate by -0.9% in the six month period ended June 30, 2010. Also in the second quarter of 2010, the Company recognized a $1.6 million increase in its reserves for uncertainty in accounting for income taxes. This adjustment decreased the deferred tax asset related to the future tax benefit of the Company's net operating loss carryforward. This impacted the effective income tax rate from the federal statutory rate by -4.4% in the six month period ended June 30, 2010.

Liquidity and Capital Resources

Cash Flows

The statements of cash flows reflect the changes in cash and cash equivalents for the one month ended June 30, 2010 (Successor), the five months ended May 28, 2010 (Predecessor) and the six months ended June 30, 2009 (Predecessor) by classifying transactions into three major categories: operating, investing and financing activities. The cash flows from the Merger Transaction are separately discussed below.

Merger Transaction

In connection with the Merger Transaction, the Company issued common stock for $308.6 million in cash. Proceeds from borrowings under the Senior Facilities provided an additional $290.6 million and proceeds from the 10.875% Senior Notes provided $150.0 million, less aggregate financing fees of $15.7 million. The debt and equity proceeds were used to repay the existing senior and subordinated debt and accrued interest thereon of $199.1 million, to repurchase the existing shareholders' common equity, preferred equity and stock options of $506.4 million, and to purchase the Quick Tag license for $11.5 million. The remaining proceeds were used to pay transaction expenses of $16.4 million and prepaid expenses of $0.1 million.

Operating Activities

Excluding $17.5 million in cash used for the Merger Transaction, net cash provided by operating activities for the six months ended June 30, 2010 of $9.8 million was the result of the net loss adjusted for non-cash charges of $11.0 million for depreciation, amortization, deferred taxes, deferred financing, stock-based compensation and interest on mandatorily redeemable preferred stock and management purchased options which was offset by cash related adjustments of $1.2 million for routine operating activities represented by changes in inventories, accounts receivable, accounts payable, accrued liabilities and other assets. In the first six months of 2010, routine operating activities used cash through an increase in accounts receivable of $16.5 million and other of $1.3 million. This was partially offset by an increase in accounts payable of $8.8 million, an increase in accrued liabilities of $7.4 million, a decrease in inventories of $0.4 million. The increase in accounts receivable was the result of the seasonal increase in sales for the latter part of the second quarter.

Operating activities in the first six months of 2009 provided cash of $34.7 million, or an increase of $35.2 million, compared to the cash used of $0.5 million for the same period of 2008. The Company's operating cash outflows have historically been higher in the first two fiscal quarters when selling volume, accounts receivable and inventory levels increase as the Company moves into the stronger spring and summer selling seasons. However, in the first six months of 2009, $13.4 million in cash was provided from the reduction of inventory levels compared to cash used of $4.8 in the prior year period. The 2009 inventory level has decreased from the prior year end in terms of both units and unit costs primarily as a result of the implementation of lean purchasing initiatives and lower purchase prices. The seasonal increase of accounts receivable was only $15.1 million in the first six months of 2009 compared to $26.0 million in the prior year period. In addition, the deferral of distributions on the Trust Preferred Securities provided cash of $6.3 million in the first six months of 2009 compared to cash provided of $1.0 in the same period of 2008.

Investing Activities

The Company used cash of $11.5 million from the Merger Transaction to purchase the licensing rights and related patents for the Quick Tag business. Excluding the $11.5 million used for the Quick Tag acquisition, net cash used for investing activities was $6.8 million for the six months ended June 30, 2010. Capital expenditures for the six months totaled $6.8 million, consisting of $4.6 million for key duplicating machines, $0.6 million for engraving machines, and $1.6 million for computer software and equipment.

Net cash used for investing activities was $5.3 million for the six months ended June 30, 2009. Capital expenditures for the first six months of 2009 were $5.3 million, a decrease of $2.4 million from the comparable period of 2008. The net property additions for the first six months of 2009 consisted of $3.1 million for key duplicating machines, $0.4 million for engraving machines and $1.8 million for computer software and equipment.

Financing Activities

Excluding $29.0 million in cash provided by borrowings related to the Merger Transaction, net cash used for financing activities was $10.6 million for the six months ended June 30, 2010. The net cash used was primarily related to the principal payments on the senior term loans of $9.5 million and further payments of $0.6 million on the revolving credit facility and $0.5 million on capitalized lease obligations.

Net cash used for financing activities in the six months ended June 30, 2009 was $13.8 million. The net cash generated from "Operating Activities" in 2009 together with cash on hand at the beginning of the year was used to fund the senior term loan repayments of $14.0 million.

Liquidity

The Company's working capital position (defined as current assets less current liabilities) of $120.6 million at June 30, 2010 represents an increase of $10.0 million from the December 31, 2009 level of $110.6 million. The primary reasons for the increase in working capital were an increase in accounts receivable of $16.5 million, a decrease of $6.6 million in the current portion of senior term loans, a decrease in other accrued expenses of $2.7 million, an increase in other current assets of $0.7 million and a decrease in the current portion of capitalized lease obligations of $0.3 million which were partially offset by an increase in accounts payable of $8.8 million, a decrease in cash of $7.5 million and a decrease in inventories and deferred taxes of $0.5 million. The Company's current ratio (defined as current assets divided by current liabilities) increased to 3.33x at June 30, 2010 from 3.10x at December 31, 2009.

Contractual Obligations

The Company's contractual obligations in thousands of dollars as of June 30, 2010:

		Payments Due			
Contractual Obligations	**Total**	**Less Than 1 Year**	**1 to 3 Years**	**3 to 5 Years**	**More Than 5 Years**
Junior Subordinated Debentures (1)	$ 116,050	$ —	$ —	$ —	$ 116,050
Senior Term Loans	290,000	2,900	5,800	5,800	275,500
Bank Revolving Credit Facility	—	—	—	—	—
10.875% Senior Notes	150,000	—	—	—	150,000
Interest Payments (2)	220,837	32,203	63,927	63,289	61,418
Operating Leases	32,641	7,516	10,440	4,954	9,731
Deferred Compensation Obligations	3,028	334	668	668	1,358
Capital Lease Obligations	56	39	16	1	—
Purchase Obligations	1,050	350	700	—	—
Other Long Term Obligations	2,453	750	874	346	483
Uncertain Tax Position Liabilities	4,433	—	—	—	4,433
Total Contractual Cash Obligations (3)	$ 820,548	$ 44,092	$ 82,425	$ 75,058	$ 618,973

(1) The junior subordinated debentures liquidation value is approximately $108,707.

(2) Interest payments for borrowings under the Senior Facilities and with regard to the 10.875% Senior Notes. Interest payments on the variable rate senior term loans were calculated using the actual interest rate of 5.50% as of June 30, 2010 which consisted of a EuroDollar minimum floor rate of 1.75% plus EuroDollar Margin of 3.75%.

(3) All of the contractual obligations noted above are reflected on the Company's condensed consolidated balance sheet as of June 30, 2010 except for the interest payments and operating leases.

The Company has a purchase agreement with its supplier of key blanks which requires minimum purchases of 100 million key blanks per year. To the extent minimum purchases of key blanks are below 100 million, the Company must pay the supplier $0.0035 per key multiplied by the shortfall. Since the inception of the contract in 1998, the Company has purchased more than the requisite 100 million key blanks per year from the supplier. In 2009, the Company extended this contract for an additional four years.

As of June 30, 2010, the Company had no material purchase commitments for capital expenditures.

Off-Balance Sheet Arrangements

The Company does not have any off-balance sheet arrangements, as defined in Item 303(a)(4)(ii) of Regulation S-K under the Securities Exchange Act of 1934, as amended.

Borrowings

As of June 30, 2010, the Company had $24.5 million available under its secured credit facilities. The Company had approximately $290.1 million of outstanding debt under its secured credit facilities at June 30, 2010, consisting of $290.0 million in a term loan and $0.1 million in capitalized lease obligations. The term loan consisted of a $290.0 million Term B-2 Loan at a three (3) month EuroDollar rate plus margin of 5.50%. The capitalized lease obligations were at various interest rates.

At June 30, 2010 and December 31, 2009, the Company borrowings were as follows:

	June 30, 2010			December 31, 2009		
(dollars in 000's)	Facility Amount	Outstanding Amount	Interest Rate	Facility Amount	Outstanding Amount	Interest Rate
Term B-1 Loan		$ —	—		$ 17,992	3.02%
Term B-2 Loan		290,000	5.50%		139,857	4.77%
Total Term Loans		290,000			157,849	
Revolving credit facility	$ 30,000	—	—	$ 20,000	—	—
Capital leases & other obligations		56	various		494	various
Total secured credit		290,056			158,343	
10.875% Senior notes		150,000	10.875%		—	—
Unsecured subordinated notes		—	—		49,820	12.50%
Total borrowings		$ 440,056			$ 208,163	

On May 28, 2010, the Company and certain of its subsidiaries closed the Senior Facilities, consisting of a $290.0 million term loan and a $30.0 million Revolver. The term loan portion of the Senior Facilities has a six year term and the Revolver has a five year term. The Senior Facilities provide borrowings at interest rates based on a EuroDollar rate plus a margin of 3.75%, or a base rate plus a margin of 2.75%. The EuroDollar rate is subject to a minimum floor of 1.75% and the Base Rate is subject to a minimum floor of 2.75%.

Concurrently with the consummation of the Merger Transaction, The Hillman Group, Inc. issued $150.0 million aggregate principal amount of its 10.875% Senior Notes, which are guaranteed by Hillman and its domestic subsidiaries other than the Hillman Group Capital Trust. Hillman Group pays interest on the 10.875% Senior Notes semi-annually on June 1 and December 1 of each year.

Prior to the consummation of the Merger Transaction, the Company, through Hillman Group, was party to the Old Credit Agreement, consisting of a $20.0 million revolving credit line and a $235.0 million term loan. The facilities under the Old Credit Agreement had a maturity date of March 31, 2012. In addition, the Company, through Hillman Group, had issued $49.8 million in aggregate principal amount of unsecured subordinated notes to a group of investors, including affiliates of AEA Investors LP, CIG & Co. and several private investors that were scheduled to mature on September 30, 2012. In connection with the Merger Agreement, both the Old Credit Agreement and the subordinated note issuance were repaid and terminated.

The Company's Senior Facilities requires the maintenance of certain fixed charge, interest coverage and leverage ratios and limits the ability of the Company to incur debt, make investments, make dividend payments to holders of the Trust Preferred Securities or undertake certain other business activities. Upon the occurrence of an event of default under the credit agreements, all amounts outstanding, together with accrued interest, could be declared immediately due and payable by our lenders. Below are the calculations of the financial covenants with the Senior Facilities requirement for the twelve trailing months ended June 30, 2010:

(dollars in 000's)	Actual	Ratio Requirement
Leverage Ratio		
Adjusted EBITDA (1)	$ 85,657	
Senior term loan balance	290,000	
Revolver	—	
Capital leases and other credit obligations	56	
Senior notes	150,000	
Total indebtedness	$440,056	
Leverage ratio (must be below requirement)	5.14	6.75
Interest Coverage Ratio		
Adjusted EBITDA (1)	$ 85,657	
Cash interest expense (2)	$ 18,656	
Interest coverage ratio (must be above requirement)	4.59	2.00
Secured Leverage Ratio		
Senior term loan balance	$290,000	
Revolver	—	
Capital leases and other credit obligations	56	
Total debt	$290,056	
Adjusted EBITDA (1)	$ 85,657	
Leverage ratio (must be below requirement)	3.39	4.50

(1) Adjusted EBITDA is defined as income from operations of $14,861, plus depreciation of $16,906, amortization of $7,062, management fees of $939, stock compensation expense of $23,990, transaction costs of $21,714, foreign exchange (gains) or losses of ($362) and other non-recurring expenses of $547.

(2) Includes cash interest expense on senior term loans, capitalized lease obligations, senior notes and subordinated notes.

The Company had deferred tax assets aggregating $32.8 million, net of valuation allowance of $2.8 million, and deferred tax liabilities of $125.8 million as of June 30, 2010, as determined in accordance with ASC Topic 740, "Income Taxes." Management believes that the Company's net deferred tax assets will be realized through the reversal of existing temporary differences between the financial statement and tax basis, as well as through future taxable income.

Critical Accounting Policies and Estimates

Significant accounting policies and estimates are summarized in the notes to the condensed consolidated financial statements. Some accounting policies require management to exercise significant judgment in selecting the appropriate assumptions for calculating financial estimates. Such judgments are subject to an inherent degree of uncertainty. These judgments are based on our historical experience, known trends in our industry, terms of existing contracts and other information from outside sources, as appropriate. Management believes these estimates and assumptions are reasonable based on the facts and circumstances as of June 30, 2010, however, actual results may differ from these estimates under different assumptions and circumstances.

We identified our critical accounting policies in Management's Discussion and Analysis of Financial Condition and Results of Operations found in our Annual Report on Form 10-K for the year ended December 31, 2009, as amended. We believe there have been no changes in these critical accounting policies. We have summarized our critical accounting policies either in the notes to the condensed consolidated financial statements or below:

Revenue Recognition:

Revenue is recognized when products are shipped or delivered to customers depending upon when title and risks of ownership have passed.

The Company offers a variety of sales incentives to its customers primarily in the form of discounts, rebates and slotting fees. Discounts are recognized in the financial statements at the date of the related sale. Rebates are estimated based on the revenue to date and the contractual rebate percentage to be paid. A portion of the estimated cost of the rebate is allocated to each underlying sales transaction. Slotting fees are used on an infrequent basis and are not considered to be significant. Discounts, rebates and slotting fees are included in the determination of net sales.

The Company also establishes reserves for customer returns and allowances. The reserves are established based on historical rates of returns and allowances. The reserves are adjusted quarterly based on actual experience. Returns and allowances are included in the determination of net sales.

Accounts Receivable and Allowance for Doubtful Accounts:

The Company establishes the allowance for doubtful accounts using the specific identification method and also provides a reserve in the aggregate. The estimates for calculating the aggregate reserve are based on historical information. Increases to the allowance for doubtful accounts result in a corresponding expense. The allowance for doubtful accounts was $522 thousand as of June 30, 2010 and $514 thousand as of December 31, 2009.

Inventory Realization:

Inventories consisting predominantly of finished goods are valued at the lower of cost or market, cost being determined principally on the weighted average cost method. Excess and obsolete inventories are carried at net realizable value. The historical usage rate is the primary factor used by the Company in assessing the net realizable value of excess and obsolete inventory. A reduction in the carrying value of an inventory item from cost to market is recorded for inventory with no usage in the preceding twenty-four month period or with on hand quantities in excess of twenty-four months average usage. The inventory reserve amounts were $8.4 million as of June 30, 2010 and $7.1 million as of December 31, 2009.

Goodwill and Other Intangible Assets:

Goodwill represents the excess purchase cost over the fair value of net assets of companies acquired in business combinations. Goodwill is an indefinite lived asset and is tested for impairment at least annually or more frequently if a triggering event occurs.

If the carrying amount of goodwill is greater than the fair value, impairment may be present. The Company's independent appraiser, John Cole, CPA, CVA, assesses the value of its goodwill based on a discounted cash flow model and multiple of earnings. Assumptions critical to the Company's fair value estimates under the discounted cash flow model include the discount rate, projected average revenue growth and projected long-term growth rates in the determination of terminal values.

The Company also evaluates indefinite-lived intangible assets (primarily trademarks and trade names) for impairment annually. The Company also tests for impairment if events and circumstances indicate that it is more likely than not that the fair value of an indefinite-lived intangible asset is below its carrying amount. Assumptions critical to the Company's evaluation of indefinite-lived intangible assets for impairment include: the discount rate, royalty rates used in its evaluation of trade names, projected average revenue growth, and projected long-term growth rates in the determination of terminal values. An impairment charge is recorded if the carrying amount of an indefinite-lived intangible asset exceeds the estimated fair value on the measurement date.

Long-Lived Assets:

The Company evaluates its long-lived assets for financial impairment and will continue to evaluate them based on the estimated undiscounted future cash flows as events or changes in circumstances indicate that the carrying amount of such assets may not be fully recoverable. No impairment charges were recognized for long-lived assets in the quarter ended June 30, 2010.

Risk Insurance Reserves:

The Company self insures its product liability, automotive, workers' compensation and general liability losses up to $250 thousand per occurrence. Catastrophic coverage has been purchased from third party insurers for occurrences in excess of $250 thousand up to $35 million. The two risk areas involving the most significant accounting estimates are workers' compensation and automotive liability. Actuarial valuations performed by the Company's outside risk insurance expert, Insurance Services Office, Inc., were used to form the basis for workers' compensation and automotive liability loss reserves. The actuary contemplated the Company's specific loss history, actual claims reported, and industry trends among statistical and other factors to estimate the range of reserves required. Risk insurance reserves are comprised of specific reserves for individual claims and additional amounts expected for development of these claims, as well as for incurred but not yet reported claims. The Company believes the liability recorded for such risk insurance reserves is adequate as of June 30, 2010, but due to judgments inherent in the reserve estimation process it is possible the ultimate costs will differ from this estimate.

The Company self-insures its group health claims up to an annual stop loss limit of $200 thousand per participant. Aggregate coverage is maintained for annual group health insurance claims in excess of 125% of expected claims. Historical group insurance loss experience forms the basis for the recognition of group health insurance reserves. The Company believes the liability recorded for such insurance reserves is adequate as of June 30, 2010, but due to judgments inherent in the reserve estimation process it is possible the ultimate costs will differ from this estimate.

Income Taxes:

Deferred income taxes are computed using the asset and liability method. Under this method, deferred income tax assets and liabilities are determined based on differences between financial reporting and tax basis of assets and liabilities (temporary differences) and are measured using the enacted tax rates and laws that will be in effect when the differences are expected to reverse. Valuation allowances are provided for tax benefits where it is more likely than not that certain tax benefits will not be realized. Adjustments to valuation allowances are recorded from changes in utilization of the tax related item. For additional information, see Note 8 of notes to condensed consolidated financial statements.

Item 3.

Quantitative and Qualitative Disclosures About Market Risk

The Company is exposed to the impact of interest rate changes as borrowings under the Senior Facilities bear interest at variable interest rates. It is the Company's policy to enter into interest rate transactions only to the extent considered necessary to meet objectives.

On August 29, 2008, the Company entered into an Interest Rate Swap Agreement ("2008 Swap") with a three year term for a notional amount of $50 million. The 2008 Swap fixed the interest rate at 3.41% plus applicable rate margin. The 2008 Swap was terminated on May 24, 2010.

On June 24, 2010, the Company entered into an Interest Rate Swap Agreement ("2010 Swap") with a two-year term for a notional amount of $115,000. The effective date of the 2010 Swap is May 31, 2011 and its termination date is May 31, 2013. The 2010 Swap fixes the interest rate at 2.47% plus applicable interest rate margin.

Based on the Company's exposure to variable rate borrowings at June 30, 2010, a one percent (1%) change in the weighted average interest rate for a period of one year would change the annual interest expense by approximately $2.9 million.

The Company is exposed to foreign exchange rate changes of the Canadian and Mexican currencies as it impacts the $6.2 million net asset value of its Canadian and Mexican subsidiaries as of June 30, 2010. Management considers the Company's exposure to foreign currency translation gains or losses to be immaterial.

Item 4.

Controls and Procedures

Disclosure Controls and Procedures

The Company carried out an evaluation, under the supervision and with the participation of the Company's management, including the chief executive officer and the chief financial officer, of the effectiveness of the design and operation of the disclosure controls and procedures, as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Based upon that evaluation, which included the matters discussed below, the Company's chief executive officer and chief financial officer concluded that, due to a material weakness that the Company identified in its internal control over financial reporting, the Company's disclosure controls and procedures were not effective, as of the end of the period ended June 30, 2010, in ensuring that material information relating to The Hillman Companies, Inc. required to be disclosed by the Company in reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms and that such information is accumulated and communicated to management, including the chief executive officer and the chief financial officer, as appropriate, to allow timely decisions regarding required disclosure.

A material weakness is a control deficiency, or combination of control deficiencies, in internal control over financial reporting such that there is a reasonable possibility that a material misstatement of the annual or interim financial statements will not be prevented or detected in a timely manner. Management determined that the Company's internal control over financial reporting was not effective as a result of the material weakness related to the tax position and accounting treatment of the dividends on management owned Preferred and Purchased Options as of December 31, 2009. This control deficiency resulted in the filing of an amendment to our Annual Report on Form 10-K for the fiscal year ended December 31, 2009 and restatements of our consolidated balance sheets at December 31, 2009 and December 31, 2008, our consolidated statements of operations, stockholders' equity and cash flows for the fiscal years ended December 31, 2009, 2008, and 2007 and the related notes thereto to correct an error in income tax accounting.

Plan for Remediation of Material Weaknesses

Management is in the process of remediating this material weakness in internal control over financial reporting. In particular, management obtained expert tax guidance regarding the deductibility of dividends on the Purchased Preferred Shares and Preferred Stock Options, which supports the position of treating these items as temporary timing differences for accounting purposes. Additionally, any future transactions or events that are deemed by management to be unusually subjective in nature will be thoroughly evaluated by management to determine the necessity of obtaining expert tax guidance. Management will also analyze the periodic assessment of the tax reporting control environment and make any enhancements deemed to be appropriate.

Changes in Internal Control over Financial Reporting

There have been no changes in the Company's internal control over financial reporting (as defined in Rule 13a-15(f)) that occurred during the quarter ended June 30, 2010, that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II
OTHER INFORMATION

Item 1. – Legal Proceedings.

On May 4, 2010, Hy-Ko Products, Inc. filed a complaint against The Hillman Group, Inc. and Kaba Ilco Corp., a manufacturer of blank replacement keys, in the United States District Court for the Northern District of Ohio Eastern Division, alleging that the defendants engaged in violations of federal and state antitrust laws regarding their business practices relating to automatic key machines and replacement keys. Hy-Ko Products' May 4, 2010 filing against the Company is based, in part, on the Company's previously-filed claim against Hy-Ko Products alleging infringement of certain patents of the Company. The plaintiff is seeking unspecified monetary damages which would be trebled under the antitrust laws, interest and attorney's fees as well as injunctive relief. Because the lawsuit is in a preliminary stage, it is not yet possible to assess the impact that the lawsuit will have on the Company. However, the Company believes that it has meritorious defenses and intends to defend the lawsuit vigorously.

In addition, legal proceedings are pending which are either in the ordinary course of business or incidental to the Company's business. Those legal proceedings incidental to the business of the Company are generally not covered by insurance or other indemnity. In the opinion of management, the ultimate resolution of the pending litigation matters will not have a material adverse effect on the consolidated financial position, operations or cash flows of the Company.

Item 1A. – Risk Factors.

There have been no material changes to the risks related to the Company.

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

Not Applicable

Item 3. – Defaults Upon Senior Securities.

Not Applicable

Item 4. – Reserved.

Item 5. – Other Information.

Not Applicable

Item 6. – Exhibits.

Exhibits, including those incorporated by reference.

3.1	Second Amended and Restated Certificate of Incorporation of The Hillman Companies, Inc. (Incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K filed on June 4, 2010)
3.2	Amended and Restated By-Laws of The Hillman Companies, Inc. (Incorporated by reference to Exhibit 3.2 to the Company's Current Report on Form 8-K filed on June 4, 2010)
4.1*	Indenture, dated May 28, 2010, among The Hillman Group, Inc., each of the Guarantors party thereto and Wells Fargo Bank, National Association, as trustee.

4.2*	Registration Rights Agreement, dated May 28, 2010, among the The Hillman Group, Inc., the guarantors listed therein, Barclays Capital Inc. and Morgan Stanley & Co. Incorporated.
10.1*	Credit Agreement, dated as of May 28, 2010, among OHCP HM Acquisition Corp. OHCP HM Merger Sub Corp., The Hillman Companies, Inc., Hillman Investment Company, The Hillman Group, Inc., and the agents and lenders from time to time party thereto.
10.2*	Borrower Assumption Agreement, dated as of June 1, 2010, among The Hillman Companies, Inc. The Hillman Group, Inc. and Barclays Bank plc, as Administrative and Collateral Agent.
10.3*	Purchase Agreement, dated May 18, 2010, among OHCP HM Merger Sub Corp. and the initial purchasers thereunder.
10.4*	Joinder Agreement, dated May 28, 2010, among The Hillman Group, Inc. and the Guarantors party thereto.
10.5*	Employment Letter with Max W. Hillman, Jr.
10.6*	Employment Letter with Richard P. Hillman
10.7*	Employment Letter with James P. Waters
10.8*	Employment Agreement, dated April 21, 2010, between The Hillman Group, Inc. and Ali Fartaj
31.1 *	Certification of Chief Executive Officer pursuant to Rule 13a-14(a) or 15d-14(a) under the Securities Exchange Act of 1934.
31.2 *	Certification of Chief Financial Officer pursuant to Rule 13a-14(a) or 15d-14(a) under the Securities Exchange Act of 1934.
32.1 *	Certification of Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2 *	Certification of Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

* Filed herewith.

Table of Contents

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

THE HILLMAN COMPANIES, INC.

/S/ JAMES P. WATERS	/S/ HAROLD J. WILDER
James P. Waters	**Harold J. Wilder**
Vice President — Finance	**Controller**
(Chief Financial Officer)	**(Chief Accounting Officer)**

DATE: August 16, 2010

Exhibit 4.1

EXECUTION VERSION

THE HILLMAN GROUP, INC.

AND EACH OF THE GUARANTORS PARTY HERETO

10.875% SENIOR NOTES DUE 2018

INDENTURE

Dated as of May 28, 2010

Wells Fargo Bank, National Association

Trustee

CROSS-REFERENCE TABLE*

Trust Indenture Act Section	*Indenture Section*
310(a)(1)	7.10
(a)(2)	7.10
(a)(3)	N.A.
(a)(4)	N.A.
(a)(5)	7.10
(b)	7.10
(c)	N.A.
311(a)	7.11
(b)	7.11
(c)	N.A.
312(a)	2.05
(b)	12.03
(c)	12.03
313(a)	7.06
(b)(2)	7.06; 7.07
(c)	7.06; 12.02
(d)	7.06
314(a)	4.03;12.02; 12.05
314(b)	N.A.
(c)(1)	12.04
(c)(2)	12.04
(c)(3)	N.A.
(e)	12.05
(f)	N.A.
315(a)	7.01
(b)	7.05; 12.02
(c)	7.01
(d)	7.01
(e)	6.11
316(a) (last sentence)	2.09
(a)(1)(A)	6.05
(a)(1)(B)	6.04
(a)(2)	N.A.
(b)	6.07
(c)	2.12
317(a)(1)	6.08
(a)(2)	6.09
(b)	2.04
318(a)	12.01
(b)	N.A.
(c)	12.01

N.A.means not applicable.

* This Cross Reference Table is not part of the Indenture.

TABLE OF CONTENTS

INDENTURE dated as of May 28, 2010 among The Hillman Group, Inc., a Delaware corporation, the Guarantors (as defined) and Wells Fargo Bank, National Association, as trustee.

The Company, the Guarantors and the Trustee agree as follows for the benefit of each other and for the equal and ratable benefit of the Holders (as defined) of the Company's 10.875% Senior Notes due 2018 (the "*Notes*"):

ARTICLE 1
DEFINITIONS AND INCORPORATION BY REFERENCE

Section 1.01 Definitions.

"*144A Global Note*" means a Global Note substantially in the form of Exhibit A1 hereto bearing the Global Note Legend and the Private Placement Legend and deposited with or on behalf of, and registered in the name of, the Depositary or its nominee that will be issued in a denomination equal to the outstanding principal amount of the Notes sold in reliance on Rule 144A.

"*Acquired Debt*" means, with respect to any specified Person:

(1) Indebtedness of any other Person existing at the time such other Person is merged with or into or became a Subsidiary of such specified Person, whether or not such Indebtedness is incurred in connection with, or in contemplation of, such other Person merging with or into, or becoming a Restricted Subsidiary of, such specified Person; and

(2) Indebtedness secured by a Lien encumbering any asset acquired by such specified Person.

"*Additional Notes*" means additional Notes (other than the Initial Notes and the Exchange Notes in respect thereof) issued under this Indenture in accordance with Sections 2.02 and 4.09 hereof, as part of the same series as the Initial Notes.

"*Affiliate*" of any specified Person means any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified Person. For purposes of this definition, "control," as used with respect to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such Person, whether through the ownership of voting securities, by agreement or otherwise. For purposes of this definition, the terms "controlling," "controlled by" and "under common control with" have correlative meanings.

"*Agent*" means any Registrar, co-registrar, Paying Agent or additional paying agent.

"*Applicable Premium*" means, with respect to any Note on any redemption date, the greater of:

(1) 1.0% of the principal amount of the Note; or

(2) the excess of:

(a) the present value at such redemption date of (i) the redemption price of the Note at June 1, 2014 (such redemption price being set forth in the table appearing in Section 3.07 hereof), plus (ii) all required interest payments due on the Note through June 1, 2014 (excluding accrued but unpaid interest to the redemption date), computed using a discount rate equal to the Treasury Rate as of such redemption date plus 50 basis points per annum discounted on a semi-annual bond equivalent basis; over

(b) the principal amount of the Note.

Calculation of the Applicable Premium will be made by the Company or on behalf of the Company by such Person as the Company shall designate.

"*Applicable Procedures*" means, with respect to any transfer or exchange of or for beneficial interests in any Global Note, the rules and procedures of the Depositary, Euroclear and Clearstream that apply to such transfer or exchange.

"*Asset Sale*" means:

(1) the sale, lease, conveyance or other disposition of any assets or rights by the Company or any of the Company's Restricted Subsidiaries; and

(2) the issuance of Equity Interests by any of the Company's Restricted Subsidiaries or the sale by the Company or any of the Company's Restricted Subsidiaries of Equity Interests in any of the Company's Subsidiaries;

provided, that the sale, lease, conveyance or other disposition of all or substantially all of the assets of the Company and its Restricted Subsidiaries taken as a whole will be governed by the provisions hereof described in Section 4.15 and/or Section 5.01 and not by Sections 3.09 and 4.10.

Notwithstanding the preceding, none of the following items will be deemed to be an Asset Sale:

(1) any single transaction or series of related transactions that involves assets having a Fair Market Value of less than $2.0 million;

(2) a transfer of assets between or among the Company and its Restricted Subsidiaries;

(3) an issuance of Equity Interests by a Restricted Subsidiary of the Company to the Company or to a Restricted Subsidiary of the Company;

(4) any exchange of assets for assets (including a combination of assets and Cash Equivalents) related to a Permitted Business of comparable or greater market value or usefulness to the business of the Company and its Restricted Subsidiaries as a whole, as determined in good faith by the Company, which in the event of an exchange of assets with a Fair Market Value in excess of (a) $2.0 million shall be evidenced by an Officer's Certificate, and (b) $5.0 million shall be set forth in a resolution approved in good faith by at least a majority of the members of the Board of Directors of the Company;

(5) the sale, lease or other transfer of inventory, products, byproducts, goods held for sale, services, accounts receivable in the ordinary course of business and any sale or other disposition of damaged, worn-out or obsolete assets in the ordinary course of business (including the abandonment or other disposition of any assets, including intellectual property, that is no longer used or useful or no longer economically practical to maintain in the conduct of the business of the Company and its Restricted Subsidiaries taken as whole);

(6) licenses and sublicenses by the Company or any of its Restricted Subsidiaries of software or intellectual property in the ordinary course of business;

(7) any surrender or waiver of contract rights or settlement, release, recovery on or surrender of contract, tort or other claims in the ordinary course of business;

(8) the granting of, creation of or realization on Liens not prohibited by the covenant described in Section 4.12 hereof.

(9) the sale, transfer or other disposition of cash or Cash Equivalents;

(10) a Restricted Payment that does not violate the covenant described in Section 4.07 hereof or a Permitted Investment;

(11) the transfer of assets related to any Hedging Obligations incurred in compliance with Section 4.09 hereof pursuant to the unwinding of any such Hedging Obligations; and

(12) dispositions of Investments in joint ventures to the extent required by, or made pursuant to, buy/sell arrangements between the joint venture parties set forth in joint venture agreements and similar binding agreements.

"*Asset Sale Offer*" has the meaning assigned to that term in Section 3.09 hereof.

"*Bankruptcy Law*" means Title 11, U.S. Code or any similar federal or state law for the relief of debtors.

"*Beneficial Owner*" has the meaning assigned to such term in Rule 13d-3 and Rule 13d-5 under the Exchange Act, except that in calculating the beneficial ownership of any particular "person" (as that term is used in Section 13(d)(3) of the Exchange Act), such "person" will be deemed to have beneficial ownership of all securities that such "person" has the right to acquire by conversion or exercise of other securities, whether such right is currently exercisable or is exercisable only after the passage of time. The terms "Beneficially Owns" and "Beneficially Owned" have a corresponding meaning.

"*Board of Directors*" means:

(1) with respect to a corporation, the board of directors of the corporation or any committee thereof duly authorized to act on behalf of such board;

(2) with respect to a partnership, the Board of Directors of the general partner of the partnership;

(3) with respect to a limited liability company, the managing member or members or any controlling committee of managing members or managers thereof; and

(4) with respect to any other Person, the board or committee of such Person serving a similar function.

"*Broker-Dealer*" has the meaning set forth in the Registration Rights Agreement.

"*Business Day*" means any day other than a Legal Holiday.

"*Capital Lease Obligation*" means, at the time any determination is to be made, the amount of the liability in respect of a capital lease that would at that time be required to be capitalized on a balance sheet prepared in accordance with GAAP, and the Stated Maturity thereof shall be the date of the last payment of rent or any other amount due under such lease prior to the first date upon which such lease may be prepaid by the lessee without payment of a penalty.

"*Capital Stock*" means:

(1) in the case of a corporation, corporate stock;

(2) in the case of an association or business entity, any and all shares, interests, participations, rights or other equivalents (however designated) of corporate stock;

(3) in the case of a partnership or limited liability company, partnership interests (whether general or limited) or membership interests; and

(4) any other interest or participation that confers on a Person the right to receive a share of the profits and losses of, or distributions of assets of, the issuing Person, but excluding from all of the foregoing any debt securities convertible into Capital Stock, whether or not such debt securities include any right of participation with Capital Stock.

"*Cash Equivalents*" means:

(1) United States dollars, pounds sterling, euros, the national currency of any participating member state of the European Union, Canadian dollars, or, in the case of any Foreign Subsidiary, such local currencies held by it from time to time in the ordinary course of business;

(2) securities issued or directly and fully guaranteed or insured by the United States government or any agency or instrumentality of the United States government (*provided* that the full faith and credit of the United States is pledged in support of those securities) having maturities of not more than twelve months from the date of acquisition;

(3) certificates of deposit and eurodollar time deposits with maturities of twelve months or less from the date of acquisition, bankers' acceptances with maturities not exceeding twelve months and overnight bank deposits, in each case, with any lender party to the Credit Agreement or with any domestic commercial bank having capital and surplus in excess of $500.0 million and a Thomson Bank Watch Rating of "B" or better;

(4) repurchase obligations with a term of not more than seven days for underlying securities of the types described in clauses (2) and (3) above entered into with any financial institution meeting the qualifications specified in clause (3) above;

(5) commercial paper having one of the two highest ratings obtainable from Moody's or S&P and, in each case, maturing within six months after the date of acquisition;

(6) money market funds at least 95% of the assets of which constitute Cash Equivalents of the kinds described in clauses (1) through (5) of this definition; and

(7) in the case of a Foreign Subsidiary, substantially similar investments, of comparable credit quality, denominated in the currency of any jurisdiction in which such Person conducts business.

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

(1) the direct or indirect sale, lease, transfer, conveyance or other disposition (other than by way of merger or consolidation), in one or a series of related transactions, of all or substantially all of the properties or assets of the Company and its Subsidiaries taken as a whole to any Person (including any "person" (as that term is used in Section 13(d)(3) of the Exchange Act)) other than a Principal or a Related Party of a Principal;

(2) the adoption of a plan relating to the liquidation or dissolution of the Company;

(3) the consummation of any transaction (including, without limitation, any merger or consolidation), the result of which is that any Person (including any "person" (as defined above)), other than the Principals and their Related Parties, becomes the Beneficial Owner, directly or indirectly, of more than 50% of the Voting Stock of the Company, measured by voting power rather than number of shares; *provided*, *however*, that such event shall not be deemed a Change of Control so long as one or more of the Principals has the right or ability by voting power or contract to elect or designate for election a majority of the Board of Directors of the Company; or

(4) the first day on which a majority of the members of the Board of Directors of the Company are not Continuing Directors.

For purposes of this definition, (i) any direct or indirect holding company of the Company (including Parent) shall not itself be considered a "person" or "group" for purposes of clause (3) above, *provided* that no "person" or "group" (other than the Principals and their Related Parties) beneficially owns, directly or indirectly, more than 50% of the Voting Stock of such holding company and (ii) no Change of Control pursuant to clause (1) above shall be deemed to have occurred solely as the result of a transfer of assets among the Company and the Guarantors.

"*Change of Control Offer*" has the meaning assigned to that term in Section 4.15 hereof.

"*Clearstream*" means Clearstream Banking, S.A.

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

"*Company*" means The Hillman Group, Inc., and any and all successors thereto.

"*Consolidated EBITDA*" means, with respect to any specified Person for any period, the Consolidated Net Income of such Person for such period *plus*, without duplication:

(1) the Fixed Charges of such Person and its Restricted Subsidiaries for such period, to the extent that such Fixed Charges were deducted in computing such Consolidated Net Income; *plus*

(2) provision for taxes based on income or profits of such Person and its Restricted Subsidiaries for such period, to the extent that such provision for taxes was deducted in computing such Consolidated Net Income; *plus*

(3) depreciation, amortization (including amortization of intangibles but excluding amortization of prepaid cash expenses that were paid in a prior period) and other non-cash charges and expenses (excluding any such non-cash charge or expense to the extent that it represents an accrual of or reserve for cash charges or expenses in any future period or amortization of a prepaid cash charge or expense that was paid in a prior period) of such Person and its Restricted Subsidiaries for such period to the extent that such depreciation, amortization and other non-cash charges or expenses were deducted in computing such Consolidated Net Income; *minus*

(4) non-cash items increasing such Consolidated Net Income for such period, other than the accrual of revenue in the ordinary course of business; *plus*,

(5) adjustments used in connection with the calculation of "Adjusted EBITDA" (as presented in the Offering Memorandum),

in each case, on a consolidated basis and determined in accordance with GAAP.

"*Consolidated Net Income*" means, with respect to any specified Person for any period, the aggregate of the net income (loss) of such Person and its Restricted Subsidiaries for such period, on a consolidated basis (excluding the net income (loss) of any Unrestricted Subsidiary of such Person), determined in accordance with GAAP and without any reduction in respect of preferred stock dividends; *provided* that:

(1) all (a) extraordinary, nonrecurring or unusual gains and losses or income or expenses, including, without limitation, any expenses related to a facilities closing and any reconstruction, recommissioning or reconfiguration of fixed assets for alternate uses; any severance or relocation expenses; executive recruiting costs; restructuring costs; curtailments or modifications to pension and post-retirement employee benefit plans; (b) any expenses (including, without limitation, financial advisory fees, accounting fees, legal fees and other similar advisory and consulting fees and related out-of-pocket expenses), costs or charges incurred in connection with any Equity Offering, Permitted Investment, acquisition, disposition, recapitalization or incurrence or repayment of Indebtedness permitted under this Indenture, including a refinancing thereof (in each case whether or not successful) (including any such costs and charges incurred in connection with the transactions described in the section of the Offering Memorandum titled "The Transactions"); and (c) gains and losses realized in connection with any sale of assets outside the ordinary course of business, the disposition of securities, the early extinguishment of Indebtedness or associated with Hedging Obligations, together with any related provision for taxes on any such gain, will be excluded;

(2) the net income (but not loss) of any Person that is not a Restricted Subsidiary or that is accounted for by the equity method of accounting will be included only to the extent of the amount of dividends or similar distributions paid in cash to the specified Person or a Restricted Subsidiary of the Person;

(3) solely for the purpose of the covenant described above under Section 4.07 hereof, the net income (but not loss) of any Restricted Subsidiary will be excluded to the extent that the declaration or payment of dividends or similar distributions by that Restricted Subsidiary of that net income is not at the date of determination permitted without any prior governmental approval (that has not been obtained) or, directly or indirectly, by operation of the terms of its charter or any agreement, instrument, judgment, decree, order, statute, rule or governmental regulation applicable to that Restricted Subsidiary or its stockholders;

(4) any foreign currency translation gains or losses (including gains or losses related to currency remeasurements of Indebtedness) of such Person and its Restricted Subsidiaries for such period, will be excluded;

(5) the effect of any non-cash impairment charges or asset write-downs or write-offs resulting from the application of GAAP, including pursuant to ASC 350 and 360, and the amortization of intangibles arising from the application of GAAP, including pursuant to ASC 805, will be excluded;

(6) any non-cash expense realized or resulting from stock option plans, employee benefit plans or post-employment benefit plans, or grants or sales of stock, stock appreciation or similar rights, stock options, restricted stock, preferred stock or other rights;

(7) the cumulative effect of a change in accounting principles will be excluded;

(8) non-cash gains and losses attributable to movement in the mark-to-market valuation of Hedging Obligations pursuant to ASC 815; and

(9) interest payments made on the Subordinated Intercompany Promissory Note at the Stated Maturity of such interest payments and any amortization of premium resulting from any fair value adjustments of such note, will be excluded.

"*continuing*" means, with respect to any Default or Event of Default, that such Default or Event of Default has not been cured or waived.

"*Continuing Directors*" means, as of any date of determination, any member of the Board of Directors of the Company who:

(1) was a member of such Board of Directors on the date of this Indenture; or

(2) was nominated for election or elected to such Board of Directors with the approval of the Principals or a majority of the Continuing Directors who were members of such Board of Directors at the time of such nomination or election.

"*Contribution Indebtedness*" means Indebtedness of the Company in an aggregate principal amount not to exceed two times the aggregate amount of cash received by the Company after the date of this Indenture from the sale of its Equity Interests (other than Disqualified Stock) or as a contribution to its common equity capital (in each case, other than to or from a Subsidiary of the Company); *provided* that such Indebtedness (a) is incurred within 180 days after the sale of such Equity Interests or the making of such capital contribution and (b) is designated as "Contribution Indebtedness" pursuant to an officer's certificate on the date of its incurrence. Any sale of Equity Interests or capital contribution that forms the basis for an incurrence of Contribution Indebtedness will not be considered to be a sale of Qualifying Equity Interests and will be disregarded for purposes of Section 4.07 hereof and will not be considered to be an Equity Offering for purposes of Section 3.07 hereof.

"*Corporate Trust Office of the Trustee*" will be at the address of the Trustee specified in Section 12.02 hereof or such other address as to which the Trustee may give notice to the Company.

"*Credit Agreement*" means the Credit Agreement, to be dated as of the date of this Indenture, by and among OHCP HM Acquisition Corp., The Hillman Companies, Inc., Hillman Investment Company, The Hillman Group, Inc. and the lenders and agents from time to time party thereto, providing for up to

$420.0 million of revolving credit and term loan borrowings, including any related notes, Guarantees, collateral documents, instruments and agreements executed in connection therewith, and, in each case, as amended, restated, modified, renewed, refunded, replaced in any manner (whether upon or after termination or otherwise) or refinanced (including by means of sales of debt securities to investors) in whole or in part from time to time.

"*Credit Facilities*" means one or more debt facilities (which may be outstanding at the same time and including, without limitation, the Credit Agreement) or commercial paper facilities, in each case, with banks or other lenders or investors or indentures or other agreements providing for revolving credit loans, term loans, debt securities, receivables financing (including through the sale of receivables to such lenders or to special purpose entities formed to borrow from such lenders against such receivables) or letters of credit or other indebtedness, in each case, as amended, restated, supplemented, modified, renewed, refunded, replaced in any manner (whether upon or after termination or otherwise) or refinanced (including by means of sales of debt securities to investors) in whole or in part, in one or more instances, from time to time (including successive renewals, extensions, substitutions, refinancings, restructurings, replacements, supplementations or other modifications of the foregoing, including into one or more debt facilities, commercial paper facilities or other debt instruments, indentures or agreements (including by means of sales of debt securities (including Additional Notes) to investors)), providing for revolving credit loans, term loans, letters of credit, debt securities or other debt obligations, from time to time.

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

"*Definitive Note*" means a certificated Note registered in the name of the Holder thereof and issued in accordance with Section 2.06 hereof, substantially in the form of Exhibit A1 hereto except that such Note shall not bear the Global Note Legend and shall not have the "Schedule of Exchanges of Interests in the Global Note" attached thereto.

"*Depositary*" means, with respect to the Notes issuable or issued in whole or in part in global form, the Person specified in Section 2.03 hereof as the Depositary with respect to the Notes, and any and all successors thereto appointed as depositary hereunder and having become such pursuant to the applicable provision of this Indenture.

"*Designated Non-cash Consideration*" means any non-cash consideration received by the Company or one of its Restricted Subsidiaries in connection with an Asset Sale that is designated as Designated Non-cash Consideration pursuant to an officer's certificate executed by an officer of the Company or such Restricted Subsidiary at the time of such Asset Sale.

"*Disqualified Stock*" means any Capital Stock that, by its terms (or by the terms of any security into which it is convertible, or for which it is exchangeable, in each case, at the option of the holder of the Capital Stock), or upon the happening of any event, matures or is mandatorily redeemable, pursuant to a sinking fund obligation or otherwise, or redeemable at the option of the holder of the Capital Stock, in whole or in part, on or prior to the date that is 91 days after the date on which the Notes mature. Notwithstanding the preceding sentence, (i) any Capital Stock that would constitute Disqualified Stock solely because the holders of the Capital Stock have the right to require the Company to repurchase such Capital Stock upon the occurrence of a change of control or an asset sale will not constitute Disqualified Stock if the terms of such Capital Stock provide that the Company may not repurchase or redeem any such Capital Stock pursuant to such provisions unless such repurchase or redemption complies with the covenant described in Section 4.07 hereof, (ii) if such Capital Stock is issued to any employee or to any plan for the benefit of employees of the Company or its Subsidiaries or by any such plan to such employees, such Capital Stock shall not constitute Disqualified Stock solely because they may be

required to be repurchased by the Company in order to satisfy applicable statutory or regulatory obligations or as a result of such employee's termination, death or disability and (iii) any class of Capital Stock of such Person that by its terms authorizes such Person to satisfy its obligations thereunder by delivery of Capital Stock that is not Disqualified Stock shall not be deemed to be Disqualified Stock. The amount of Disqualified Stock deemed to be outstanding at any time for purposes of this Indenture will be the maximum amount that the Company and its Restricted Subsidiaries may become obligated to pay upon the maturity of, or pursuant to any mandatory redemption provisions of, such Disqualified Stock, exclusive of accrued dividends.

"*Domestic Subsidiary*" means any Restricted Subsidiary of the Company that was formed under the laws of the United States or any state of the United States or the District of Columbia or that guarantees or otherwise provides direct credit support for any Indebtedness of the Company.

"*Equity Interests*" means Capital Stock and all warrants, options or other rights to acquire Capital Stock (but excluding any debt security that is convertible into, or exchangeable for, Capital Stock).

"*Equity Offering*" means a public or private sale either (1) of Equity Interests of the Company by the Company (other than Disqualified Stock and other than to a Subsidiary of the Company) or (2) of Equity Interests of a direct or indirect parent entity of the Company (other than to the Company or a Subsidiary of the Company) to the extent that the net proceeds therefrom are contributed to the common equity capital of the Company.

"*Euroclear*" means Euroclear Bank, S.A./N.V., as operator of the Euroclear system.

"*Exchange Act*" means the U.S. Securities Exchange Act of 1934, as amended.

"*Exchange Notes*" means the Notes issued in the Exchange Offer pursuant to Section 2.06(f) hereof.

"*Exchange Offer*" has the meaning set forth in the Registration Rights Agreement.

"*Exchange Offer Registration Statement*" has the meaning set forth in the Registration Rights Agreement.

"*Excluded Contributions*" means the Cash Equivalents received by the Company after the date of this Indenture from (1) contributions to its common equity capital, and (2) the sale (other than to a Subsidiary of the Company or to any Subsidiary management equity plan or stock option plan or any other management or employee benefit plan or agreement) of Equity Interests (other than Disqualified Stock) of the Company, in each case designated as Excluded Contributions pursuant to an officer's certificate executed by an officer of the Company on or promptly after the date such capital contributions are made or the date such Equity Interest is sold, as the case may be. Any Excluded Contribution shall not be used or counted pursuant to Section 4.07(a)(3) hereof.

"*Existing Indebtedness*" means all Indebtedness of the Company and its Subsidiaries (other than Indebtedness under the Credit Agreement and the Subordinated Intercompany Promissory Note) in existence on the date of this Indenture, until such amounts are repaid.

"*Fair Market Value*" means the value that would be paid by a willing buyer to an unaffiliated willing seller in a transaction not involving distress or necessity of either party, determined in good faith by the Board of Directors of the Company (unless otherwise provided in this Indenture).

"*Fixed Charge Coverage Ratio*" means with respect to any specified Person for any period, the ratio of the Consolidated EBITDA of such Person for such period to the Fixed Charges of such Person for such period. In the event that the specified Person or any of its Restricted Subsidiaries incurs, assumes, guarantees, repays, repurchases, redeems, defeases or otherwise discharges any Indebtedness (other than ordinary working capital borrowings) or issues, repurchases or redeems preferred stock subsequent to the commencement of the period for which the Fixed Charge Coverage Ratio is being calculated and on or prior to the date on which the event for which the calculation of the Fixed Charge Coverage Ratio is made (the "*Calculation Date*"), then the Fixed Charge Coverage Ratio will be calculated giving pro forma effect (including all Pro Forma Cost Savings) to such incurrence, assumption, Guarantee, repayment, repurchase, redemption, defeasance or other discharge of Indebtedness, or such issuance, repurchase or redemption of preferred stock, and the use of the proceeds therefrom, as if the same had occurred at the beginning of the applicable four-quarter reference period.

In addition, for purposes of calculating the Fixed Charge Coverage Ratio:

(1) acquisitions that have been made by the specified Person or any of its Restricted Subsidiaries, including through mergers or consolidations, or any Person or any of its Restricted Subsidiaries acquired by the specified Person or any of its Restricted Subsidiaries, and including all related financing transactions and including increases in ownership of Restricted Subsidiaries, during the four-quarter reference period or subsequent to such reference period and on or prior to the Calculation Date, or that are to be made on the Calculation Date, will be given pro forma effect (including all Pro Forma Cost Savings) as if they had occurred on the first day of the four-quarter reference period;

(2) the Consolidated EBITDA attributable to discontinued operations, as determined in accordance with GAAP, and operations or businesses (and ownership interests therein) disposed of prior to the Calculation Date, will be excluded;

(3) the Fixed Charges attributable to discontinued operations, as determined in accordance with GAAP, and operations or businesses (and ownership interests therein) disposed of prior to the Calculation Date, will be excluded, but only to the extent that the obligations giving rise to such Fixed Charges will not be obligations of the specified Person or any of its Restricted Subsidiaries following the Calculation Date;

(4) any Person that is a Restricted Subsidiary on the Calculation Date will be deemed to have been a Restricted Subsidiary at all times during such four-quarter period;

(5) any Person that is not a Restricted Subsidiary on the Calculation Date will be deemed not to have been a Restricted Subsidiary at any time during such four-quarter period; and

(6) if any Indebtedness bears a floating rate of interest, the interest expense on such Indebtedness will be calculated as if the rate in effect on the Calculation Date had been the applicable rate for the entire period (taking into account any Hedging Obligation applicable to such Indebtedness if such Hedging Obligation has a remaining term as at the Calculation Date in excess of 12 months).

"*Fixed Charges*" means, with respect to any specified Person for any period, the sum, without duplication, of:

(1) the consolidated interest expense of such Person and its Restricted Subsidiaries for such period, whether paid or accrued, including, without limitation, amortization of original

issue discount, non-cash interest payments, the interest component of any deferred payment obligations, the interest component of all payments associated with Capital Lease Obligations, commissions, discounts and other fees and charges incurred in respect of letter of credit or bankers' acceptance financings, and net of the effect of all payments made or received pursuant to Hedging Obligations in respect of interest rates; *plus*

(2) the consolidated interest expense of such Person and its Restricted Subsidiaries that was capitalized during such period;*plus*

(3) any interest on Indebtedness of another Person that is guaranteed by such Person or one of its Restricted Subsidiaries or secured by a Lien on assets of such Person or one of its Restricted Subsidiaries, whether or not such Guarantee or Lien is called upon; *plus*

(4) the product of (a) all dividends, whether paid or accrued and whether or not in cash, on any series of preferred stock of such Person or any of its Restricted Subsidiaries, other than dividends on Equity Interests payable solely in Equity Interests of the Company (other than Disqualified Stock) or to the Company or a Restricted Subsidiary of the Company, *times* (b) a fraction, the numerator of which is one and the denominator of which is one minus then current combined federal, state and local statutory tax rate of such Person, expressed as a decimal, in each case, determined on a consolidated basis in accordance with GAAP; *less*

(5) the consolidated interest income of such Person and its Restricted Subsidiaries for such period, whether received or accrued, to the extent such income was included in determining Consolidated Net Income.

To the extent related to the Transactions or any refinancing of Indebtedness, amortization of debt issuance costs and premium and other financing fees and expenses shall be excluded from the calculation of Fixed Charges. In addition, interest payments made on the Subordinated Intercompany Promissory Note at the Stated Maturity of such interest payments and any amortization of premium resulting from any fair value adjustments of such note, will be excluded from the calculation of Fixed Charges.

"*Foreign Subsidiary*" means any Restricted Subsidiary of the Company that is not a Domestic Subsidiary and any direct or indirect Restricted Subsidiary of such Restricted Subsidiary.

"*GAAP*" means generally accepted accounting principles set forth in the opinions and pronouncements of the Accounting Principles Board of the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board or in such other statements by such other entity as have been approved by a significant segment of the accounting profession, which are in effect on the date of this Indenture.

"*Global Note Legend*" means the legend set forth in Section 2.06(g)(2) hereof, which is required to be placed on all Global Notes issued under this Indenture.

"*Global Notes*" means, individually and collectively, each of the Restricted Global Notes and the Unrestricted Global Notes deposited with or on behalf of and registered in the name of the Depository or its nominee, substantially in the form of Exhibit A1 hereto and that bears the Global Note Legend and that has the "Schedule of Exchanges of Interests in the Global Note" attached thereto, issued in accordance with Section 2.01, 2.06(b)(3), 2.06(b)(4), 2.06(d)(2) or 2.06(f) hereof.

"*Government Securities*" means direct obligations of, or obligations guaranteed by, the United States of America, and the payment for which the United States pledges its full faith and credit.

"*Guarantee*" means a guarantee other than by endorsement of negotiable instruments for collection or deposit in the ordinary course of business, direct or indirect, in any manner including, without limitation, by way of a pledge of assets or through letters of credit or reimbursement agreements in respect thereof, of all or any part of any Indebtedness (whether arising by virtue of partnership arrangements, or by agreements to keep-well, to purchase assets, goods, securities or services, to take or pay or to maintain financial statement conditions or otherwise).

"*Guarantors*" means Hillman Companies, Parent and any Subsidiary of the Company that executes a Note Guarantee in accordance with the provisions of this Indenture, and their respective successors and assigns, in each case, until the Note Guarantee of such Person has been released in accordance with the provisions of this Indenture.

"*Hedging Obligations*" means, with respect to any specified Person, the obligations of such Person under:

(1) interest rate swap agreements (whether from fixed to floating or from floating to fixed), interest rate cap agreements and interest rate collar agreements;

(2) other agreements or arrangements designed to manage interest rates or interest rate risk; and

(3) other agreements or arrangements designed to protect such Person against fluctuations in currency exchange rates or commodity prices.

"*Hillman Companies*" means The Hillman Companies, Inc., and any and all successors thereto.

"*Hillman Group Capital Trust*" means The Hillman Group Capital Trust, and any and all successors thereto.

"*Holder*" means a Person in whose name a Note is registered on the Registrar's books.

"IAI Global Note" means a Global Note substantially in the form of Exhibit A1 hereto bearing the Global Note Legend and the Private Placement Legend and deposited with or on behalf of and registered in the name of the Depositary or its nominee that will be issued in a denomination equal to the outstanding principal amount of the Notes sold to Institutional Accredited Investors.

"*Indebtedness*" means, with respect to any specified Person, any indebtedness of such Person (excluding accrued expenses and trade payables), whether or not contingent:

(1) in respect of borrowed money;

(2) evidenced by bonds, notes, debentures or similar instruments or letters of credit (or reimbursement agreements in respect thereof);

(3) in respect of banker's acceptances;

(4) representing Capital Lease Obligations;

(5) representing the balance deferred and unpaid of the purchase price of any property or services due more than six months after such property is acquired or such services are completed; or

(6) representing any Hedging Obligations,

if and to the extent any of the preceding items (other than letters of credit and Hedging Obligations) would appear as a liability upon a balance sheet of the specified Person prepared in accordance with GAAP. In addition, the term "Indebtedness" includes all Indebtedness of others secured by a Lien on any asset of the specified Person (whether or not such Indebtedness is assumed by the specified Person) and, to the extent not otherwise included, the Guarantee by the specified Person of any Indebtedness of any other Person. Indebtedness shall be calculated without giving effect to the effects of ASC 815 and related interpretations to the extent such effects would otherwise increase or decrease an amount of Indebtedness for any purpose under this Indenture as a result of accounting for any embedded derivatives created by the terms of such Indebtedness.

"*Indenture*" means this Indenture, as amended or supplemented from time to time.

"*Indirect Participant*" means a Person who holds a beneficial interest in a Global Note through a Participant.

"*Initial Notes*" means the $150.0 million aggregate principal amount of Notes issued under this Indenture on the date hereof.

"*Initial Purchasers*" means (i) with respect to the Initial Notes, Barclays Capital Inc. and Morgan Stanley & Co. Incorporated and (ii) with respect to each issuance of Additional Notes, the Persons purchasing such Additional Notes under the related purchase agreement.

"*Institutional Accredited Investor*" means an institution that is an "accredited investor" as defined in Rule 501(a)(1), (2), (3) or (7) under the Securities Act, that is not also a QIB.

"*Investments*" means, with respect to any Person, all direct or indirect investments by such Person in other Persons (including Affiliates) in the forms of loans (including Guarantees or other obligations), advances or capital contributions (excluding commission, travel and similar advances to officers and employees made in the ordinary course of business), purchases or other acquisitions for consideration of Indebtedness, Equity Interests or other securities, together with all items that are or would be classified as investments on a balance sheet prepared in accordance with GAAP. If the Company or any Restricted Subsidiary of the Company sells or otherwise disposes of any Equity Interests of any direct or indirect Restricted Subsidiary of the Company such that, after giving effect to any such sale or disposition, such Person is no longer a Restricted Subsidiary of the Company, the Company will be deemed to have made an Investment on the date of any such sale or disposition equal to the Fair Market Value of the Company's Investments in such Subsidiary that were not sold or disposed of in an amount determined as provided in the penultimate paragraph of the covenant described in Section 4.07 hereof. The acquisition by the Company or any Restricted Subsidiary of the Company of a Person that holds an Investment in a third Person will be deemed to be an Investment by the Company or such Restricted Subsidiary in such third Person in an amount equal to the Fair Market Value of the Investments held by the acquired Person in such third Person in an amount determined as provided in the penultimate paragraph of the covenant described in Section 4.07 hereof. Except as otherwise provided in this Indenture, the amount of an Investment will be determined at the time the Investment is made and without giving effect to subsequent changes in value.

"*Junior Subordinated Debentures*" means Hillman Companies' outstanding 11.6% Junior Subordinated Debentures due 2027 underlying the trust preferred securities issued by Hillman Group Capital Trust, as amended from time to time, *provided* that no such amendment may increase the interest rate or change the Stated Maturity of interest payments.

"*Legal Holiday*" means a Saturday, a Sunday or a day on which banking institutions in the City of New York or at a place of payment are authorized by law, regulation or executive order to remain closed. If a payment date is a Legal Holiday at a place of payment, payment may be made at that place on the next succeeding day that is not a Legal Holiday, and no interest shall accrue on such payment for the intervening period.

"*Letter of Transmittal*" means the letter of transmittal to be prepared by the Company and sent to all Holders of the Notes for use by such Holders in connection with the Exchange Offer.

"*Lien*" means, with respect to any asset, any mortgage, lien, pledge, charge, security interest or encumbrance of any kind in respect of such asset, whether or not filed, recorded or otherwise perfected under applicable law, including any conditional sale or other title retention agreement, any lease in the nature thereof, any option or other agreement to sell or give a security interest in and any filing of or agreement to give any financing statement under the Uniform Commercial Code (or equivalent statutes) of any jurisdiction.

"Moody's" means Moody's Investors Service, Inc., and any successor to the ratings business thereof.

"*Net Proceeds*" means the aggregate cash proceeds and Cash Equivalents received by the Company or any of its Restricted Subsidiaries in respect of any Asset Sale (including, without limitation, any cash or Cash Equivalents received upon the sale or other disposition of any non-cash consideration received in any Asset Sale), net of (A) the direct costs relating to such Asset Sale, including, without limitation, legal, accounting and investment banking fees and expenses, and brokerage and sales commissions, (B) any relocation expenses incurred as a result of the Asset Sale, (C) taxes paid or payable as a result of the Asset Sale, in each case, after taking into account any available tax credits or deductions and any tax sharing arrangements, (D) amounts required to be applied to the repayment of Indebtedness, other than Indebtedness under a Credit Facility, secured by a Lien on the asset or assets that were the subject of such Asset Sale, (E) amounts to be paid to any Person (other than the Company or any Restricted Subsidiary) owning a beneficial interest in the assets subject to the Asset Sale or having a Lien thereon, and (F) appropriate amounts to be provided as a reserve in accordance with GAAP against liabilities associated with such Asset Sale, including pension and other post-employment benefit liabilities, liabilities related to environmental matters and indemnification obligations associated with such Asset Sale, with any subsequent reduction of the reserve other than by payments made and charged against the reserved amount to be deemed a receipt of cash.

"*Non-Recourse Debt*" means Indebtedness:

(1) as to which neither the Company nor any of its Restricted Subsidiaries (a) provides credit support of any kind (including any undertaking, agreement or instrument that would constitute Indebtedness) or (b) is directly or indirectly liable as a guarantor or otherwise; and

(2) as to which the lenders have been notified in writing that they will not have any recourse to the stock or assets of the Company or any of its Restricted Subsidiaries (other than the Equity Interests of an Unrestricted Subsidiary).

"*Non-U.S. Person*" means a Person who is not a U.S. Person.

"*Note Custodian*" means the Trustee, as custodian with respect to the Notes in global form, or any successor entity thereto.

"*Note Guarantee*" means the Guarantee by each Guarantor of the Company's obligations under this Indenture and the Notes, executed pursuant to the provisions of this Indenture.

"*Notes*" has the meaning assigned to it in the preamble to this Indenture. The Initial Notes, the Exchange Notes in respect thereof and the Additional Notes shall be treated as a single class for all purposes under this Indenture, and unless the context otherwise requires, all references to the Notes shall include the Initial Notes, the Exchange Notes in respect thereof and any Additional Notes.

"*Obligations*" means any principal, interest, penalties, fees, indemnifications, reimbursements, damages and other liabilities payable under the documentation governing any Indebtedness.

"*Offering Memorandum*" means the Offering Memorandum, dated May 18, 2010, relating to the initial offering of the Notes and setting forth information regarding the Company, the Guarantors, the Guarantees, the Notes and the Exchange Notes.

"*Officer*" means, with respect to any Person, the Chairman of the Board, the Chief Executive Officer, the President, the Chief Operating Officer, the Chief Financial Officer, the Treasurer, any Assistant Treasurer, the Controller, the General Counsel, the Secretary or any Vice-President of such Person.

"*Officer's Certificate*" means a certificate signed on behalf of the Company by an Officer of the Company.

"*Opinion of Counsel*" means an opinion from legal counsel who is reasonably acceptable to the Trustee, that meets the requirements of Section 12.05 hereof. The counsel may be an employee of or counsel to the Company, any Subsidiary of the Company or the Trustee. Such opinion may be subject to customary assumptions, exceptions and qualifications.

"*Parent*" means Hillman Investment Company and any other person who is the direct owner of the Voting Stock of the Company.

"*Participant*" means, with respect to the Depositary, Euroclear or Clearstream, a Person who has an account with the Depositary, Euroclear or Clearstream, respectively (and, with respect to DTC, shall include Euroclear and Clearstream).

"*Permitted Business*" means the businesses engaged in by the Company and its Subsidiaries on the date of this Indenture and any other businesses that are complementary or ancillary thereto, reasonably related thereto or reasonable extensions thereof.

"*Permitted Investments*" means:

(1) any Investment in the Company or in a Restricted Subsidiary of the Company;

(2) any Investment in Cash Equivalents;

(3) any Investment by the Company or any Restricted Subsidiary of the Company in a Person, if as a result of such Investment:

(a) such Person becomes a Restricted Subsidiary of the Company; or

(b) such Person is merged, consolidated or amalgamated with or into, or transfers or conveys substantially all of its assets to, or is liquidated into, the Company or a Restricted Subsidiary of the Company;

(4) any Investment made as a result of the receipt of non-cash consideration from an Asset Sale or other asset disposition that was made pursuant to and in compliance with the covenant described in Sections 3.09 and 4.10 hereof;

(5) any acquisition of assets or Capital Stock solely in exchange for the issuance of Equity Interests (other than Disqualified Stock) of the Company;

(6) any Investments received in compromise or resolution of (A) obligations of trade creditors or customers that were incurred in the ordinary course of business of the Company or any of its Restricted Subsidiaries, including pursuant to any plan of reorganization or similar arrangement upon the bankruptcy or insolvency of any trade creditor or customer; or (B) litigation, arbitration or other disputes;

(7) Investments represented by Hedging Obligations;

(8) loans or advances to directors, officers and employees made in the ordinary course of business of the Company or any Restricted Subsidiary of the Company in an aggregate principal amount not to exceed $2.0 million at any one time outstanding;

(9) repurchases of the Notes;

(10) any guarantee of Indebtedness permitted to be incurred pursuant to Section 4.09 hereof other than a guarantee of Indebtedness of an Affiliate of the Company that is not a Restricted Subsidiary of the Company;

(11) any Investment existing on, or made pursuant to binding commitments existing on, the date of this Indenture and any Investment consisting of an extension, modification or renewal of any Investment existing on, or made pursuant to a binding commitment existing on, the date of this Indenture; *provided* that the amount of any such Investment may be increased (a) as required by the terms of such Investment as in existence on the date of this Indenture or (b) as otherwise permitted under this Indenture;

(12) Investments acquired after the date of this Indenture as a result of the acquisition by the Company or any Restricted Subsidiary of the Company of another Person, including by way of a merger, amalgamation or consolidation with or into the Company or any of its Restricted Subsidiaries in a transaction that is not prohibited by Section 5.01 hereof after the date of this Indenture to the extent that such Investments were not made in contemplation of such acquisition, merger, amalgamation or consolidation and were in existence on the date of such acquisition, merger, amalgamation or consolidation;

(13) advances, loans, rebates and extensions of credit to suppliers, customers and vendors in the ordinary course of business;

(14) any Investment acquired by the Company or any of its Restricted Subsidiaries as a result of a foreclosure by the Company or any of its Restricted Subsidiaries with respect to any secured Investment or other transfer of title with respect to any secured Investment in default; and

(15) other Investments in any Person having an aggregate Fair Market Value (measured on the date each such Investment was made and without giving effect to subsequent changes in value), when taken together with all other Investments made pursuant to this clause (15) that are at the time outstanding not to exceed the greater of $10.0 million and 1.5% of Total Assets.

"*Permitted Liens*" means:

(1) Liens on assets of the Company or any Guarantor securing Indebtedness and other Obligations under Credit Facilities that was permitted by the terms of this Indenture to be incurred pursuant to clause (1) or clause (17) of the definition of Permitted Debt in Section 4.09(b) and/or securing Hedging Obligations related thereto and/or securing Obligations with regard to Treasury Management Arrangements;

(2) Liens in favor of the Company or the Guarantors;

(3) Liens on property of a Person existing at the time such Person becomes a Restricted Subsidiary of the Company or is merged with or into or consolidated with the Company or any Restricted Subsidiary of the Company; *provided* that such Liens were in existence prior to the contemplation of such Person becoming a Restricted Subsidiary of the Company or such merger or consolidation and do not extend to any assets other than those of the Person that becomes a Restricted Subsidiary of the Company or is merged with or into or consolidated with the Company or any Restricted Subsidiary of the Company;

(4) Liens on property (including Capital Stock) existing at the time of acquisition of the property by the Company or any Subsidiary of the Company; *provided* that such Liens were in existence prior to such acquisition and not incurred in contemplation of, such acquisition;

(5) Liens to secure the performance of public or statutory obligations, insurance, surety, or appeal bonds, customs duties, workers compensation obligations, unemployment insurance or similar legislation, good faith deposits in connection with bids, tenders, contracts or leases, performance bonds or other obligations of a like nature incurred in the ordinary course of business (including Liens to secure letters of credit issued to assure payment of such obligations);

(6) Liens securing reimbursement obligations with respect to letters of credit that encumber documents and other property relating to such letters of credit and the proceeds thereof;

(7) Liens to secure Indebtedness (including Capital Lease Obligations) permitted by Section 4.09(b)(4) hereof covering only the assets acquired with or financed by such Indebtedness;

(8) Liens existing on the date of this Indenture;

(9) customary Liens in favor of trustees and escrow agents, and netting and setoff rights, margins Liens and the like in favor of financial institutions and counterparties to financial obligations and instruments, including any such Liens securing Hedging Obligation;

(10) Liens on assets pursuant to merger agreements, stock or asset purchase agreements and similar agreements in respect of the disposition of such assets;

(11) options, put and call arrangements, rights of first refusal and similar rights relating to Investments in joint ventures, partnerships and similar transactions;

(12) Liens for taxes, assessments or governmental charges or claims that are not yet delinquent or that are being contested in good faith by appropriate proceedings promptly instituted and diligently concluded; *provided* that any reserve or other appropriate provision as is required in conformity with GAAP has been made therefor;

(13) Liens imposed by law, such as carriers', warehousemen's, landlord's and mechanics' Liens, in each case, incurred in the ordinary course of business;

(14) survey exceptions, easements or reservations of, or rights of others for, licenses, rights-of-way, sewers, electric lines, telegraph and telephone lines and other similar purposes, or zoning or other restrictions as to the use of real property that were not incurred in connection with Indebtedness and that do not in the aggregate materially adversely affect the value of said properties or materially impair their use in the operation of the business of such Person;

(15) Liens created for the benefit of (or to secure) the Notes (or the Note Guarantees);

(16) Liens to secure any Permitted Refinancing Indebtedness permitted to be incurred under this Indenture;*provided, however,* that:

(a) the new Lien is limited to all or part of the same property and assets that secured or, under the written agreements pursuant to which the original Lien arose, could secure the original Lien (plus improvements and accessions to, such property or proceeds or distributions thereof); and

(b) the Indebtedness secured by the new Lien is not increased to any amount greater than the sum of (x) the outstanding principal amount, or, if greater, committed amount, of the Indebtedness renewed, refunded, refinanced, replaced, defeased or discharged with such Permitted Refinancing Indebtedness and (y) an amount necessary to pay any fees and expenses, including premiums, related to such renewal, refunding, refinancing, replacement, defeasance or discharge;

(17) Liens on insurance policies and proceeds thereof, or other deposits, to secure insurance premium financings;

(18) filing of Uniform Commercial Code financing statements as a precautionary measure in connection with operating leases;

(19) bankers' Liens, Liens securing appeal bonds of letters of credit issued in support of or in lieu of appeal bonds, rights of setoff, Liens arising out of judgments or awards not constituting an Event of Default and notices of *lis pendens* and associated rights related to litigation being contested in good faith by appropriate proceedings and for which adequate reserves have been made;

(20) Liens on cash, Cash Equivalents or other property arising in connection with the defeasance, discharge or redemption of Indebtedness;

(21) Liens on specific items of inventory or other goods (and the proceeds thereof) of any Person securing such Person's obligations in respect of bankers' acceptances issued or created in the ordinary course of business for the account of such Person to facilitate the purchase, shipment or storage of such inventory or other goods;

(22) leases and subleases of real property which do not materially interfere with the ordinary conduct of the business of the Company or any of its Restricted Subsidiaries;

(23) Liens securing Hedging Obligations to the extent permitted by Section 4.09 hereof;

(24) Liens arising out of conditional sale, title retention, consignment or similar arrangements for the sale of goods entered into in the ordinary course of business;

(25) Liens securing Indebtedness incurred under any Credit Facility, so long as the Secured Indebtedness Ratio would be no greater than to 3.0 to 1.0 after giving pro forma effect to the incurrence of such Indebtedness and the application of the proceeds therefrom;

(26) Liens on the assets of any Foreign Subsidiary securing Indebtedness and other Obligations under Indebtedness permitted by the terms of this Indenture pursuant to clauses (16) and (17) of the definition of Permitted Debt or pursuant to Section 4.09(a) hereof; and

(27) Liens of the Company or any Restricted Subsidiary of the Company with respect to obligations that do not exceed $10.0 million at any one time outstanding.

"*Permitted Payments to Parent*" means, without duplication as to amounts:

(1) payments by the Company to or on behalf of Parent or any direct or indirect parent of the Company (i) in an amount sufficient to pay franchise taxes and other fees required to maintain the legal existence of Parent or another direct or indirect parent of the Company in an amount sufficient for Parent or any direct or indirect parent of the Company to pay out-of-pocket legal, accounting and filing costs and other expenses in the nature of overhead in the ordinary course of business, *plus* (ii) amounts necessary to pay expenses required to maintain their corporate existence, customary salary, bonus and other benefits payable to, and indemnities provided on behalf of, its officers and employees and corporate overhead expenses, *plus* (iii) amounts necessary to pay customary and reasonable costs and expenses of financings, acquisitions or offerings of securities of any direct or indirect parent of the Company that are not consummated, in the case of clauses (i), (ii) and (iii) above in an aggregate amount not to exceed $1.0 million in any calendar year; and

(2) payments made directly or indirectly to Parent or the direct or indirect parent of Parent of the amount that Parent or a direct or indirect parent of Parent is required to pay for federal, state or local income, franchise or similar taxes as the common parent of an affiliated group (within the meaning of Section 1504 of the Code) or a combined or unitary group of corporations of which the Company is a member and quarterly or annual payments for other taxes incurred by Parent or its direct or indirect Parent (but only to the extent that such other taxes relate to the operations of, or such Persons' direct or indirect ownership of, the Company and its Subsidiaries); *provided* that (A) such payments with respect to income, franchise or similar taxes may be made only in respect of the period during which the Company is consolidated, combined, or affiliated with Parent and the direct or indirect parent of Parent for purposes of the payment of such taxes and (B) such payments with respect to income, franchise or similar taxes shall not

exceed the aggregate amount that the Company reasonably estimates would be payable by the Company and its Subsidiaries if they filed a separate consolidated return with the Company as the parent, determined without giving effect to any deductions for amounts payable to Parent or the direct or indirect parent of Parent that have not been paid in cash.

"*Permitted Refinancing Indebtedness*" means any Indebtedness or Disqualified Stock of the Company or any Indebtedness or preferred stock of its Restricted Subsidiaries issued in exchange for, or the net proceeds of which are used (or will be used within 60 days of the incurrence or issuance of such permitted Refinancing Indebtedness) to renew, refund, refinance, replace, defease or discharge other Indebtedness or Disqualified Stock of the Company or any Indebtedness or preferred stock of its Restricted Subsidiaries (other than Indebtedness, Disqualified Stock or preferred stock held by the Company or any of its Subsidiaries); *provided* that:

(1) the principal amount (or accreted value, if applicable) of such Permitted Refinancing Indebtedness does not exceed the principal amount (or accreted value, if applicable) of the Indebtedness, Disqualified Stock or preferred stock renewed, refunded, refinanced, replaced, defeased or discharged (plus all accrued interest on the Indebtedness, dividends on Disqualified Stock or preferred stock and the amount of all fees and expenses, including premiums, incurred in connection therewith);

(2) such Permitted Refinancing Indebtedness has a final maturity date later than the final maturity date of, and has a Weighted Average Life to Maturity that is (i) equal to or greater than the final maturity date and the Weighted Average Life to Maturity of, the Indebtedness, Disqualified Stock or preferred stock being renewed, refunded, refinanced, replaced, defeased or discharged or (ii) more than 90 days after the final maturity date of the Notes;

(3) if the Indebtedness being renewed, refunded, refinanced, replaced, defeased or discharged is subordinated in right of payment to the Notes, such Permitted Refinancing Indebtedness is subordinated in right of payment to the Notes on terms at least as favorable to the holders of Notes as those contained in the documentation governing the Indebtedness being renewed, refunded, refinanced, replaced, defeased or discharged; and

(4) such Indebtedness is incurred either by the Company or by the Restricted Subsidiary of the Company that was the obligor on the Indebtedness being renewed, refunded, refinanced, replaced, defeased or discharged and is guaranteed only by the Guarantors (if the Company incurs such Indebtedness) or by Persons who were obligors on the Indebtedness being renewed, refunded, refinanced, replaced, defeased or discharged.

"*Person*" means any individual, corporation, partnership, joint venture, association, joint-stock company, trust, unincorporated organization, limited liability company or government or other entity.

"*Principal*" means (A) Oak Hill Capital Partners, LLC, Oak Hill Capital Partners III, L.P., and Oak Hill Capital Management Partners III, L.P. and any of their Affiliates (but excluding any of their portfolio companies); and (B) any of Max W. Hillman, Richard P. Hillman, James P. Waters, George L. Heredia and Ali Fartaj.

"*Private Placement Legend*" means the legend set forth in Section 2.06(g)(1) hereof to be placed on all Notes issued under this Indenture except where otherwise permitted by the provisions of this Indenture.

"*Pro Forma Cost Savings*" means operating expense reductions and other operating improvements or synergies determined in good faith by the Company to be reasonably expected to result from any acquisition, merger, disposition or operational change (*provided* that such operating expense reductions and other operating improvements or synergies are (1) reasonably identifiable and factually supportable and (2) realized within twelve months of the date on which such acquisition, merger, disposition or operational change is consummated), based on assumptions determined in good faith by the Company.

"*QIB*" means a "qualified institutional buyer" as defined in Rule 144A.

"*Qualifying Equity Interests*" means Equity Interests of the Company other than (1) Disqualified Stock and (2) Equity Interests that were used to support an incurrence of Contribution Indebtedness.

"*Registration Rights Agreement*" means (i) with respect to the Initial Notes, the Registration Rights Agreement, dated as of May 28, 2010, among the Company, the Guarantors and the other parties named on the signature pages thereof, as such agreement may be amended, modified or supplemented from time to time, and, (ii) with respect to each issuance of Additional Notes issued in a transaction exempt from the registration requirements of the Securities Act, the registration rights agreement, if any, among the Company, the Guarantors and the other parties thereto, as such agreement may be amended, modified or supplemented from time to time, in each case relating to rights given by the Company to the purchasers of Additional Notes to register such Additional Notes under the Securities Act.

"*Regulation S*" means Regulation S promulgated under the Securities Act.

"*Regulation S Global Note*" means a Regulation S Temporary Global Note or Regulation S Permanent Global Note, as appropriate.

"Regulation S Permanent Global Note" means a permanent Global Note in the form of Exhibit A1 hereto bearing the Global Note Legend and the Private Placement Legend and deposited with or on behalf of and registered in the name of the Depositary or its nominee, issued in a denomination equal to the outstanding principal amount of the Regulation S Temporary Global Note upon expiration of the Restricted Period.

"Regulation S Temporary Global Note" means a temporary Global Note in the form of Exhibit A2 hereto deposited with or on behalf of and registered in the name of the Depositary or its nominee, issued in a denomination equal to the outstanding principal amount of the Notes initially sold in reliance on Rule 903 of Regulation S.

"*Related Party*" means:

(1) any controlling stockholder, controlling member, general partner, majority owned Subsidiary, spouse, descendant or other immediate family member (which includes any child, stepchild, parent, stepparent, sibling, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law or sister-in-law) (in the case of an individual) of any Principal; or

(2) any estate, trust, corporation, partnership, limited liability company or other entity, the beneficiaries, stockholders, partners, members, owners or Persons beneficially holding a majority (and controlling) interest of which consist of any one or more Principals and/or such other Persons referred to in the immediately preceding clause (1); or

(3) any executor, administrator trustee, manager, director, or other similar fiduciary of any Person referred to in the immediately preceding clause (2), acting solely in such capacity.

"*Responsible Officer*," when used with respect to the Trustee, means any officer within the Corporate Trust Administration of the Trustee (or any successor group of the Trustee) or any other officer of the Trustee customarily performing functions similar to those performed by any of the above designated officers and also means, with respect to a particular corporate trust matter, any other officer to whom such matter is referred because of his knowledge of and familiarity with the particular subject.

"*Restricted Definitive Note*" means a Definitive Note bearing the Private Placement Legend.

"*Restricted Global Note*" means a Global Note bearing the Private Placement Legend.

"*Restricted Investment*" means an Investment other than a Permitted Investment.

"*Restricted Period*" means, with respect to any Notes, the 40-day distribution compliance period as defined in Regulation S as applicable to such Notes.

"Restricted Subsidiary" of a Person means any Subsidiary of the referent Person that is not an Unrestricted Subsidiary.

"*Rule 144*" means Rule 144 promulgated under the Securities Act.

"*Rule 144A*" means Rule 144A promulgated under the Securities Act.

"*Rule 903*" means Rule 903 promulgated under the Securities Act.

"*Rule 904*" means Rule 904 promulgated under the Securities Act.

"S&P" means Standard & Poor's Ratings Group, and any successor to the ratings business thereof.

"*SEC*" means the Securities and Exchange Commission.

"*Secured Indebtedness Ratio*" means, as of any date of determination, the ratio of (a) the aggregate principal amount of Indebtedness of the Company and the Guarantors outstanding as of that date (with letters of credit being deemed to have a principal amount equal to the maximum potential liability of the Company and the Guarantors thereunder) that is secured by a Lien to (b) the Company's Consolidated EBITDA for the most recently ended four full fiscal quarters for which internal financial statements are available immediately preceding the date of determination, with such pro forma and other adjustments to the Indebtedness of the Company and its Restricted Subsidiaries and to Consolidated EBITDA as are consistent with the adjustment provisions set forth in the definition of "Fixed Charge Coverage Ratio."

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

"*Shelf Registration Statement*" means the Shelf Registration Statement as defined in the Registration Rights Agreement.

"*Significant Subsidiary*" means any Restricted Subsidiary that would be a "significant subsidiary" as defined in Article 1, Rule 1-02 of Regulation S-X, promulgated pursuant to the Securities Act, as such Regulation is in effect on the date of this Indenture.

"*Special Interest*" has the meaning assigned to that term pursuant to the Registration Rights Agreement.

"*Stated Maturity*" means, with respect to any installment of interest or principal on any series of Indebtedness, the date on which the payment of interest or principal was scheduled to be paid in the documentation governing such Indebtedness as of the date of this Indenture, and will not include any contingent obligations to repay, redeem or repurchase any such interest or principal prior to the date originally scheduled for the payment thereof.

"*Subordinated Indebtedness*" means Indebtedness of the Company, any Guarantor or any Restricted Subsidiary that is expressly subordinated in right of payment to the Notes or the Note Guarantees, as applicable.

"*Subordinated Intercompany Promissory Note*" means the Amended and Restated Subordinated Promissory Note from the Company to Parent in the principal amount of $105,446,000, maturing on September 30, 2027, and bearing interest (payable monthly) at a rate of 11.6% per annum, as in existence on the date of this Indenture.

"*Subsidiary*" means, with respect to any specified Person:

(1) any corporation, association or other business entity of which more than 50% of the total voting power of shares of Capital Stock entitled (without regard to the occurrence of any contingency and after giving effect to any voting agreement or stockholders' agreement that effectively transfers voting power) to vote in the election of directors, managers or trustees of the corporation, association or other business entity is at the time owned or controlled, directly or indirectly, by that Person or one or more of the other Subsidiaries of that Person (or a combination thereof); and

(2) any partnership or limited liability company of which (a) more than 50% of the capital accounts, distribution rights, total equity and voting interests or general and limited partnership interests, as applicable, are owned or controlled, directly or indirectly, by such Person or one or more of the other Subsidiaries of that Person or a combination thereof, whether in the form of membership, general, special or limited partnership interests or otherwise, and (b) such Person or any Subsidiary of such Person is a controlling general partner or otherwise controls such entity.

"*TIA*" means the Trust Indenture Act of 1939, as amended (15 U.S.C. §§ 77aaa-77bbbb).

"*Total Assets*" means the total assets of the Company and its Restricted Subsidiaries on a consolidated basis, as shown on the most recent balance sheet of the Company. For purposes of testing whether any Investment, Indebtedness or other item that is incurred based on a basket related to Total Assets such item shall be permitted if such basket was available on the date of such incurrence even if Total Assets subsequently decreases.

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

"*Treasury Rate*" means, as of any redemption date, the yield to maturity as of such redemption date of United States Treasury securities with a constant maturity (as compiled and published in the most recent Federal Reserve Statistical Release H.15 (519) that has become publicly available at least two Business Days prior to the redemption date (or, if such Statistical Release is no longer published, any publicly available source of similar market data)) most nearly equal to the period from the redemption date to June 1, 2014; *provided, however*, that if the period from the redemption date to June 1, 2014, is less than one year, the weekly average yield on actually traded United States Treasury securities adjusted to a constant maturity of one year will be used.

"*Trustee*" means Wells Fargo Bank, National Association until a successor replaces it in accordance with the applicable provisions of this Indenture and thereafter means the successor serving hereunder.

"*Unrestricted Definitive Note*" means a Definitive Note that does not bear and is not required to bear the Private Placement Legend.

"*Unrestricted Global Note*" means a Global Note that does not bear and is not required to bear the Private Placement Legend.

"*Unrestricted Subsidiary*" means any Subsidiary of the Company that is designated by the Board of Directors of the Company as an Unrestricted Subsidiary pursuant to a resolution of the Board of Directors, but only to the extent:

(1) that if the Indebtedness of the Subsidiary is not Non-Recourse Debt, any guarantee or other credit support thereof by the Company or a Restricted Subsidiary is permitted under the "Limitations on Additional Indebtedness and Issuance of Preferred Stock" covenant;

(2) except as permitted in Section 4.11 hereof, such Subsidiary is not party to any agreement, contract, arrangement or understanding with the Company or any Restricted Subsidiary of the Company unless the terms of any such agreement, contract, arrangement or understanding are no less favorable to the Company or such Restricted Subsidiary than those that might be obtained at the time from Persons who are not Affiliates of the Company;

(3) such Subsidiary is a Person with respect to which neither the Company nor any of its Restricted Subsidiaries has any direct or indirect obligation (a) to subscribe for additional Equity Interests or (b) to maintain or preserve such Person's financial condition or to cause such Person to achieve any specified levels of operating results, unless such obligation is a Permitted Investment or is otherwise permitted under the covenant described in Section 4.07 hereof; and

(4) such Subsidiary has not guaranteed or otherwise directly or indirectly provided credit support for any Indebtedness of the Company or any of its Restricted Subsidiaries.

"*U.S. Person*" means a U.S. Person as defined in Rule 902(k) promulgated under the Securities Act.

"*Voting Stock*" of any specified Person as of any date means the Capital Stock of such Person that is at the time entitled to vote in the election of the Board of Directors of such Person.

"*Weighted Average Life to Maturity*" means, when applied to any Indebtedness, Disqualified Stock or preferred stock at any date, the number of years obtained by dividing:

(1) the sum of the products obtained by multiplying (a) the amount of each then remaining installment, sinking fund, serial maturity or other required payments of principal or liquidation preference, including payment at final maturity, in respect of the Indebtedness, Disqualified Stock or preferred stock, by (b) the number of years (calculated to the nearest one-twelfth) that will elapse between such date and the making of such payment; *by*

(2) then outstanding principal amount of such Indebtedness or liquidation preference of such Disqualified Stock or preferred stock.

Section 1.02 *Other Definitions*.

Term	Defined in Section
"Advisor"	7.02
"Affiliate Transaction"	4.11
"Asset Sale Offer"	3.09
"Authenticating Agent"	2.02
"Authentication Order"	2.02
"Change of Control Offer"	4.15
"Change of Control Payment"	4.15
"Change of Control Payment Date"	4.15
"Covenant Defeasance"	8.03
"DTC"	2.01
"Event of Default"	6.01
"Excess Proceeds"	4.10
"incur"	4.09
"Legal Defeasance"	8.02
"Offer Amount"	3.09
"Offer Period"	3.09
"Paying Agent"	2.03
"Permitted Debt"	4.09
"Payment Default"	6.01
"PDF"	12.14
"Purchase Date"	3.09
"Registrar"	2.03
"Restricted Payments"	4.07

Section 1.03 *Incorporation by Reference of Trust Indenture Act*.

Whenever this Indenture refers to a provision of the TIA, the provision is incorporated by reference in and made a part of this Indenture.

The following TIA terms used in this Indenture have the following meanings:

"*indenture securities*" means the Notes;

"*indenture security Holder*" means a Holder of a Note;

"*indenture to be qualified*" means this Indenture;

"*indenture trustee*" or "*institutional trustee*" means the Trustee; and

"*obligor*" on the Notes and the Note Guarantees means the Company and the Guarantors, respectively, and any successor obligor upon the Notes and the Note Guarantees, respectively.

All other terms used in this Indenture that are defined by the TIA, defined by TIA reference to another statute or defined by SEC rule under the TIA have the meanings so assigned to them.

Section 1.04 *Rules of Construction*.

Unless the context otherwise requires:

(1) a term has the meaning assigned to it;

(2) an accounting term not otherwise defined has the meaning assigned to it in accordance with GAAP;

(3) "or" is not exclusive;

(4) words in the singular include the plural, and in the plural include the singular;

(5) "will" shall be interpreted to express a command;

(6) references to laws and statutes shall be deemed to refer to successor laws and statutes thereto;

(7) provisions apply to successive events and transactions; and

(8) references to sections of or rules under the Exchange Act, the Securities Act or the TIA will be deemed to include substitute, replacement of successor sections or rules adopted by the SEC from time to time.

ARTICLE 2
THE NOTES

Section 2.01 *Form and Dating*.

(a) *General*. The Notes and the Trustee's certificate of authentication will be substantially in the form of Exhibits A1 and A2 hereto. The Notes may have notations, legends or endorsements required by law, stock exchange rule or usage. Each Note will be dated the date of its authentication. The Notes shall be in denominations of $2,000 and integral multiples of $1,000 in excess thereof. The Company and the Guarantors shall approve the forms of the Notes and any notation, legend or endorsement thereon.

The terms and provisions contained in the Notes will constitute, and are hereby expressly made, a part of this Indenture and the Company, the Guarantors and the Trustee, by their execution and delivery of this Indenture, expressly agree to such terms and provisions and to be bound thereby. However, to the extent any provision of any Note conflicts with the express provisions of this Indenture, the provisions of this Indenture shall govern and be controlling.

(b) *Global Notes*. Notes issued in global form will be substantially in the form of Exhibits A1 or A2 hereto. Notes issued in definitive form will be substantially in the form of Exhibit A1 hereto (but without the Global Note Legend thereon and without the "Schedule of Exchanges of Interests in the Global Note" attached thereto). Each Global Note will represent such of the outstanding Notes as will be specified therein and each shall provide that it represents the aggregate principal amount of outstanding

Notes from time to time endorsed thereon and that the aggregate principal amount of outstanding Notes represented thereby may from time to time be reduced or increased, as appropriate, to reflect exchanges and redemptions. Any endorsement of a Global Note to reflect the amount of any increase or decrease in the aggregate principal amount of outstanding Notes represented thereby will be made by the Trustee, the Depository or the Note Custodian, at the direction of the Trustee, in accordance with instructions given by the Holder thereof as required by Section 2.06 hereof. The Company initially appoints The Depository Trust Company (*"DTC"*) to act as Depositary with respect to the Global Notes.

(c) *Temporary Global Notes.* Notes offered and sold in reliance on Regulation S will be issued initially in the form of the Regulation S Temporary Global Note, which will be deposited on behalf of the purchasers of the Notes represented thereby with the Trustee, at its New York office, as custodian for the Depositary, and registered in the name of the Depositary or the nominee of the Depositary for the accounts of designated agents holding on behalf of Euroclear or Clearstream, duly executed by the Company and authenticated by the Trustee as hereinafter provided. The Restricted Period will be terminated upon the receipt by the Trustee of:

(1) a written certificate from the Depositary, together with copies of certificates from Euroclear and Clearstream certifying that they have received certification of non-United States beneficial ownership of 100% of the aggregate principal amount of the Regulation S Temporary Global Note (except to the extent of any beneficial owners thereof who acquired an interest therein during the Restricted Period pursuant to another exemption from registration under the Securities Act and who will take delivery of a beneficial ownership interest in a 144A Global Note or an IAI Global Note bearing a Private Placement Legend, all as contemplated by Section 2.06(b) hereof); and

(2) an Officer's Certificate from the Company.

Following the termination of the Restricted Period, beneficial interests in the Regulation S Temporary Global Note will be exchanged for beneficial interests in the Regulation S Permanent Global Note pursuant to the Applicable Procedures. Simultaneously with the authentication of the Regulation S Permanent Global Note, the Trustee will cancel the Regulation S Temporary Global Note. The aggregate principal amount of the Regulation S Temporary Global Note and the Regulation S Permanent Global Note may from time to time be increased or decreased by adjustments made on the records of the Trustee and the Depositary or its nominee, as the case may be, in connection with transfers of interest as hereinafter provided.

(3) *Euroclear and Clearstream Procedures Applicable.* The provisions of the "Operating Procedures of the Euroclear System" and "Terms and Conditions Governing Use of Euroclear" and the "General Terms and Conditions of Clearstream Banking" and "Customer Handbook" of Clearstream will be applicable to transfers of beneficial interests in the Regulation S Temporary Global Note and the Regulation S Permanent Global Note that are held by Participants through Euroclear or Clearstream.

Section 2.02 *Execution and Authentication*.

At least one Officer of the Company must sign the Notes for the Company by manual or facsimile signature. If an Officer whose signature is on a Note no longer holds that office at the time a Note is authenticated, the Note will nevertheless be valid.

A Note will not be valid until authenticated by the manual signature of the Trustee. The signature will be conclusive evidence that such Note has been duly and validly authenticated and issued under this Indenture.

The aggregate principal amount of Notes that may be authenticated and delivered under this Indenture is unlimited. The Trustee will, upon receipt of a written order of the Company signed an Officer of the Company (an "*Authentication Order*"), authenticate and deliver (i) on the date of this indenture, the Initial Notes in aggregate principal amount of $150,000,000, (ii) subject to the provisions of Section 2.13, at any time and from time to time thereafter, Additional Notes in an aggregate principal amount specified in such Authentication Order and (iii) subject to the provisions of Section 2.06(f), Exchange Notes issued in exchange for a like principal amount of Initial Notes or Additional Notes tendered pursuant to an Exchange Offer. Each such Authentication Order shall specify (i) the registered holder of each Note, (ii) the amount and maturity date of each Note to be authenticated, (iii) the date on which the Notes are to be authenticated, (iv) whether the Notes are to be Initial Notes, Exchange Notes or Additional Notes, (v) whether such Notes shall bear the Global Note Legend and/or the Private Placement Legend and (vi) delivery instructions for the Notes. Furthermore, Notes may be authenticated and delivered upon registration or transfer, or in lieu of, other Notes pursuant to Section 2.06, 2.07, 2.10 or 9.05 or in connection with a Change of Control Offer pursuant to Section 4.15, an Asset Sale Offer pursuant to Section 3.09 or a redemption pursuant to Article 3. The aggregate principal amount of Notes outstanding at any time may not exceed the aggregate principal amount of Notes authorized for issuance by the Company pursuant to one or more Authentication Orders, except as provided in Section 2.07 hereof.

The Trustee may appoint an authenticating agent (the "*Authenticating Agent*") acceptable to the Company to authenticate Notes. An Authenticating Agent may authenticate Notes whenever the Trustee may do so. Each reference in this Indenture to authentication by the Trustee includes authentication by such Authenticating Agent. An Authenticating Agent has the same rights as an Agent to deal with Holders or an Affiliate of the Company.

Section 2.03 *Registrar and Paying Agent.*

The Company will maintain an office or agency where Notes may be presented for registration of transfer or for exchange (*Registrar*") and an office or agency where Notes may be presented for payment ("*Paying Agent*"). The Registrar will keep a register of the Notes and of their transfer and exchange. The Company may appoint one or more co-registrars and one or more additional paying agents. The term "Registrar" includes any co-registrar and the term "Paying Agent" includes any additional paying agent. The Company may change any Paying Agent or Registrar without notice to any Holder. The Company will notify the Trustee in writing of the name and address of any Agent not a party to this Indenture. If the Company fails to appoint or maintain another entity as Registrar or Paying Agent, the Trustee shall act as such. The Company or any of its Subsidiaries may act as Paying Agent or Registrar. The Company initially appoints the Trustee to act as the Registrar and Paying Agent and to act as Note Custodian with respect to the Global Notes.

Section 2.04 *Paying Agent to Hold Money in Trust.*

The Company will require each Paying Agent other than the Trustee to agree in writing that the Paying Agent will hold in trust for the benefit of Holders or the Trustee all money held by the Paying Agent for the payment of principal of, premium on, if any, or interest or Special Interest, if any, on, the Notes, and will notify the Trustee in writing of any default by the Company in making any such payment. While any such default continues, the Trustee may require a Paying Agent to pay all money held by it to the Trustee. The Company at any time may require a Paying Agent to pay all money held by it to the

Trustee and to account for any funds disbursed by such Paying Agent. Upon payment over to the Trustee, the Paying Agent (if other than the Company or a Subsidiary) will have no further liability for the money. If the Company or a Subsidiary acts as Paying Agent, it will segregate and hold in a separate trust fund for the benefit of the Holders all money held by it as Paying Agent. Upon any bankruptcy or reorganization proceedings relating to the Company, the Trustee will serve as Paying Agent for the Notes.

Section 2.05 *Holder Lists.*

The Trustee will preserve in as current a form as is reasonably practicable the most recent list available to it of the names and addresses of all Holders and shall otherwise comply with TIA §312(a). If the Trustee is not the Registrar, the Company will furnish to the Trustee at least seven Business Days before each interest payment date and at such other times as the Trustee may request in writing, a list in such form and as of such date as the Trustee may reasonably require of the names and addresses of the Holders of Notes and the Company shall otherwise comply with TIA §312(a).

Section 2.06 *Transfer and Exchange.*

(a) *Transfer and Exchange of Global Notes.* A Global Note may not be transferred except as a whole by the Depositary to a nominee of the Depositary, by a nominee of the Depositary to the Depositary or to another nominee of the Depositary, or by the Depositary or any such nominee to a successor Depositary or a nominee of such successor Depositary. All Global Notes will be exchanged by the Company for Definitive Notes if:

(1) the Company delivers to the Trustee written notice from the Depositary that it is unwilling or unable to continue to act as Depositary or that it is no longer a clearing agency registered under the Exchange Act and, in either case, a successor Depositary is not appointed by the Company within 120 days after the date of such notice from the Depositary;

(2) the Company in its sole discretion determines that the Global Notes (in whole but not in part) should be exchanged for Definitive Notes and delivers a written notice to such effect to the Trustee; *provided* that in no event shall the Temporary Regulation S Global Note be exchanged by the Company for Definitive Notes prior to (A) the expiration of the Restricted Period and (B) the receipt by the Registrar of any certificates required pursuant to Rule 903(b)(3)(ii)(B) under the Securities Act; or

(3) there has occurred and is continuing a Default or Event of Default with respect to the Notes.

Upon the occurrence of either of the preceding events in (1) or (2) above, Definitive Notes shall be issued in such names as the Depositary shall instruct the Trustee. Global Notes also may be exchanged or replaced, in whole or in part, as provided in Sections 2.07 and 2.10 hereof. Every Note authenticated and delivered in exchange for, or in lieu of, a Global Note or any portion thereof, pursuant to Sections 2.06, 2.07 or 2.10 hereof, shall be authenticated and delivered in the form of, and shall be, a Global Note. A Global Note may not be exchanged for another Note other than as provided in this Section 2.06(a), however, beneficial interests in a Global Note may be transferred and exchanged as provided in Section 2.06(b), (c) or (f) hereof.

(b) *Transfer and Exchange of Beneficial Interests in the Global Notes.* The transfer and exchange of beneficial interests in the Global Notes will be effected through the Depositary, in accordance with the provisions of this Indenture and the Applicable Procedures. Beneficial interests in the Restricted Global Notes will be subject to restrictions on transfer comparable to those set forth herein

to the extent required by the Securities Act. Transfers of beneficial interests in the Global Notes also will require compliance with either subparagraph (1) or (2) below, as applicable, as well as one or more of the other following subparagraphs, as applicable:

(1) *Transfer of Beneficial Interests in the Same Global Note.* Beneficial interests in any Restricted Global Note may be transferred to Persons who take delivery thereof in the form of a beneficial interest in the same Restricted Global Note in accordance with the transfer restrictions set forth in the Private Placement Legend; *provided, however*, that transfers of beneficial interests in the Temporary Regulation S Global Note may not be made to a U.S. Person or for the account or benefit of a U.S. Person. Beneficial interests in any Unrestricted Global Note may be transferred to Persons who take delivery thereof in the form of a beneficial interest in an Unrestricted Global Note. No written orders or instructions shall be required to be delivered to the Registrar to effect the transfers described in this Section 2.06(b)(1).

(2) *All Other Transfers and Exchanges of Beneficial Interests in Global Notes.* In connection with all transfers and exchanges of beneficial interests that are not subject to Section 2.06(b)(1) above, the transferor of such beneficial interest must deliver to the Registrar either:

(A) both:

(i) a written order from a Participant or an Indirect Participant given to the Depositary in accordance with the Applicable Procedures directing the Depositary to credit or cause to be credited a beneficial interest in another Global Note in an amount equal to the beneficial interest to be transferred or exchanged; and

(ii) instructions given in accordance with the Applicable Procedures containing information regarding the Participant account to be credited with such increase; or

(B) both:

(i) a written order from a Participant or an Indirect Participant given to the Depositary in accordance with the Applicable Procedures directing the Depositary to cause to be issued a Definitive Note in an amount equal to the beneficial interest to be transferred or exchanged; and

(ii) instructions given by the Depositary to the Registrar containing information regarding the Person in whose name such Definitive Note shall be registered to effect the transfer or exchange referred to in (i) above;

provided that in no event shall Definitive Notes be issued upon the transfer or exchange of beneficial interests in the Regulation S Temporary Global Note prior to (A) the expiration of the Restricted Period and (B) the receipt by the Registrar of any certificates required pursuant to Rule 903 under the Securities Act.

Upon consummation of an Exchange Offer by the Company in accordance with Section 2.06(f) hereof, the requirements of this Section 2.06(b)(2) shall be deemed to have been satisfied upon receipt by the Registrar of the instructions contained in the Letter of Transmittal delivered by the Holder of such beneficial interests in the Restricted Global Notes. Upon satisfaction of all of the requirements for transfer or exchange of beneficial interests in Global Notes contained in this Indenture and the Notes or otherwise applicable under the Securities Act, the Trustee shall adjust the principal amount of the relevant Global Note(s) pursuant to Section 2.06(h) hereof.

(3) *Transfer of Beneficial Interests to Another Restricted Global Note.* A beneficial interest in any Restricted Global Note may be transferred to a Person who takes delivery thereof in the form of a beneficial interest in another Restricted Global Note if the transfer complies with the requirements of Section 2.06(b)(2) above and the Registrar receives the following:

(A) if the transferee will take delivery in the form of a beneficial interest in the 144A Global Note, then the transferor must deliver a certificate in the form of Exhibit B hereto, including the certifications in item (1) thereof;

(B) if the transferee will take delivery in the form of a beneficial interest in the Regulation S Temporary Global Note or the Regulation S Permanent Global Note, then the transferor must deliver a certificate in the form of Exhibit B hereto, including the certifications in item (2) thereof; and

(C) if the transferee will take delivery in the form of a beneficial interest in the IAI Global Note, then the transferor must deliver a certificate in the form of Exhibit B hereto, including the certifications, certificates and Opinion of Counsel required by item (3) thereof, if applicable.

(4) *Transfer and Exchange of Beneficial Interests in a Restricted Global Note for Beneficial Interests in an Unrestricted Global Note.* A beneficial interest in any Restricted Global Note may be exchanged by any holder thereof for a beneficial interest in an Unrestricted Global Note or transferred to a Person who takes delivery thereof in the form of a beneficial interest in an Unrestricted Global Note if the exchange or transfer complies with the requirements of Section 2.06(b)(2) above and:

(A) such exchange or transfer is effected pursuant to the Exchange Offer in accordance with the Registration Rights Agreement and the holder of the beneficial interest to be transferred, in the case of an exchange, or the transferee, in the case of a transfer, certifies in the applicable Letter of Transmittal that it is not (i) a Broker-Dealer, (ii) a Person participating in the distribution of the Exchange Notes or (iii) a Person who is an affiliate (as defined in Rule 144) of the Company;

(B) such transfer is effected pursuant to the Shelf Registration Statement in accordance with the Registration Rights Agreement;

(C) such transfer is effected by a Broker-Dealer pursuant to the Exchange Offer Registration Statement in accordance with the Registration Rights Agreement; or

(D) the Registrar receives the following:

(i) if the holder of such beneficial interest in a Restricted Global Note proposes to exchange such beneficial interest for a beneficial interest in an Unrestricted Global Note, a certificate from such holder in the form of Exhibit C hereto, including the certifications in item (1)(a) thereof; or

(ii) if the holder of such beneficial interest in a Restricted Global Note proposes to transfer such beneficial interest to a Person who shall take

delivery thereof in the form of a beneficial interest in an Unrestricted Global Note, a certificate from such holder in the form of Exhibit B hereto, including the certifications in item (4) thereof;

and, in each such case set forth in this subparagraph (D), if the Registrar so requests or if the Applicable Procedures so require, an Opinion of Counsel in form reasonably acceptable to the Registrar to the effect that such exchange or transfer is in compliance with the Securities Act and that the restrictions on transfer contained herein and in the Private Placement Legend are no longer required in order to maintain compliance with the Securities Act.

If any such transfer is effected pursuant to subparagraph (B) or (D) above at a time when an Unrestricted Global Note has not yet been issued, the Company shall issue and, upon receipt of an Authentication Order in accordance with Section 2.02 hereof, the Trustee shall authenticate one or more Unrestricted Global Notes in an aggregate principal amount equal to the aggregate principal amount of beneficial interests transferred pursuant to subparagraph (B) or (D) above.

Beneficial interests in an Unrestricted Global Note cannot be exchanged for, or transferred to Persons who take delivery thereof in the form of, a beneficial interest in a Restricted Global Note.

(c) *Transfer or Exchange of Beneficial Interests for Definitive Notes.*

(1) *Beneficial Interests in Restricted Global Notes to Restricted Definitive Notes.* If any holder of a beneficial interest in a Restricted Global Note proposes to exchange such beneficial interest for a Restricted Definitive Note or to transfer such beneficial interest to a Person who takes delivery thereof in the form of a Restricted Definitive Note, then, upon receipt by the Registrar of the following documentation:

(A) if the holder of such beneficial interest in a Restricted Global Note proposes to exchange such beneficial interest for a Restricted Definitive Note, a certificate from such holder in the form of Exhibit C hereto, including the certifications in item (2)(a) thereof;

(B) if such beneficial interest is being transferred to a QIB in accordance with Rule 144A, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (1) thereof;

(C) if such beneficial interest is being transferred to a Non-U.S. Person in an offshore transaction in accordance with Rule 903 or Rule 904, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (2) thereof;

(D) if such beneficial interest is being transferred pursuant to an exemption from the registration requirements of the Securities Act in accordance with Rule 144, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (3)(a) thereof;

(E) if such beneficial interest is being transferred to an Institutional Accredited Investor in reliance on an exemption from the registration requirements of the Securities Act other than those listed in subparagraphs (B) through (D) above, a certificate to the effect set forth in Exhibit B hereto, including the certifications, certificates and Opinion of Counsel required by item (3) thereof, if applicable;

(F) if such beneficial interest is being transferred to the Company, any Guarantor or any of their Subsidiaries, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (3)(b) thereof; or

(G) if such beneficial interest is being transferred pursuant to an effective registration statement under the Securities Act, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (3)(c) thereof,

the Trustee shall cause the aggregate principal amount of the applicable Global Note to be reduced accordingly pursuant to Section 2.06(h) hereof, and the Company shall execute and the Trustee shall authenticate and deliver to the Person designated in the instructions a Definitive Note in the appropriate principal amount. Any Definitive Note issued in exchange for a beneficial interest in a Restricted Global Note pursuant to this Section 2.06(c) shall be registered in such name or names and in such authorized denomination or denominations as the holder of such beneficial interest shall instruct the Registrar through instructions from the Depositary and the Participant or Indirect Participant. The Trustee shall deliver such Definitive Notes to the Persons in whose names such Notes are so registered. Any Definitive Note issued in exchange for a beneficial interest in a Restricted Global Note pursuant to this Section 2.06(c)(1) shall bear the Private Placement Legend and shall be subject to all restrictions on transfer contained therein.

(2) *Beneficial Interests in Regulation S Temporary Global Note to Definitive Notes.* Notwithstanding Sections 2.06(c)(1)(A) and (C) hereof, a beneficial interest in the Regulation S Temporary Global Note may not be exchanged for a Definitive Note or transferred to a Person who takes delivery thereof in the form of a Definitive Note prior to (A) the expiration of the Restricted Period and (B) the receipt by the Registrar of any certificates required pursuant to Rule 903(b)(3)(ii)(B) under the Securities Act, except in the case of a transfer pursuant to an exemption from the registration requirements of the Securities Act other than Rule 903 or Rule 904.

(3) *Beneficial Interests in Restricted Global Notes to Unrestricted Definitive Notes.* A holder of a beneficial interest in a Restricted Global Note may exchange such beneficial interest for an Unrestricted Definitive Note or may transfer such beneficial interest to a Person who takes delivery thereof in the form of an Unrestricted Definitive Note only if:

(A) such exchange or transfer is effected pursuant to the Exchange Offer in accordance with the Registration Rights Agreement and the holder of such beneficial interest, in the case of an exchange, or the transferee, in the case of a transfer, certifies in the applicable Letter of Transmittal that it is not (i) a Broker-Dealer, (ii) a Person participating in the distribution of the Exchange Notes or (iii) a Person who is an affiliate (as defined in Rule 144) of the Company;

(B) such transfer is effected pursuant to the Shelf Registration Statement in accordance with the Registration Rights Agreement;

(C) such transfer is effected by a Broker-Dealer pursuant to the Exchange Offer Registration Statement in accordance with the Registration Rights Agreement; or

(D) the Registrar receives the following:

(i) if the holder of such beneficial interest in a Restricted Global Note proposes to exchange such beneficial interest for an Unrestricted Definitive Note, a certificate from such holder in the form of Exhibit C hereto, including the certifications in item (1)(b) thereof; or

(ii) if the holder of such beneficial interest in a Restricted Global Note proposes to transfer such beneficial interest to a Person who shall take delivery thereof in the form of an Unrestricted Definitive Note, a certificate from such holder in the form of Exhibit B hereto, including the certifications in item (4) thereof;

and, in each such case set forth in this subparagraph (D), if the Registrar so requests or if the Applicable Procedures so require, an Opinion of Counsel in form reasonably acceptable to the Registrar to the effect that such exchange or transfer is in compliance with the Securities Act and that the restrictions on transfer contained herein and in the Private Placement Legend are no longer required in order to maintain compliance with the Securities Act.

(4) *Beneficial Interests in Unrestricted Global Notes to Unrestricted Definitive Notes.* If any holder of a beneficial interest in an Unrestricted Global Note proposes to exchange such beneficial interest for a Definitive Note or to transfer such beneficial interest to a Person who takes delivery thereof in the form of a Definitive Note, then, upon satisfaction of the conditions set forth in Section 2.06(b)(2) hereof, the Trustee will cause the aggregate principal amount of the applicable Global Note to be reduced accordingly pursuant to Section 2.06(h) hereof, and the Company will execute and the Trustee will authenticate and deliver to the Person designated in the instructions a Definitive Note in the appropriate principal amount. Any Definitive Note issued in exchange for a beneficial interest pursuant to this Section 2.06(c)(3) will be registered in such name or names and in such authorized denomination or denominations as the holder of such beneficial interest requests through instructions to the Registrar from or through the Depositary and the Participant or Indirect Participant. The Trustee will deliver such Definitive Notes to the Persons in whose names such Notes are so registered. Any Definitive Note issued in exchange for a beneficial interest pursuant to this Section 2.06(c)(3)(4) will not bear the Private Placement Legend.

(d) *Transfer and Exchange of Definitive Notes for Beneficial Interests.*

(1) *Restricted Definitive Notes to Beneficial Interests in Restricted Global Notes.* If any Holder of a Restricted Definitive Note proposes to exchange such Note for a beneficial interest in a Restricted Global Note or to transfer such Restricted Definitive Notes to a Person who takes delivery thereof in the form of a beneficial interest in a Restricted Global Note, then, upon receipt by the Registrar of the following documentation:

(A) if the Holder of such Restricted Definitive Note proposes to exchange such Note for a beneficial interest in a Restricted Global Note, a certificate from such Holder in the form of Exhibit C hereto, including the certifications in item (2)(b) thereof;

(B) if such Restricted Definitive Note is being transferred to a QIB in accordance with Rule 144A, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (1) thereof;

(C) if such Restricted Definitive Note is being transferred to a Non-U.S. Person in an offshore transaction in accordance with Rule 903 or Rule 904, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (2) thereof;

(D) if such Restricted Definitive Note is being transferred pursuant to an exemption from the registration requirements of the Securities Act in accordance with Rule 144, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (3)(a) thereof;

(E) if such Restricted Definitive Note is being transferred to an Institutional Accredited Investor in reliance on an exemption from the registration requirements of the Securities Act other than those listed in subparagraphs (B) through (D) above, a certificate to the effect set forth in Exhibit B hereto, including the certifications, certificates and Opinion of Counsel required by item (3) thereof, if applicable;

(F) if such Restricted Definitive Note is being transferred to the Company, any Guarantor or any of their Subsidiaries, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (3)(b) thereof; or

(G) if such Restricted Definitive Note is being transferred pursuant to an effective registration statement under the Securities Act, a certificate to the effect set forth in Exhibit B hereto, including the certifications in item (3)(c) thereof,

the Trustee will cancel the Restricted Definitive Note, increase or cause to be increased the aggregate principal amount of, in the case of clause (A) above, the appropriate Restricted Global Note, in the case of clause (B) above, the 144A Global Note, in the case of clause (C) above, the Regulation S Global Note.

(2) *Restricted Definitive Notes to Beneficial Interests in Unrestricted Global Notes.* A Holder of a Restricted Definitive Note may exchange such Note for a beneficial interest in an Unrestricted Global Note or transfer such Restricted Definitive Note to a Person who takes delivery thereof in the form of a beneficial interest in an Unrestricted Global Note only if:

(A) such exchange or transfer is effected pursuant to the Exchange Offer in accordance with the Registration Rights Agreement and the Holder, in the case of an exchange, or the transferee, in the case of a transfer, certifies in the applicable Letter of Transmittal that it is not (i) a Broker-Dealer, (ii) a Person participating in the distribution of the Exchange Notes or (iii) a Person who is an affiliate (as defined in Rule 144) of the Company;

(B) such transfer is effected pursuant to the Shelf Registration Statement in accordance with the Registration Rights Agreement;

(C) such transfer is effected by a Broker-Dealer pursuant to the Exchange Offer Registration Statement in accordance with the Registration Rights Agreement; or

(D) the Registrar receives the following:

(i) if the Holder of such Definitive Notes proposes to exchange such Notes for a beneficial interest in the Unrestricted Global Note, a certificate from such Holder in the form of Exhibit C hereto, including the certifications in item (1)(c) thereof; or

(ii) if the Holder of such Definitive Notes proposes to transfer such Notes to a Person who shall take delivery thereof in the form of a beneficial interest in the Unrestricted Global Note, a certificate from such Holder in the form of Exhibit B hereto, including the certifications in item (4) thereof;

and, in each such case set forth in this subparagraph (D), if the Registrar so requests or if the Applicable Procedures so require, an Opinion of Counsel in form reasonably acceptable to the Registrar to the effect that such exchange or transfer is in compliance with the Securities Act and that the restrictions on transfer contained herein and in the Private Placement Legend are no longer required in order to maintain compliance with the Securities Act.

Upon satisfaction of the conditions of any of the subparagraphs in this Section 2.06(d)(2), the Trustee will cancel the Definitive Notes and increase or cause to be increased the aggregate principal amount of the Unrestricted Global Note.

(3) *Unrestricted Definitive Notes to Beneficial Interests in Unrestricted Global Notes.* A Holder of an Unrestricted Definitive Note may exchange such Note for a beneficial interest in an Unrestricted Global Note or transfer such Definitive Notes to a Person who takes delivery thereof in the form of a beneficial interest in an Unrestricted Global Note at any time. Upon receipt of a request for such an exchange or transfer, the Trustee will cancel the applicable Unrestricted Definitive Note and increase or cause to be increased the aggregate principal amount of one of the Unrestricted Global Notes.

If any such exchange or transfer from a Definitive Note to a beneficial interest is effected pursuant to subparagraphs (2)(B), (2)(D) or (3) above at a time when an Unrestricted Global Note has not yet been issued, the Company will issue and, upon receipt of an Authentication Order in accordance with Section 2.02 hereof, the Trustee will authenticate one or more Unrestricted Global Notes in an aggregate principal amount equal to the principal amount of Definitive Notes so transferred.

(e) *Transfer and Exchange of Definitive Notes for Definitive Notes.* Upon request by a Holder of Definitive Notes and such Holder's compliance with the provisions of this Section 2.06(e), the Registrar will register the transfer or exchange of Definitive Notes. Prior to such registration of transfer or exchange, the requesting Holder must present or surrender to the Registrar the Definitive Notes duly endorsed or accompanied by a written instruction of transfer in form satisfactory to the Registrar duly executed by such Holder or by its attorney, duly authorized in writing. In addition, the requesting Holder must provide any additional certifications, documents and information, as applicable, required pursuant to the following provisions of this Section 2.06(e).

(1) *Restricted Definitive Notes to Restricted Definitive Notes.* Any Restricted Definitive Note may be transferred to and registered in the name of Persons who take delivery thereof in the form of a Restricted Definitive Note if the Registrar receives the following:

(A) if the transfer will be made pursuant to Rule 144A, then the transferor must deliver a certificate in the form of Exhibit B hereto, including the certifications in item (1) thereof;

(B) if the transfer will be made pursuant to Rule 903 or Rule 904, then the transferor must deliver a certificate in the form of Exhibit B hereto, including the certifications in item (2) thereof; and

(C) if the transfer will be made pursuant to any other exemption from the registration requirements of the Securities Act, then the transferor must deliver a certificate in the form of Exhibit B hereto, including the certifications, certificates and Opinion of Counsel required by item (3) thereof, if applicable.

(2) *Restricted Definitive Notes to Unrestricted Definitive Notes.* Any Restricted Definitive Note may be exchanged by the Holder thereof for an Unrestricted Definitive Note or transferred to a Person or Persons who take delivery thereof in the form of an Unrestricted Definitive Note if:

(A) such exchange or transfer is effected pursuant to the Exchange Offer in accordance with the Registration Rights Agreement and the Holder, in the case of an exchange, or the transferee, in the case of a transfer, certifies in the applicable Letter of Transmittal that it is not (i) a Broker-Dealer, (ii) a Person participating in the distribution of the Exchange Notes or (iii) a Person who is an affiliate (as defined in Rule 144) of the Company;

(B) any such transfer is effected pursuant to the Shelf Registration Statement in accordance with the Registration Rights Agreement;

(C) any such transfer is effected by a Broker-Dealer pursuant to the Exchange Offer Registration Statement in accordance with the Registration Rights Agreement; or

(D) the Registrar receives the following:

(i) if the Holder of such Restricted Definitive Notes proposes to exchange such Notes for an Unrestricted Definitive Note, a certificate from such Holder in the form of Exhibit C hereto, including the certifications in item (1)(d) thereof; or

(ii) if the Holder of such Restricted Definitive Notes proposes to transfer such Notes to a Person who shall take delivery thereof in the form of an Unrestricted Definitive Note, a certificate from such Holder in the form of Exhibit B hereto, including the certifications in item (4) thereof;

and, in each such case set forth in this subparagraph (D), if the Registrar so requests, an Opinion of Counsel in form reasonably acceptable to the Registrar to the effect that such exchange or transfer is in compliance with the Securities Act and that the restrictions on transfer contained herein and in the Private Placement Legend are no longer required in order to maintain compliance with the Securities Act.

(3) *Unrestricted Definitive Notes to Unrestricted Definitive Notes.* A Holder of Unrestricted Definitive Notes may transfer such Notes to a Person who takes delivery thereof in the form of an Unrestricted Definitive Note. Upon receipt of a request to register such a transfer, the Registrar shall register the Unrestricted Definitive Notes pursuant to the instructions from the Holder thereof.

(f) *Exchange Offer.* Upon the occurrence of the Exchange Offer in accordance with the Registration Rights Agreement, the Company will issue and, upon receipt of an Authentication Order in accordance with Section 2.02 hereof, the Trustee will authenticate:

(1) one or more Unrestricted Global Notes in an aggregate principal amount equal to the principal amount of the beneficial interests in the Restricted Global Notes accepted for exchange in the Exchange Offer by Persons that certify in the applicable Letters of Transmittal that (A) they are not Broker-Dealers, (B) they are not participating in a distribution of the Exchange Notes and (C) they are not affiliates (as defined in Rule 144) of the Company; and

(2) Unrestricted Definitive Notes in an aggregate principal amount equal to the principal amount of the Restricted Definitive Notes accepted for exchange in the Exchange Offer by Persons that certify in the applicable Letters of Transmittal that (A) they are not Broker-Dealers, (B) they are not participating in a distribution of the Exchange Notes and (C) they are not affiliates (as defined in Rule 144) of the Company.

Concurrently with the issuance of such Notes, the Trustee will cause the aggregate principal amount of the applicable Restricted Global Notes to be reduced accordingly, and the Company will execute and the Trustee will authenticate and deliver to the Persons designated by the Holders of Definitive Notes so accepted Unrestricted Definitive Notes in the appropriate principal amount.

(g) *Legends.* The following legends will appear on the face of all Global Notes and Definitive Notes issued under this Indenture unless specifically stated otherwise in the applicable provisions of this Indenture.

(1) *Private Placement Legend.*

(A) Except as permitted by subparagraph (B) below, each Global Note and each Definitive Note (and all Notes issued in exchange therefor or substitution thereof) shall bear the legend in substantially the following form:

"THE NOTES EVIDENCED HEREBY HAVE NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933 (THE "SECURITIES ACT") AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT (A)(1) TO A PERSON WHOM THE SELLER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A UNDER THE SECURITIES ACT PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A, (2) IN AN OFFSHORE TRANSACTION COMPLYING WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE SECURITIES ACT, (3) PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT PROVIDED BY RULE 144 THEREUNDER (IF AVAILABLE), (4) TO AN INSTITUTIONAL ACCREDITED INVESTOR IN A TRANSACTION EXEMPT FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT OR (5) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT, (B) TO US, ANY OF THE GUARANTORS OR ANY OF THEIR SUBSIDIARIES AND (C) IN ACCORDANCE WITH ALL APPLICABLE BLUE SKY LAWS OF THE STATES OF THE UNITED STATES, AND ANY SELLER AGREES THAT IT WILL DELIVER TO EACH PERSON TO WHOM THIS NOTE OR AN INTEREST HEREIN IS TRANSFERRED A NOTICE SUBSTANTIALLY TO THE EFFECT OF THIS LEGEND."

(B) Notwithstanding the foregoing, any Global Note or Definitive Note issued pursuant to subparagraphs (b)(4), (c)(3), (c)(4), (d)(2), (d)(3), (e)(2), (e)(3) or (f) of this Section 2.06 (and all Notes issued in exchange therefor or substitution thereof) will not bear the Private Placement Legend.

(2) *Global Note Legend*. Each Global Note will bear a legend in substantially the following form:

"THIS GLOBAL NOTE IS HELD BY THE DEPOSITARY (AS DEFINED IN THE INDENTURE GOVERNING THIS NOTE) OR ITS NOMINEE IN CUSTODY FOR THE BENEFIT OF THE BENEFICIAL OWNERS HEREOF, AND IS NOT TRANSFERABLE TO ANY PERSON UNDER ANY CIRCUMSTANCES EXCEPT THAT (1) THE TRUSTEE MAY MAKE SUCH NOTATIONS HEREON AS MAY BE REQUIRED PURSUANT TO SECTION 2.06 OF THE INDENTURE, (2) THIS GLOBAL NOTE MAY BE EXCHANGED IN WHOLE BUT NOT IN PART PURSUANT TO SECTION 2.06(a) OF THE INDENTURE, (3) THIS GLOBAL NOTE MAY BE DELIVERED TO THE TRUSTEE FOR CANCELLATION PURSUANT TO SECTION 2.11 OF THE INDENTURE AND (4) THIS GLOBAL NOTE MAY BE TRANSFERRED TO A SUCCESSOR DEPOSITARY WITH THE PRIOR WRITTEN CONSENT OF THE COMPANY.

UNLESS AND UNTIL IT IS EXCHANGED IN WHOLE OR IN PART FOR NOTES IN DEFINITIVE FORM, THIS NOTE MAY NOT BE TRANSFERRED EXCEPT AS A WHOLE BY THE DEPOSITARY TO A NOMINEE OF THE DEPOSITARY OR BY A NOMINEE OF THE DEPOSITARY TO THE DEPOSITARY OR ANOTHER NOMINEE OF THE DEPOSITARY OR BY THE DEPOSITARY OR ANY SUCH NOMINEE TO A SUCCESSOR DEPOSITARY OR A NOMINEE OF SUCH SUCCESSOR DEPOSITARY. UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY (55 WATER STREET, NEW YORK, NEW YORK) ("DTC"), TO THE COMPANY OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR SUCH OTHER NAME AS MAY BE REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR SUCH OTHER ENTITY AS MAY BE REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN."

(3) *Regulation S Temporary Global Note Legend.* The Regulation S Temporary Global Note will bear a Legend in substantially the following form:

"THE RIGHTS ATTACHING TO THIS REGULATION S TEMPORARY GLOBAL NOTE, AND THE CONDITIONS AND PROCEDURES GOVERNING ITS EXCHANGE FOR CERTIFICATED NOTES, ARE AS SPECIFIED IN THE INDENTURE (AS DEFINED HEREIN). NEITHER THE HOLDER NOR THE BENEFICIAL OWNERS OF THIS REGULATION S TEMPORARY GLOBAL NOTE SHALL BE ENTITLED TO RECEIVE PAYMENT OF INTEREST HEREON."

(4) *Original Issue Discount Legend.* If required by the Code, or any regulation promulgated thereunder, each Additional Note (and the related Exchange Note) will bear a legend in substantially the following form:

"FOR THE PURPOSES OF SECTIONS 1272, 1273 AND 1275 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED, THIS SECURITY IS BEING ISSUED WITH ORIGINAL ISSUE DISCOUNT; FOR EACH $1,000 PRINCIPAL AMOUNT OF THIS SECURITY, THE ISSUE PRICE IS $[ ], THE AMOUNT OF ORIGINAL ISSUE DISCOUNT IS $[ ], THE ISSUE DATE IS [ ], 20[ ] AND THE YIELD TO MATURITY IS [ ]% PER ANNUM."

(h) *Cancellation and/or Adjustment of Global Notes.* At such time as all beneficial interests in a particular Global Note have been exchanged for Definitive Notes or a particular Global Note has been redeemed, repurchased or canceled in whole and not in part, each such Global Note will be returned to or retained and canceled by the Trustee in accordance with Section 2.11 hereof. At any time prior to such cancellation, if any beneficial interest in a Global Note is exchanged for or transferred to a Person who will take delivery thereof in the form of a beneficial interest in another Global Note or for Definitive Notes, the principal amount of Notes represented by such Global Note will be reduced accordingly and an endorsement will be made on such Global Note by the Trustee or by the Depositary at the direction of the Trustee to reflect such reduction; and if the beneficial interest is being exchanged for or transferred to a Person who will take delivery thereof in the form of a beneficial interest in another Global Note, such other Global Note will be increased accordingly and an endorsement will be made on such Global Note by the Trustee or by the Depositary at the direction of the Trustee to reflect such increase.

(i) *General Provisions Relating to Transfers and Exchanges.*

(1) To permit registrations of transfers and exchanges, the Company will execute and the Trustee will authenticate Global Notes and Definitive Notes upon receipt of an Authentication Order in accordance with Section 2.02 hereof or at the Registrar's request.

(2) No service charge will be made to a Holder of a beneficial interest in a Global Note or to a Holder of a Definitive Note for any registration of transfer or exchange, but the Company may require payment of a sum sufficient to cover any transfer tax or similar governmental charge payable in connection therewith (other than any such transfer taxes or similar governmental charge payable upon exchange or transfer pursuant to Sections 2.10, 3.06, 3.09, 4.10, 4.15 and 9.05 hereof).

(3) The Registrar will not be required to register the transfer of or exchange of any Note selected for redemption in whole or in part, except the unredeemed portion of any Note being redeemed in part.

(4) All Global Notes and Definitive Notes issued upon any registration of transfer or exchange of Global Notes or Definitive Notes will be the valid obligations of the Company, evidencing the same debt, and entitled to the same benefits under this Indenture, as the Global Notes or Definitive Notes surrendered upon such registration of transfer or exchange.

(5) Neither the Registrar nor the Company will be required:

(A) to issue, to register the transfer of or to exchange any Notes during a period beginning at the opening of business 15 days before the day of any selection of Notes for redemption under Section 3.02 hereof and ending at the close of business on the day of selection;

(B) to register the transfer of or to exchange any Note selected for redemption in whole or in part, except the unredeemed portion of any Note being redeemed in part; or

(C) to register the transfer of or to exchange a Note between a record date and the next succeeding interest payment date.

(6) Prior to due presentment for the registration of a transfer of any Note, the Trustee, any Agent and the Company may deem and treat the Person in whose name any Note is

registered as the absolute owner of such Note for the purpose of receiving payment of principal of and interest on such Notes and for all other purposes, and none of the Trustee, any Agent or the Company shall be affected by notice to the contrary.

(7) The Trustee will authenticate Global Notes and Definitive Notes in accordance with the provisions of Section 2.02 hereof.

(8) All certifications, certificates and Opinions of Counsel required to be submitted to the Registrar pursuant to this Section 2.06 to effect a registration of transfer or exchange may be submitted by facsimile.

Section 2.07 *Replacement Notes.*

If any mutilated Note is surrendered to the Trustee or the Company and the Trustee and the Company receive evidence to their mutual satisfaction of the destruction, loss or theft of any Note, the Company will issue and the Trustee, upon receipt of an Authentication Order, will authenticate a replacement Note if the Trustee's and the Company's requirements are met. An indemnity bond must be supplied by the Holder that is sufficient in the judgment of the Trustee and the Company to protect the Company, the Trustee, any Agent and any Authenticating Agent from any loss that any of them may suffer if a Note is replaced. The Company may charge for its expenses in replacing a Note.

Every replacement Note is an additional obligation of the Company and will be entitled to all of the benefits of this Indenture equally and proportionately with all other Notes duly issued hereunder.

Section 2.08 *Outstanding Notes.*

The Notes outstanding at any time are all the Notes authenticated by the Trustee except for those canceled by it, those delivered to it for cancellation, those reductions in the interest in a Global Note effected by the Trustee in accordance with the provisions hereof, and those described in this Section 2.08 as not outstanding. Except as set forth in Section 2.09 hereof, a Note does not cease to be outstanding because the Company or an Affiliate of the Company holds the Note; however, Notes held by the Company or a Subsidiary of the Company shall not be deemed to be outstanding for purposes of Section 3.07(a) hereof.

If a Note is replaced pursuant to Section 2.07 hereof, it ceases to be outstanding unless the Trustee receives proof satisfactory to them that the replaced Note is held by a protected purchaser.

If the principal amount of any Note is considered paid under Section 4.01 hereof, it ceases to be outstanding and interest on it ceases to accrue.

If the Paying Agent (other than the Company, a Subsidiary or an Affiliate of any thereof) holds, on a redemption date or maturity date, money sufficient to pay Notes payable on that date, then on and after that date such Notes will be deemed to be no longer outstanding and will cease to accrue interest.

Section 2.09 *Treasury Notes.*

In determining whether the Holders of the required principal amount of Notes have concurred in any direction, waiver or consent, Notes owned by the Company or any Guarantor, or by any Person directly or indirectly controlling or controlled by or under direct or indirect common control with the Company or any Guarantor, will be considered as though not outstanding, except that for the purposes of determining whether the Trustee will be protected in relying conclusively on any such direction, waiver or consent, only Notes that the Trustee actually knows are so owned will be so disregarded.

Section 2.10 *Temporary Notes.*

Until certificates representing Notes are ready for delivery, the Company may prepare and the Trustee, upon receipt of an Authentication Order, will authenticate temporary Notes. Temporary Notes will be substantially in the form of certificated Notes but may have variations that the Company considers appropriate for temporary Notes and as may be reasonably acceptable to the Trustee. Without unreasonable delay, the Company will prepare and the Trustee will authenticate definitive Notes in exchange for temporary Notes.

Holders of temporary Notes will be entitled to all of the benefits of this Indenture.

Section 2.11 *Cancellation.*

The Company at any time may deliver Notes to the Trustee for cancellation. The Registrar and Paying Agent will forward to the Trustee any Notes surrendered to them for registration of transfer, exchange or payment. The Trustee and no one else will cancel all Notes surrendered for registration of transfer, exchange, payment, replacement or cancellation and will destroy canceled Notes (subject to the record retention requirement of the Exchange Act). If requested by the Company, certification of the destruction of all canceled Notes will be delivered to the Company. The Company may not issue new Notes to replace Notes that it has paid or that have been delivered to the Trustee for cancellation.

Section 2.12 *Defaulted Interest.*

If the Company defaults in a payment of interest on the Notes, it will pay the defaulted interest in any lawful manner plus, to the extent lawful, interest payable on the defaulted interest, to the Persons who are Holders on a subsequent special record date, in each case at the rate provided in the Notes and in Section 4.01 hereof. The Company will notify the Trustee in writing of the amount of defaulted interest proposed to be paid on each Note and the date of the proposed payment. The Company will fix or cause to be fixed each such special record date and payment date; *provided* that no such special record date may be less than 10 days prior to the related payment date for such defaulted interest. At least 15 days before the special record date, the Company (or, upon the written request of the Company, the Trustee in the name and at the expense of the Company) will mail or cause to be mailed to Holders a notice that states the special record date, the related payment date and the amount of such interest to be paid.

Section 2.13 *Issuance of Additional Notes.*

The Company shall be entitled, subject to its compliance with Section 4.09, to issue Additional Notes under this Indenture which shall have identical terms as the Initial Notes or the Exchange Notes, other than with respect to the date of issuance, issue price, first interest payment amount, first interest payment date and rights under a related Registration Rights Agreement, if any.

Section 2.14 *One Class of Notes.*

The Initial Notes, any Additional Notes and all Exchange Notes issued in exchange therefor shall be treated as a single class for all purposes under this Indenture; *provided*, however, that to the extent that any Notes are issued at a discount to their stated redemption price at maturity and bear the legend required by Section 2.06(g)(4), each group of Notes bearing a given amount of original issue discount shall be treated as a separate class only for purposes of the transfer and exchange provisions of Section 2.06.

Section 2.15 *CUSIP, ISIN or Other Similar Numbers.*

The Company in issuing the Notes may use "CUSIP," "ISIN" or other similar numbers (if then generally in use), and, if so, the Trustee shall use "CUSIP," "ISIN" or other similar numbers in notices of redemption or offers to purchase as a convenience to Holders; provided that any such notice may state that no representation is made as to the correctness of such numbers either as printed on the Notes or as contained in any notice of a redemption or offer to purchase and that reliance may be placed only on the other identification numbers printed on the Notes, and any such redemption or offer to purchase shall not be affected by any defect in or omission of such numbers. The Company shall promptly notify the Trustee of any change in the "CUSIP," "ISIN" or other similar numbers.

ARTICLE 3
REDEMPTION AND PREPAYMENT

Section 3.01 *Notices to Trustee.*

If the Company elects to redeem Notes pursuant to the optional redemption provisions of Section 3.07 hereof, it must furnish to the Trustee, at least 30 days but not more than 60 days before a redemption date, an Officer's Certificate setting forth:

(1) the clause of this Indenture pursuant to which the redemption shall occur;

(2) the redemption date;

(3) the principal amount of Notes to be redeemed; and

(4) the redemption price.

Section 3.02 *Selection of Notes to Be Redeemed or Purchased.*

If less than all of the Notes are to be redeemed or purchased in an offer to purchase at any time, the Trustee will select Notes for redemption or purchase on a *pro rata* basis (or, in the case of Notes issued in global form pursuant to Article 2 hereof, based on a method that most nearly approximates a *pro rata* selection as the Trustee deems fair and appropriate) unless otherwise required by law or applicable stock exchange or depositary requirements.

In the event of partial redemption or purchase by lot, the particular Notes to be redeemed or purchased will be selected, unless otherwise provided herein, not less than 30 nor more than 60 days prior to the redemption or purchase date by the Trustee from the outstanding Notes not previously called for redemption or purchase.

The Trustee will promptly notify the Company in writing of the Notes selected for redemption or purchase and, in the case of any Note selected for partial redemption or purchase, the principal amount thereof to be redeemed or purchased. No Notes of $2,000 or less can be redeemed in part. Notes and portions of Notes selected will be in amounts of $2,000 or whole multiples of $1,000 in excess thereof; except that if all of the Notes of a Holder are to be redeemed or purchased, the entire outstanding amount of Notes held by such Holder shall be redeemed or purchased. Except as provided in the preceding sentence, provisions of this Indenture that apply to Notes called for redemption or purchase also apply to portions of Notes called for redemption or purchase.

Section 3.03 *Notice of Redemption.*

Subject to the provisions of Section 3.09 hereof, at least 30 days but not more than 60 days before a redemption date, the Company will mail or cause to be mailed, by first class mail, a notice of redemption to each Holder whose Notes are to be redeemed at its registered address, except that redemption notices may be mailed more than 60 days prior to a redemption date if the notice is issued in connection with a defeasance of the Notes or a satisfaction and discharge of this Indenture pursuant to Articles 8 or 11 hereof.

The notice will identify the Notes to be redeemed and will state:

(1) the redemption date;

(2) the redemption price;

(3) if any Note is being redeemed in part, the portion of the principal amount of such Note to be redeemed and that, after the redemption date upon surrender of such Note, a new Note or Notes in principal amount equal to the unredeemed portion will be issued upon cancellation of the original Note;

(4) the name and address of the Paying Agent;

(5) that Notes called for redemption must be surrendered to the Paying Agent to collect the redemption price;

(6) that, unless the Company defaults in making such redemption payment, interest on Notes called for redemption ceases to accrue on and after the redemption date;

(7) the paragraph of the Notes and/or Section of this Indenture pursuant to which the Notes called for redemption are being redeemed; and

(8) the CUSIP number and that no representation is made as to the correctness or accuracy of the CUSIP number, if any, listed in such notice or printed on the Notes.

At the Company's request, the Trustee will give the notice of redemption in the Company's name and at its expense*; provided, however*, that the Company has delivered to the Trustee, at least 30 days prior to the redemption date (unless a shorter period is acceptable to the Trustee), an Officer's Certificate requesting that the Trustee give such notice and setting forth the information to be stated in such notice as provided in the preceding paragraph.

Section 3.04 *Effect of Notice of Redemption.*

Once notice of redemption is mailed in accordance with Section 3.03 hereof, Notes called for redemption become irrevocably due and payable on the redemption date at the redemption price. A notice of redemption may not be conditional.

Section 3.05 *Deposit of Redemption or Purchase Price.*

On or prior to 10:00 am New York City time on the redemption or purchase date (or such later time of day to which the Trustee may reasonably agree), the Company will deposit with the Trustee or with the Paying Agent money sufficient to pay the redemption or purchase price of, and accrued interest

and Special Interest, if any, on, all Notes to be redeemed or purchased on that date. The Trustee or the Paying Agent will promptly return to the Company any money deposited with the Trustee or the Paying Agent by the Company in excess of the amounts necessary to pay the redemption or purchase price of, accrued interest and Special Interest, if any, on all Notes to be redeemed or purchased.

If the Company complies with the provisions of the preceding paragraph, on and after the redemption or purchase date, interest will cease to accrue on the Notes or the portions of Notes called for redemption or purchase. If a Note is redeemed or purchased on or after an interest record date but on or prior to the related interest payment date, then any accrued and unpaid interest shall be paid to the Person in whose name such Note was registered at the close of business on such record date. If any Note called for redemption or purchase is not so paid upon surrender for redemption or purchase because of the failure of the Company to comply with the preceding paragraph, interest shall be paid on the unpaid principal, from the redemption or purchase date until such principal is paid, and to the extent lawful on any interest not paid on such unpaid principal, in each case at the rate provided in the Notes and in Section 4.01 hereof.

Section 3.06 *Notes Redeemed or Purchased in Part.*

Upon surrender of a Note that is redeemed or purchased in part, the Company will issue and, upon receipt of an Authentication Order, the Trustee will authenticate for the Holder at the expense of the Company a new Note equal in principal amount to the unredeemed or unpurchased portion of the Note surrendered.

Section 3.07 *Optional Redemption.*

(a) At any time prior to June 1, 2013, the Company may on any one or more occasions redeem up to 35% of the aggregate principal amount of Notes issued under this Indenture, upon not less than 30 nor more than 60 days' notice, at a redemption price equal to 110.875% of the principal amount of the Notes redeemed, plus accrued and unpaid interest and Special Interest, if any, to the date of redemption (subject to the rights of Holders of Notes on the relevant record date to receive interest on the relevant interest payment date) with the net cash proceeds of an Equity Offering by the Company or a capital contribution to the Company's common equity made with the net cash proceeds of a concurrent Equity Offering by the Company's direct or indirect parent; *provided* that:

(1) at least 65% of the aggregate principal amount of Notes originally issued under this Indenture (excluding Notes held by the Company and its Subsidiaries) remains outstanding immediately after the occurrence of such redemption; and

(2) the redemption occurs within 90 days of the date of the closing of such Equity Offering.

(b) At any time prior to June 1, 2014, the Company may on any one or more occasions redeem all or a part of the Notes, upon not less than 30 nor more than 60 days' notice, at a redemption price equal to 100% of the principal amount of the Notes redeemed, plus the Applicable Premium as of, and accrued and unpaid interest and Special Interest, if any, to the applicable date of redemption, subject to the rights of Holders on the relevant record date to receive interest due on the relevant interest payment date.

(c) Except pursuant to the preceding paragraphs, the Notes will not be redeemable at the Company's option prior to June 1, 2014.

(d) On or after June 1, 2014, the Company may on any one or more occasions redeem all or a part of the Notes, upon not less than 30 nor more than 60 days' notice, at the redemption prices (expressed as percentages of principal amount) set forth below, plus accrued and unpaid interest and Special Interest, if any, on the Notes redeemed, to the applicable date of redemption, if redeemed during the twelve-month period beginning on June 1 of the years indicated below, subject to the rights of Holders on the relevant record date to receive interest on the relevant interest payment date:

Year	Percentage
2014	105.438%
2015	102.719%
2016 and thereafter	100.000%

Unless the Company defaults in the payment of the redemption price, interest will cease to accrue on the Notes or portions thereof called for redemption on the applicable redemption date.

(e) Any redemption pursuant to this Section 3.07 shall be made pursuant to the provisions of Sections 3.01 through 3.06 hereof.

Section 3.08 *Mandatory Redemption*.

The Company is not required to make mandatory redemption or sinking fund payments with respect to the Notes.

Section 3.09 *Offer to Purchase by Application of Excess Proceeds*

In the event that, pursuant to Section 4.10 hereof, the Company is required to commence an offer to all Holders to purchase Notes (an "*Asset Sale Offer*"), it will follow the procedures specified below.

The Asset Sale Offer shall be made to all Holders and all holders of other Indebtedness that is *pari passu* with the Notes containing provisions similar to those set forth in this Indenture with respect to offers to purchase, prepay or redeem with the proceeds of sales of assets, to purchase, prepay or redeem the maximum principal amount of notes and such other *pari passu* Indebtedness (plus all accrued interest on the Indebtedness and the amount of all fees and expenses, including premiums, incurred in connection therewith) that may be purchased, prepaid or redeemed out of such Excess Proceeds. The Asset Sale Offer will remain open for a period of at least 20 Business Days following its commencement and not more than 30 Business Days, except to the extent that a longer period is required by applicable law (the "*Offer Period*"). No later than three Business Days after the termination of the Offer Period (the "*Purchase Date*"), the Company will apply all Excess Proceeds (the "*Offer Amount*") to the purchase of Notes and such other *pari passu* Indebtedness (on a *pro rata* basis based on the principal amount of Notes and such other *pari passu* Indebtedness surrendered, if applicable) or, if less than the Offer Amount has been tendered, all Notes and other Indebtedness tendered in response to the Asset Sale Offer. Payment for any Notes so purchased will be made in the same manner as interest payments are made.

If the Purchase Date is on or after an interest record date and on or before the related interest payment date, any accrued and unpaid interest and Special Interest, if any, will be paid to the Person in whose name a Note is registered at the close of business on such record date, and no additional interest will be payable to Holders who tender Notes pursuant to the Asset Sale Offer.

Upon the commencement of an Asset Sale Offer, the Company will send, by first class mail, a notice to the Trustee and each of the Holders, with a copy to the Trustee. The notice will contain all instructions and materials necessary to enable such Holders to tender Notes pursuant to the Asset Sale Offer. The notice, which will govern the terms of the Asset Sale Offer, will state:

(1) that the Asset Sale Offer is being made pursuant to this Section 3.09 and Section 4.10 hereof and the length of time the Asset Sale Offer will remain open;

(2) the Offer Amount, the purchase price and the Purchase Date;

(3) that any Note not tendered or accepted for payment will continue to accrue interest;

(4) that, unless the Company defaults in making such payment, any Note accepted for payment pursuant to the Asset Sale Offer will cease to accrue interest after the Purchase Date;

(5) that Holders electing to have a Note purchased pursuant to an Asset Sale Offer may elect to have Notes purchased in denominations of $2,000 or an integral multiple of $1,000 in excess thereof;

(6) that Holders electing to have Notes purchased pursuant to any Asset Sale Offer will be required to surrender the Note, with the form entitled "Option of Holder to Elect Purchase" attached to the Notes completed, or transfer by book-entry transfer, to the Company, a Depositary, if appointed by the Company, or a Paying Agent at the address specified in the notice at least three Business Days before the Purchase Date;

(7) that Holders will be entitled to withdraw their election if the Company, the Depositary or the Paying Agent, as the case may be, receives, not later than the expiration of the Offer Period, a facsimile transmission or other electronic transmission setting forth the name of the Holder, the principal amount of the Note the Holder delivered for purchase and a statement that such Holder is withdrawing his election to have such Note purchased;

(8) that, if the aggregate principal amount of Notes and other *pari passu* Indebtedness surrendered by holders thereof exceeds the Offer Amount, the Trustee will select the Notes and other *pari passu* Indebtedness to be purchased on a *pro rata* basis based on the principal amount of Notes and such other *pari passu* Indebtedness surrendered (with such adjustments as may be deemed appropriate by the Company so that only Notes in denominations of $2,000, or an integral multiple of $1,000 in excess thereof, will be purchased); and

(9) that Holders whose Notes were purchased only in part will be issued new Notes equal in principal amount to the unpurchased portion of the Notes surrendered (or transferred by book-entry transfer).

On or before the Purchase Date, the Company will, to the extent lawful, accept for payment, on a *pro rata* basis to the extent necessary, the Offer Amount of Notes or portions thereof tendered pursuant to the Asset Sale Offer, or if less than the Offer Amount has been tendered, all Notes tendered, and will deliver or cause to be delivered to the Trustee the Notes properly accepted together with an Officer's Certificate stating that such Notes or portions thereof were accepted for payment by the Company in accordance with the terms of this Section 3.09. The Company, the Depositary or the Paying Agent, as the case may be, will promptly (but in any case not later than five days after the Purchase Date) mail or deliver to each tendering Holder an amount equal to the purchase price of the Notes tendered by such Holder and accepted by the Company for purchase, and the Company will promptly issue a new Note, and the Trustee, upon written request from the Company, will authenticate and mail or deliver (or cause

to be transferred by book entry) such new Note to such Holder, in a principal amount equal to any unpurchased portion of the Note surrendered. Any Note not so accepted shall be promptly mailed or delivered by the Company to the Holder thereof. The Company will publicly announce the results of the Asset Sale Offer as promptly as practicable after the Purchase Date (but in any event no later than two Business Days after such date).

Other than as specifically provided in this Section 3.09, any purchase pursuant to this Section 3.09 shall be made pursuant to the provisions of Sections 3.01 through 3.06 hereof.

ARTICLE 4
COVENANTS

Section 4.01 *Payment of Notes.*

The Company will pay or cause to be paid the principal of, premium on, if any, interest and Special Interest, if any, on, the Notes on the dates and in the manner provided in the Notes. Principal, premium, if any, interest and Special Interest, if any, will be considered paid on the date due if the Paying Agent, if other than the Company or a Subsidiary thereof, holds as of 11:00 a.m. New York City Time on the due date money deposited by the Company in immediately available funds and designated for and sufficient to pay all principal, premium, if any, and interest, if any, then due. The Company will pay all Special Interest, if any, in the same manner on the dates and in the amounts set forth in the Registration Rights Agreement.

The Company will pay interest (including post-petition interest in any proceeding under any Bankruptcy Law) on overdue principal at the rate equal to the then applicable interest rate on the Notes to the extent lawful; it will pay interest (including post-petition interest in any proceeding under any Bankruptcy Law) on overdue installments of interest and Special Interest, if any (without regard to any applicable grace period), at the same rate to the extent lawful.

Section 4.02 *Maintenance of Office or Agency.*

The Company will maintain in the Borough of Manhattan, the City of New York, an office or agency (which may be an office of the Trustee or an affiliate of the Trustee, Registrar or co-registrar) where Notes may be surrendered for registration of transfer or for exchange and where notices and demands to or upon the Company in respect of the Notes and this Indenture may be served. The Company will give prompt written notice to the Trustee of the location, and any change in the location, of such office or agency. If at any time the Company fails to maintain any such required office or agency or fails to furnish the Trustee with the address thereof, such presentations, surrenders, notices and demands may be made or served at the Corporate Trust Office of the Trustee.

The Company may also from time to time designate one or more other offices or agencies where the Notes may be presented or surrendered for any or all such purposes and may from time to time rescind such designations; *provided, however*, that no such designation or rescission will in any manner relieve the Company of its obligation to maintain an office or agency in the Borough of Manhattan, the City of New York for such purposes. The Company will give prompt written notice to the Trustee of any such designation or rescission and of any change in the location of any such other office or agency.

The Company hereby designates the Corporate Trust Office of the Trustee as one such office or agency of the Company in accordance with Section 2.03 hereof.

Section 4.03 *Reports.*

(a) Whether or not required by the rules and regulations of the SEC, so long as any Notes are outstanding, the Company will furnish to the Holders of Notes and the Trustee (or file with the SEC for public availability and provide the Trustee with electronic notification thereof including a hyperlink to the relevant SEC website), within the time periods specified in the SEC's rules and regulations (giving effect to Rule 12h-5 and Rule 12b-25 under the Exchange Act):

(1) all quarterly and annual reports that would be required to be filed with the SEC on Forms 10-Q and 10-K if the Company were required to file such reports, including a "Management's Discussion and Analysis of Financial Condition and Results of Operations" and, with respect to the annual information only, a report thereon by the Company's certified independent accountants; and

(2) all current reports that would be required to be filed with the SEC on Form 8-K if the Company were required to file such reports.

In addition, following the consummation of the exchange offer contemplated by the Registration Rights Agreement, the Company will file a copy of each of the reports referred to in clauses (1) and (2) above with the SEC for public availability within the time periods specified in the rules and regulations applicable to such reports (giving effect to Rule 12h-5 and Rule 12b-25 under the Exchange Act) (unless the SEC will not accept such a filing).

If, at any time after consummation of the Exchange Offer contemplated by the Registration Rights Agreement, the Company is no longer subject to the periodic reporting requirements of the Exchange Act for any reason, the Company will nevertheless continue filing the reports specified in the preceding paragraphs of this covenant with the SEC within the time periods specified above unless the SEC will not accept such a filing. The Company will not take any action for the purpose of causing the SEC not to accept any such filings. If, notwithstanding the foregoing, the SEC will not accept the Company's filings for any reason, the Company will post the reports referred to in the preceding paragraphs on its website within the time periods that would apply if the Company were required to file those reports with the SEC.

(b) If the Company has designated any Significant Subsidiary as an Unrestricted Subsidiary, then the quarterly and annual financial information required by the preceding paragraphs will include a reasonably detailed presentation, either on the face of the financial statements or in the footnotes thereto, and in Management's Discussion and Analysis of Financial Condition and Results of Operations, of the financial condition and results of operations of the Company and its Restricted Subsidiaries separate from the financial condition and results of operations of such Unrestricted Subsidiaries of the Company.

(c) Notwithstanding the foregoing clauses (a) and (b), if any direct or indirect parent of the Company, including Parent or Hillman Companies, fully and unconditionally guarantees the Notes, the filing of such reports by such parent within the time periods specified above will satisfy such obligations of the Company under clauses (a) and (b) above; provided that, following effectiveness of an exchange offer registration statement or shelf registration statement, such reports shall include the information required by Rule 3-10 of Regulation S-X with respect to the Company and the Guarantors.

(d) In addition, the Company and the Guarantors agree that, for so long as any Initial Notes remain outstanding, if at any time they are not required to file with the SEC the reports required by the preceding paragraphs, they will furnish to the Holders of Initial Notes and to securities analysts and prospective investors, upon their request, the information required to be delivered pursuant to Rule 144A(d)(4) under the Securities Act.

Section 4.04 *Compliance Certificate*.

(a) The Company and each Guarantor (but only to the extent that such Guarantor is so required under the TIA) shall, so long as any of the Notes are outstanding, deliver to the Trustee, within 90 days after the end of each fiscal year of the Company, an Officer's Certificate stating that a review of the activities of the Company and its Subsidiaries during the preceding fiscal year of the Company has been made under the supervision of the signing Officer with a view to determining whether the Company has kept, observed, performed and fulfilled its obligations under this Indenture, and further stating, as to each such Officer signing such certificate, that to his or her knowledge the Company has kept, observed, performed and fulfilled each and every covenant contained in this Indenture and is not in default in the performance or observance of any of the terms, provisions and conditions of this Indenture (or, if a Default or Event of Default has occurred, describing all such Defaults or Events of Default of which he or she may have knowledge and what action the Company is taking or proposes to take with respect thereto).

(b) So long as any of the Notes are outstanding, the Company will deliver to the Trustee, forthwith upon any Officer becoming aware of any Default or Event of Default, an Officer's Certificate specifying such Default or Event of Default and what action the Company is taking or proposes to take with respect thereto, unless such Event of Default shall have been previously cured or waived.

Section 4.05 *Taxes.*

The Company will pay, and will cause each of its Restricted Subsidiaries to pay, prior to delinquency, all material taxes, assessments, and governmental levies except (a) such as are contested in good faith and by appropriate proceedings or (b) where the failure to effect such payment would not have a material adverse effect on the ability of the Company and the Restricted Subsidiaries taken as a whole, to perform their obligations under the Notes or the Indenture.

Section 4.06 *Stay, Extension and Usury Laws.*

The Company and each of the Guarantors covenants (to the extent that it may lawfully do so) that it will not at any time insist upon, plead, or in any manner whatsoever claim or take the benefit or advantage of, any stay, extension or usury law wherever enacted, now or at any time hereafter in force, that may affect the covenants or the performance of this Indenture; and the Company and each of the Guarantors (to the extent that it may lawfully do so) hereby expressly waives all benefit or advantage of any such law, and covenants that it will not, by resort to any such law, hinder, delay or impede the execution of any power herein granted to the Trustee, but will suffer and permit the execution of every such power as though no such law has been enacted.

Section 4.07 *Restricted Payments*.

(a) The Company will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly:

(i) declare or pay any dividend or make any other payment or distribution on account of the Company's or any of its Restricted Subsidiaries' Equity Interests (including, without limitation, any payment in connection with any merger or consolidation involving the Company or any of its Restricted Subsidiaries) or to the direct or indirect holders of the Company's or any of its Restricted Subsidiaries' Equity Interests in their capacity as such (other

than dividends or distributions payable in Equity Interests (other than Disqualified Stock) of the Company and other than dividends or distributions payable to the Company or a Restricted Subsidiary of the Company);

(ii) purchase, redeem or otherwise acquire or retire for value (including, without limitation, in connection with any merger or consolidation involving the Company) any Equity Interests of the Company or any direct or indirect parent of the Company;

(iii) make any payment on or with respect to, or purchase, redeem, defease or otherwise acquire or retire for value any Subordinated Indebtedness (excluding any intercompany Indebtedness between or among the Company and any of its Restricted Subsidiaries or among Restricted Subsidiaries), except a payment of interest or principal at the Stated Maturity thereof (other than a payment of interest on the Subordinated Intercompany Promissory Note); or

(iv) make any Restricted Investment

(all such payments and other actions set forth in these clauses (i) through (iv) above being collectively referred to as "*Restricted Payments*"),

unless, at the time of and after giving effect to such Restricted Payment:

(1) no Default or Event of Default has occurred and is continuing or would occur as a consequence of such Restricted Payment;

(2) the Company would, at the time of such Restricted Payment and after giving pro forma effect thereto as if such Restricted Payment had been made at the beginning of the applicable four-quarter period, have been permitted to incur at least $1.00 of additional Indebtedness pursuant to the Fixed Charge Coverage Ratio test set forth in Section 4.09(a) hereof; and

(3) such Restricted Payment, together with the aggregate amount of all other Restricted Payments made by the Company and its Restricted Subsidiaries since the date of this Indenture (excluding Restricted Payments permitted by clauses (2), (3), (4), (5), (6), (7), (8), (10), (11) and (13) of paragraph (b) of this Section 4.07), is less than the sum, without duplication, of:

(A) 50% of the Consolidated Net Income of the Company for the period (taken as one accounting period) from the beginning of the first fiscal quarter commencing after the date of this Indenture to the end of the Company's most recently ended fiscal quarter for which internal financial statements are available at the time of such Restricted Payment (or, if such Consolidated Net Income for such period is a deficit, less 100% of such deficit); *plus*

(B) 100% of the aggregate net cash proceeds received by the Company since the date of this Indenture as a contribution to its common equity capital or from the issue or sale of Qualifying Equity Interests of the Company (in each case other than Excluded Contributions) or from the issue or sale of convertible or exchangeable Disqualified Stock of the Company or convertible or exchangeable debt securities of the Company, in each case that have been converted into or exchanged for Qualifying Equity Interests of the Company (other than Qualifying Equity Interests and convertible or exchangeable Disqualified Stock or debt securities sold to a Subsidiary of the Company); *plus*

(C) to the extent that any Restricted Investment that was made after the date of this Indenture is (a) sold for cash or otherwise cancelled, liquidated or repaid for cash, the amount of cash received or (b) made in an entity that subsequently becomes a Restricted Subsidiary of the Company, the initial amount of such Restricted Investment; *plus*

(D) to the extent that any Unrestricted Subsidiary designated as such after the date of this Indenture is redesignated as a Restricted Subsidiary after the date of this Indenture, the Fair Market Value of the Company's Restricted Investment in such Subsidiary as of the date of such redesignation; *plus*

(E) 100% of any dividends or distributions received in cash by the Company or a Restricted Subsidiary of the Company that is a Guarantor after the date of this Indenture from an Unrestricted Subsidiary, to the extent that such dividends or distributions were not otherwise included in the Consolidated Net Income of the Company for such period.

(b) The provisions of Section 4.07(a) hereof will not prohibit:

(1) the payment of any dividend or the consummation of any irrevocable redemption within 60 days after the date of declaration of the dividend or giving of the redemption notice, as the case may be, if at the date of declaration or notice, the dividend or redemption payment would have complied with the provisions of this Indenture;

(2) the making of any Restricted Payment in exchange for, or out of or with the net cash proceeds of the sale (other than to a Subsidiary of the Company) of, Equity Interests of the Company (other than Disqualified Stock) or from the contribution of common equity capital to the Company; *provided* that the amount of any such net cash proceeds that are utilized for any such Restricted Payment will not be considered to be net proceeds of Qualifying Equity Interests for purposes of Section 4.07(a)(3)(B) and will not be considered to be net cash proceeds from an Equity Offering for purposes of Section 3.07 hereof;

(3) the payment of any dividend (or, in the case of any partnership or limited liability company, any similar distribution) by a Restricted Subsidiary of the Company to the holders of its Equity Interests on a *pro rata* basis;

(4) the repurchase, redemption, defeasance or other acquisition or retirement of Subordinated Indebtedness in exchange for, or out of the net cash proceeds from a substantially concurrent incurrence of Permitted Refinancing Indebtedness, *provided* that any redemption of Subordinated Indebtedness for which a notice of redemption has been validly given pursuant to this Indenture or any other instrument governing such Subordinated Indebtedness and which is redeemed within 60 days of the incurrence of such Permitted Refinancing Indebtedness shall be deemed to have occurred substantially concurrent with such incurrence for purposes of this clause (4);

(5) so long as no Default or Event of Default has occurred and is continuing, payments to Parent that are used by Parent, Hillman Companies, or another direct or indirect parent of the Company to repurchase, redeem or otherwise acquire or retire for value any Equity Interests of Parent, Hillman Companies or any other direct or indirect parent of the Company or payments to repurchase, redeem or otherwise acquire or retire for value any Equity Interests of the Company or any Restricted Subsidiary of the Company, in each case, held by any current or

former officer, director or employee of the Company or any of its Restricted Subsidiaries (or their estates or beneficiaries under their estates), upon their death, disability, retirement, severance or termination of employment or service; *provided* that the aggregate price paid for all such repurchased, redeemed, acquired or retired Equity Interests may not exceed (A) $2.0 million in any calendar year (with unused amounts up to $1.0 million being available to be used in any succeeding calendar year for a total of up to $3.0 million in any calendar year) *plus* (B) the amount of any net cash proceeds received by or contributed to the Company from the issuance and sale since the date of this Indenture of Qualified Equity Interests of the Company, Parent, Hillman Companies or another direct or indirect parent of the Company to its officers, directors or employees that have not been applied to the payment of Restricted Payments pursuant to the terms of Section 4.07(a)(3) or this clause (5), plus (C) the net cash proceeds of any "key-man" life insurance policies received by the Company or a Restricted Subsidiary of the Company after the date of this Indenture that have not been applied to the payment of Restricted Payments pursuant to this clause (5); *provided*, *further*, that the cancellation of Indebtedness owing to the Company or any Restricted Subsidiary in connection with the repurchase of Qualified Equity Interests will not be deemed to constitute a Restricted Payment under this Indenture;

(6) the repurchase of Equity Interests deemed to occur upon the exercise of stock options to the extent such Equity Interests represent a portion of the exercise price of those stock options (or related withholding taxes);

(7) so long as no Default or Event of Default has occurred and is continuing, the declaration and payment of regularly scheduled or accrued dividends to holders of any class or series of Disqualified Stock of the Company or any preferred stock of any Restricted Subsidiary of the Company issued on or after the date of this Indenture in accordance with Section 4.09 hereof;

(8) payments of cash, dividends, distributions, advances or other Restricted Payments by the Company or any of its Restricted Subsidiaries to allow the payment of cash in lieu of the issuance of fractional shares upon (i) the exercise of options or warrants or (ii) the conversion or exchange of Capital Stock of any such Person;

(9) Permitted Payments to Parent;

(10) so long as no Default or Event of Default has occurred and is continuing and such payment is then permitted by any Credit Facilities then in effect, without duplication, (a) distributions to Parent in an amount necessary to permit payments of interest on the Junior Subordinated Debentures at the Stated Maturity of such interest payments provided such payments are applied to make payments of interest on the Junior Subordinated Debentures at the Stated Maturity of such interest payments or (b) payments of interest on the Subordinated Intercompany Promissory Note at the Stated Maturity of such interest payments provided such payments are applied to make payments of interest on the Junior Subordinated Debentures at the Stated Maturity of such interest payments;

(11) Restricted Payments made with Excluded Contributions;

(12) so long as no Default or Event of Default has occurred and is continuing, the repurchase of any Subordinated Indebtedness at a purchase price not greater than 101% of the principal amount thereof in the event of a Change of Control pursuant to a provision no more favorable to the holders thereof than the provisions described in Section 4.15 hereof, provided that, in each case, prior to the repurchase the Company has made a Change of Control Offer to and repurchased all Notes issued under this Indenture that were validly tendered for payment in connection with the offer to purchase;

(13) distributions or dividends to Hillman Group or Parent to make the payments described in the section of the Offering Memorandum titled "Use of Proceeds" (if any); and

(14) so long as no Default or Event of Default has occurred and is continuing, other Restricted Payments in an aggregate amount not to exceed the greater of $15.0 million and 2.5% of Total Assets since the date of this Indenture.

The amount of all Restricted Payments (other than cash) will be the Fair Market Value on the date of the Restricted Payment of the asset(s) or securities proposed to be transferred or issued by the Company or such Restricted Subsidiary, as the case may be, pursuant to the Restricted Payment. The Fair Market Value of any assets or securities that are required to be valued by this covenant will be determined by the Board of Directors of the Company whose resolution with respect thereto will be delivered to the trustee. For the avoidance of doubt, any "deemed dividend" resulting from the filing of a consolidated or combined tax return by any direct or indirect parent of the Company and not involving any cash distribution will not be a "Restricted Payment."

For purposes of determining compliance with this covenant, in the event that a proposed Restricted Payment (or portion thereof) meets the criteria of more than one of the categories of Restricted Payments described in clauses (1) through (14) above, or is entitled to be incurred pursuant to Section 4.07(a), the Company will be entitled to classify or re-classify (based on circumstances existing on the date of such reclassification) such Restricted Payment or portion thereof in any manner that complies with this covenant and such Restricted Payment will be treated as having been made pursuant to only such clause or clauses or Section 4.07(a).

Section 4.08 *Dividend and Other Payment Restrictions Affecting Restricted Subsidiaries.*

(a) The Company will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly, create or permit to exist or become effective any consensual encumbrance or restriction on the ability of any Restricted Subsidiary to:

(1) pay dividends or make any other distributions on its Capital Stock to the Company or any of its Restricted Subsidiaries, or with respect to any other interest or participation in, or measured by, its profits, or pay any indebtedness owed to the Company or any of its Restricted Subsidiaries;

(2) make loans or advances to the Company or any of its Restricted Subsidiaries; or

(3) sell, lease or transfer any of its properties or assets to the Company or any of its Restricted Subsidiaries.

(b) The restrictions in Section 4.08(a) hereof will not apply to encumbrances or restrictions existing under or by reason of:

(1) agreements governing Existing Indebtedness and Credit Facilities as in effect on the date of this Indenture and any amendments, restatements, modifications, renewals, supplements, refundings, replacements or refinancings of those agreements; *provided* that the amendments, restatements, modifications, renewals, supplements, refundings, replacements or refinancings are not materially more restrictive, taken as a whole, with respect to such dividend and other payment restrictions than those contained in those agreements on the date of this Indenture;

(2) this Indenture, the Notes and the Note Guarantees;

(3) agreements governing other Indebtedness permitted to be incurred under Section 4.09 hereof and any amendments, restatements, modifications, renewals, supplements, refundings, replacements or refinancings of those agreements; *provided* that the restrictions therein will not materially adversely impact the ability of the Company to make required principal and interest payments on the Notes;

(4) applicable law, rule, regulation or order;

(5) any instrument governing Indebtedness or Capital Stock of a Person acquired by the Company or any of its Restricted Subsidiaries as in effect at the time of such acquisition (except to the extent such Indebtedness or Capital Stock was incurred in connection with or in contemplation of such acquisition), which encumbrance or restriction is not applicable to any Person, or the properties or assets of any Person, other than the Person, or the properties or assets of the Person, so acquired;

(6) customary non-assignment or non-transfer provisions in contracts, leases and licenses entered into in the ordinary course of business;

(7) purchase money obligations for property acquired and Capital Lease Obligations that impose restrictions on the property purchased or leased of the nature described in Section 4.08(a)(3) hereof;

(8) any agreement for the sale or other disposition of assets (including the Equity Interests of a Restricted Subsidiary) that restricts transfers of assets (including distributions by that Restricted Subsidiary) pending the closing of such sale or other disposition;

(9) Permitted Refinancing Indebtedness; *provided* that the restrictions contained in the agreements governing such Permitted Refinancing Indebtedness are not materially more restrictive, taken as a whole, than those contained in the agreements governing the Indebtedness being refinanced;

(10) Liens permitted to be incurred under the provisions of Section 4.12 hereof that limit the right of the debtor to dispose of the assets subject to such Liens;

(11) provisions limiting the disposition or distribution of assets or property in partnership agreements, limited liability company organizational governance documents, joint venture agreements, asset sale agreements, sale-leaseback agreements, stock sale agreements and other similar agreements (including agreements entered into in connection with a Restricted Investment), which limitation is applicable only to the assets that are the subject of such agreements; and

(12) restrictions on cash or other deposits or net worth imposed by suppliers, landlords or customers under contracts entered into in the ordinary course of business.

For purposes of determining compliance with this Section 4.08, (i) the priority of any Preferred Stock in receiving dividends or liquidating distributions prior to dividends or liquidating distributions

being paid on common Equity Interests shall not be deemed a restriction on the ability to make distributions on Equity Interests and (ii) the subordination of loans or advances made to the Company or a Restricted Subsidiary of the Company to other Indebtedness incurred by the Company or any such Restricted Subsidiary shall not be deemed a restriction on the ability to make loans or advances.

Section 4.09 *Incurrence of Indebtedness and Issuance of Preferred Stock*.

(a) The Company will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly, create, incur, issue, assume, guarantee or otherwise become directly or indirectly liable, contingently or otherwise, with respect to (collectively, "*incur*") any Indebtedness (including Acquired Debt), and the Company will not issue any Disqualified Stock and will not permit any of its Restricted Subsidiaries to issue any shares of preferred stock; *provided*, *however*, that the Company may incur Indebtedness (including Acquired Debt) or issue Disqualified Stock, and the Company's Restricted Subsidiaries may incur Indebtedness (including Acquired Debt) or issue preferred stock, if the Fixed Charge Coverage Ratio for the Company's most recently ended four full fiscal quarters for which internal financial statements are available immediately preceding the date on which such additional Indebtedness is incurred or such Disqualified Stock or such preferred stock is issued, as the case may be, would have been at least 2.0 to 1.0, determined on a pro forma basis (including a pro forma application of the net proceeds therefrom), as if the additional Indebtedness had been incurred or the Disqualified Stock or the preferred stock had been issued, as the case may be, at the beginning of such four-quarter period.

(b) The provisions of Section 4.09(a) hereof will not prohibit the incurrence of any of the following items of Indebtedness or the issuance of the following items of Disqualified Stock or preferred stock, as applicable (collectively, "*Permitted Debt*"):

(1) the incurrence by the Company and any Guarantor of additional Indebtedness and letters of credit under Credit Facilities in an aggregate principal amount at any one time outstanding under this clause (1) (with letters of credit being deemed to have a principal amount equal to the maximum potential liability of the Company and its Restricted Subsidiaries thereunder) not to exceed $420.0 million *less* the aggregate amount of all Net Proceeds of Asset Sales applied by the Company or any of its Restricted Subsidiaries since the date of this Indenture to repay any term Indebtedness under a Credit Facility or to repay any revolving credit Indebtedness under a Credit Facility and effect a corresponding commitment reduction thereunder pursuant to Section 4.10 hereof;

(2) the incurrence by the Company and its Restricted Subsidiaries of (a) the Existing Indebtedness and (b) the Subordinated Intercompany Promissory Note;

(3) the incurrence by the Company and the Guarantors of Indebtedness represented by the Notes and the related Note Guarantees to be issued on the date of this Indenture and the Exchange Notes and the related Note Guarantees to be issued pursuant to the Registration Rights Agreement;

(4) the incurrence by the Company or any of its Restricted Subsidiaries of Indebtedness represented by Capital Lease Obligations, mortgage financings or purchase money obligations, in each case, incurred for the purpose of financing all or any part of the purchase price or cost of design, construction, installation or improvement of property, plant or equipment used in the business of the Company or any of its Restricted Subsidiaries, in an aggregate principal amount, including all Permitted Refinancing Indebtedness incurred to renew, refund, refinance, replace, defease or discharge any Indebtedness incurred pursuant to this clause (4), not to exceed the greater of $5.0 million and 1.5% of Total Assets at any time outstanding;

(5) the incurrence by the Company or any of its Restricted Subsidiaries of Permitted Refinancing Indebtedness in exchange for, or the net proceeds of which are used to renew, refund, refinance, replace, defease or discharge any Indebtedness (other than intercompany Indebtedness) that was permitted by this Indenture to be incurred under Section 4.09(a) hereof or clauses (2)(a), (3), (4), (5), (14), (15), (16) or (17) of this Section 4.09(b);

(6) the incurrence by the Company or any of its Restricted Subsidiaries of intercompany Indebtedness between or among the Company and any of its Restricted Subsidiaries; *provided, however*, that:

(A) if the Company or any Guarantor is the obligor on such Indebtedness and the payee is not the Company or a Guarantor, such Indebtedness must be unsecured and expressly subordinated to the prior payment in full in cash of all Obligations then due with respect to the Notes, in the case of the Company, or the Note Guarantee, in the case of a Guarantor; and

(B) (1) any subsequent issuance or transfer of Equity Interests that results in any such Indebtedness being held by a Person other than the Company or a Restricted Subsidiary of the Company and (2) any sale or other transfer of any such Indebtedness to a Person that is not either the Company or a Restricted Subsidiary of the Company,

will be deemed, in each case, to constitute an incurrence of such Indebtedness by the Company or such Restricted Subsidiary, as the case may be, that was not permitted by this clause (6);

(7) the issuance by any of the Company's Restricted Subsidiaries to the Company or to any of its Restricted Subsidiaries of shares of preferred stock;*provided, however,* that:

(A) any subsequent issuance or transfer of Equity Interests that results in any such preferred stock being held by a Person other than the Company or a Restricted Subsidiary of the Company; and

(B) any sale or other transfer of any such preferred stock to a Person that is not either the Company or Restricted Subsidiary of the Company,

will be deemed, in each case, to constitute an issuance of such preferred stock by such Restricted Subsidiary that was not permitted by this clause (7);

(8) the incurrence by the Company or any of its Restricted Subsidiaries of Hedging Obligations not entered into for speculation;

(9) the guarantee or co-issuance by the Company or any of the Guarantors of Indebtedness of the Company or a Restricted Subsidiary of the Company to the extent that the guaranteed or co-issued Indebtedness was permitted to be incurred by another provision of this Section 4.09; *provided* that if the Indebtedness being guaranteed or co-issued is subordinated to or *pari passu* in right of payment with the Notes, then the Guarantee or co-issuance must be subordinated or*pari passu*, as applicable, in right of payment to the same extent as the Indebtedness guaranteed;

(10) the incurrence by the Company or any of its Restricted Subsidiaries of Indebtedness in respect of letters of credit, bank guarantees, workers' compensation claims, self-insurance obligations, bankers' acceptances, guarantees, performance, surety, statutory, appeal,

completion, export or import, indemnities, customs, revenue bonds or similar instruments in the ordinary course of business, including guarantees or obligations with respect thereto (in each case other than for an obligation for money borrowed); provided, however that upon the drawing of such letters of credit, such obligations are reimbursed within 30 days following such drawing;

(11) the incurrence by the Company or any of its Restricted Subsidiaries of Indebtedness arising from the honoring by a bank or other financial institution of a check, draft or similar instrument inadvertently drawn against insufficient funds, so long as such Indebtedness is covered within five Business Days or incurrence;

(12) the incurrence by the Company of Contribution Indebtedness;

(13) the incurrence by the Company or any of its Restricted Subsidiaries of Indebtedness arising from agreements providing for indemnification, adjustment of purchase price or similar obligations, incurred in connection with the disposition of any business, assets or Restricted Subsidiary of the Company (other than Guarantees of Indebtedness incurred by any Person acquiring all or any portion of such business, assets or Restricted Subsidiary for the purpose of financing such acquisition), so long as the principal amount of such Indebtedness does not exceed the gross proceeds actually received by the Company or any Restricted Subsidiary of the Company in connection with such transactions;

(14) Indebtedness incurred by the Company or any of its Restricted Subsidiaries to finance the purchase or redemption of Equity Interests of the Company or any direct or indirect parent company of the Company, including Parent and Hillman Companies, to the extent described in Section 4.07(b)(5) hereof;

(15) Indebtedness of a Subsidiary outstanding on the date such Subsidiary was acquired by the Company or a Restricted Subsidiary of the Company (other than Indebtedness incurred in contemplation of, or in connection with, the transaction or series of related transactions pursuant to which such Subsidiary became a Subsidiary of or was otherwise acquired by the Company or a Restricted Subsidiary of the Company); provided that, on the date that such Subsidiary is acquired by the Company or a Restricted Subsidiary of the Company and after giving effect to the incurrence of such Indebtedness and the acquisition of such Subsidiary pursuant to this clause (15), either (a) the Company would have been able to incur $1.00 of additional Indebtedness pursuant to the first paragraph of this covenant or (b) the Company's Fixed Charge Coverage Ratio would be greater than immediately prior to such acquisition;

(16) the incurrence by one or more Foreign Subsidiaries of additional Indebtedness in an aggregate principal amount (or accreted value, as applicable) at any time outstanding, including all Permitted Refinancing Indebtedness incurred to renew, refund, refinance, replace, defease or discharge any Indebtedness incurred pursuant to this clause (16) and then outstanding, not to exceed the greater of $20.0 million and 3% of Total Assets; and

(17) the incurrence by the Company of additional Indebtedness or Disqualified stock, or by one or more Restricted Subsidiaries of additional Indebtedness or preferred stock, in an aggregate principal amount (or accreted value or liquidation amount, as applicable) at any time outstanding, including all Permitted Refinancing Indebtedness incurred to renew, refund, refinance, replace, defease or discharge any Indebtedness, Disqualified Stock or preferred stock incurred pursuant to this clause (17) and then outstanding, not to exceed the greater of $20.0 million and 3% of Total Assets.

The Company will not incur, and will not permit any Guarantor to incur, any Indebtedness (including Permitted Debt) that is contractually subordinated in right of payment to any other Indebtedness of the Company or such Guarantor unless such Indebtedness is also contractually subordinated in right of payment to the Notes and the applicable Note Guarantee on substantially identical terms; *provided, however*, that no Indebtedness will be deemed to be contractually subordinated in right of payment to any other Indebtedness of the Company solely by virtue of being unsecured or by virtue of being secured on a junior priority basis or pursuant to any customary provisions of any inter-creditor agreements related to the lien subordination (but not the payment subordination) of any such junior security interest.

For purposes of determining compliance with this Section 4.09, in the event that an item of Indebtedness meets the criteria of more than one of the categories of Permitted Debt described in clauses (1) through (17) above, or is entitled to be incurred pursuant to Section 4.09(a) hereof, the Company will be permitted to classify and reclassify, in each case in its sole discretion, such item of Indebtedness and may divide, classify and reclassify (based on circumstances in existence at the time of such reclassification or redivision) such Indebtedness in more than one of the types of Indebtedness described, except that Indebtedness under Credit Facilities outstanding on the date on which Notes are first issued and authenticated under this Indenture will initially be deemed to have been incurred on such date in reliance on the exception provided by clause (1) of the definition of Permitted Debt. The accrual of interest or preferred stock dividends, the accretion or amortization of original issue discount, the payment of interest on any Indebtedness in the form of additional Indebtedness with the same terms, the reclassification of preferred stock as Indebtedness due to a change in accounting principles and the payment of dividends on preferred stock or Disqualified Stock in the form of additional shares of the same class of preferred stock or Disqualified Stock will not be deemed to be an incurrence of Indebtedness or an issuance of preferred stock or Disqualified Stock for purposes of this Section 4.09; *provided*, in each such case, that the amount thereof is included in Fixed Charges of the Company as accrued. For purposes of determining compliance with any U.S. dollar-denominated restriction on the incurrence of Indebtedness, the U.S. dollar-equivalent principal amount of Indebtedness denominated in a foreign currency shall be utilized, calculated based on the relevant currency exchange rate in effect on the date such Indebtedness was incurred. Notwithstanding any other provision of this Section 4.09, the maximum amount of Indebtedness that the Company or any Restricted Subsidiary may incur pursuant to this Section 4.09 shall not be deemed to be exceeded solely as a result of fluctuations in exchange rates or currency values.

The amount of any Indebtedness outstanding as of any date will be:

(1) the accreted value of the Indebtedness, in the case of any Indebtedness issued with original issue discount;

(2) the principal amount of the Indebtedness, in the case of any other Indebtedness; and

(3) in respect of Indebtedness of another Person secured by a Lien on the assets of the specified Person, the lesser of:

  (A) the Fair Market Value of such assets at the date of determination; and

  (B) the amount of the Indebtedness of the other Person.

Section 4.10 *Asset Sales.*

The Company will not, and will not permit any of its Restricted Subsidiaries to, consummate an Asset Sale unless:

(1) the Company (or the Restricted Subsidiary, as the case may be) receives consideration at the time of the Asset Sale at least equal to the Fair Market Value (measured as of the date of the definitive agreement with respect to such Asset Sale) of the assets or Equity Interests issued or sold or otherwise disposed of; and

(2) at least 75% of the total consideration received in the Asset Sale by the Company or such Restricted Subsidiary is in the form of cash or Cash Equivalents. For purposes of this provision, each of the following will be deemed to be cash:

(A) any liabilities, as shown on Hillman Companies' most recent consolidated balance sheet, of the Company or any Restricted Subsidiary (other than contingent liabilities and liabilities that are Subordinated Indebtedness) that are assumed by the transferee of any such assets pursuant to a customary novation or indemnity agreement that releases the Company or such Restricted Subsidiary from or indemnifies against further liability;

(B) any securities, notes or other obligations received by the Company or any such Restricted Subsidiary from such transferee that are promptly, but in any event within 90 days of the consummation of the Asset Sale, subject to ordinary settlement periods, converted by the Company or such Restricted Subsidiary into cash, to the extent of the cash received in that conversion;

(C) any Designated Non-cash Consideration received by the Company or any of its Restricted Subsidiaries in such Asset Sale having an aggregate Fair Market Value, taken together with all other Designated Non-cash Consideration received pursuant to this clause (c) that is at that time outstanding, not to exceed the greater of $15.0 million and 2.5% of Total Assets at the time of the receipt of such Designated Non-cash Consideration (with the Fair Market Value of each item of Designated Non-cash Consideration being measured at the time received and without giving effect to subsequent changes in value); and

(D) any stock or assets of the kind referred to in clauses (3) or (5) of the next paragraph of this Section 4.10.

Within 365 days after the receipt of any Net Proceeds from an Asset Sale, the Company (or the applicable Restricted Subsidiary, as the case may be) may apply such Net Proceeds:

(1) to repay Indebtedness and other Obligations under a Credit Facility that are secured by a Lien and, if the Indebtedness repaid is revolving credit Indebtedness, to correspondingly reduce commitments with respect thereto;

(2) to repay or repurchase and retire any Indebtedness that was secured by the assets sold in such Asset Sale;

(3) to acquire all or substantially all of the assets of, or any Capital Stock of, another Permitted Business, if, after giving effect to any such acquisition of Capital Stock, the Permitted Business is or becomes a Restricted Subsidiary of the Company;

(4) to make a capital expenditure;

(5) to acquire other assets that are not classified as current assets under GAAP and that are used or useful in a Permitted Business; or

(6) any combination of clauses (1) through (5);

provided, that, if during the 365 day period following the consummation of an Asset Sale the Company or a Restricted Subsidiary enters into a definitive binding agreement committing it to apply the Net Proceeds in accordance with the requirements of the above clauses after such 365 period, such 365 day period will be extended with respect to the amount of Net Proceeds so committed until such Net Proceeds are required to be applied in accordance with such agreement (but such extension will in no event be for a period longer than 180 days) (or, if earlier, the date of termination of such agreement).

Pending the final application of any Net Proceeds, the Company (or the applicable Restricted Subsidiary) may temporarily reduce revolving credit borrowings or otherwise invest the Net Proceeds in any manner that is not prohibited by this Indenture. Following the entering into of a binding agreement with respect to an Asset Sale and prior to the consummation thereof, cash or Cash Equivalents (whether or not actual Net Proceeds of such Asset Sale) used for the purposes described in clauses (1) through (6) above that are designated as used in accordance therewith, and not previously or subsequently so designated in respect of any other Asset Sale, shall be deemed to be Net Proceeds applied in accordance therewith.

Any Net Proceeds from Asset Sales that are not applied or invested as provided in the second paragraph of this Section 4.10 will constitute "*Excess Proceeds*." When the aggregate amount of Excess Proceeds exceeds $15.0 million, within 30 days thereof, the Company will make an Asset Sale Offer to (A) all Holders of Notes and (B) all holders of other Indebtedness that is *pari passu* in right of payment with the Notes containing provisions similar to those set forth in this Indenture with respect to offers to purchase, prepay or redeem with the proceeds of asset sales, to purchase, prepay or redeem the maximum principal amount of Notes and such other *pari passu* Indebtedness (plus all accrued interest on the Indebtedness and the amount of all fees and expenses, including premiums, incurred in connection therewith) that may be purchased, prepaid or redeemed out of the Excess Proceeds. The offer price in any Asset Sale Offer will be equal to 100% of the principal amount, plus accrued and unpaid interest and Special Interest, if any, to the date of purchase, prepayment or redemption, subject to the rights of Holders of Notes on the relevant record date to receive interest due on the relevant interest payment date, and will be payable in cash. If any Excess Proceeds remain after consummation of an Asset Sale Offer, such amounts shall no longer be considered Excess Proceeds for purposes of this Indenture and the Company may use those Excess Proceeds for any purpose not otherwise prohibited by this Indenture. If the aggregate principal amount of Notes and other *pari passu* Indebtedness tendered in (or required to be prepaid or redeemed in connection with) such Asset Sale Offer exceeds the amount of Excess Proceeds, the Trustee will select the Notes and such other *pari passu* Indebtedness to be purchased on a *pro rata* basis, based on the amounts tendered or required to be prepaid or redeemed (with such adjustments as may be deemed appropriate by the Company so that only Notes in denominations of $2,000, or an integral multiple of $1,000 in excess thereof, will be purchased). Upon completion of each Asset Sale Offer, the amount of Excess Proceeds will be reset at zero.

The Company will comply with the requirements of Rule 14e-1 under the Exchange Act and any other securities laws and regulations thereunder to the extent those laws and regulations are applicable in connection with each repurchase of Notes pursuant to an Asset Sale Offer. To the extent that the provisions of any securities laws or regulations conflict with the provisions of Section 3.09 hereof or this Section 4.10, the Company will comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under Section 3.09 hereof or this Section 4.10 by virtue of such compliance.

Section 4.11 *Transactions with Affiliates.*

(a) The Company will not, and will not permit any of its Restricted Subsidiaries to, make any payment to or sell, lease, transfer or otherwise dispose of any of its properties or assets to, or purchase any property or assets from, or enter into or make or amend any transaction, contract, agreement, understanding, loan, advance or guarantee with, or for the benefit of, any Affiliate of the Company (each, an "*Affiliate Transaction*") involving aggregate payments or consideration in excess of $5.0 million, unless:

(1) the Affiliate Transaction is on terms that are no less favorable to the Company or the relevant Restricted Subsidiary than those that would have been obtained in a comparable transaction by the Company or such Restricted Subsidiary with an unrelated Person; and

(2) the Company delivers to the Trustee:

(A) with respect to any Affiliate Transaction or series of related Affiliate Transactions involving aggregate consideration in excess of $10.0 million, the Company delivers to the Trustee a resolution of the Board of Directors of the Company set forth in an Officer's Certificate certifying that such Affiliate Transaction complies with clause (1) of this Section 4.11(a) and that such Affiliate Transaction has been approved by a majority of the disinterested members of the Board of Directors of the Company; and

(B) with respect to any Affiliate Transaction or series of related Affiliate Transactions involving aggregate consideration in excess of $25.0 million, an opinion as to the fairness to the Company or such Subsidiary of such Affiliate Transaction from a financial point of view issued by an accounting, appraisal or investment banking firm of national standing.

(b) The following items will not be deemed to be Affiliate Transactions and, therefore, will not be subject to the provisions of Section 4.11(a) hereof:

(1) any employment agreement, employee benefit plan, officer or director indemnification agreement or any similar arrangement entered into by the Company or any of its Restricted Subsidiaries in the ordinary course of business and payments and other benefits (including bonuses, retirement, severances, health, stock option and other benefit plans) pursuant thereto;

(2) transactions between or among (A) the Company and one or more Restricted Subsidiaries or (B) Restricted Subsidiaries;

(3) transactions with a Person (other than an Unrestricted Subsidiary of the Company) that is an Affiliate of the Company solely because the Company owns, directly or through a Restricted Subsidiary, an Equity Interest in, or controls, such Person;

(4) payment of reasonable and customary fees and reimbursements of expenses (pursuant to indemnity arrangements or otherwise) of officers, directors, employees or consultants of the Company or any of its Restricted Subsidiaries;

(5) (A) any issuance of Equity Interests (other than Disqualified Stock) of the Company to Affiliates of the Company (or contributions in respect of such Equity Interests by Affiliates) and the granting of registration and other customary rights in connection therewith, (B) contributions to the common capital of the Company or (C) the granting of registration and other customary rights related to Equity Interests to Affiliates of the Company;

(6) Restricted Payments or Permitted Investments that do not violate Section 4.07 hereof;

(7) loans or advances (or the cancellation thereof) to officers, directors, employees or consultants not to exceed $2.0 million in the aggregate at any one time outstanding;

(8) transactions with customers, clients, suppliers, or purchasers or sellers of goods or services that are Affiliates, in each case in the ordinary course of business and which, in the reasonable determination of the Board of Directors of the Company are on terms at least as favorable as would reasonably have been obtained at such time from an unaffiliated party;

(9) (x) any agreement described in the section of the Offering Memorandum titled "Certain Relationships and Related Transactions" as in effect on the date of this Indenture or as thereafter amended, renewed or replaced in any manner, that, taken as a whole, is not more disadvantageous to the Holders of the Notes or the Company in any material respect than such agreement as it was in effect on the date of this Indenture or (y) any transaction pursuant to any agreement referred to in the immediately preceding clause (x);

(10) any transaction with an Affiliate where the only consideration paid by the Company or any Restricted Subsidiary is Qualified Equity Interests;

(11) transactions permitted by, and complying with, the provisions of Section 5.01 hereof;

(12) transactions between the Company or any of its Restricted Subsidiaries and any Person that is an Affiliate solely because one or more of its directors is also a director of the Company or any direct or indirect parent of the Company; provided that such director abstains from voting as a director of the Company or such direct or indirect parent, as the case may be, on any matter involving such other Person;

(13) transactions entered into in good faith with any of the Company's or a Restricted Subsidiary's Affiliates which provide for shared services and/or facilities arrangements and which provide cost savings and/or other operational efficiencies to the Company and the Restricted Subsidiaries, taken as a whole, as determined in good faith by the Company's Board of Directors, and payments related thereto;

(14) Permitted Payments to Parent;

(15) the entering into of any tax sharing agreement that provides for payments to Parent or any other direct or indirect parent of the Company no greater than the amounts provided for in clause (2) of the definition of "Permitted Payments to Parent;" and

(16) the Subordinated Intercompany Promissory Note and the payments of interest thereon at the Stated Maturity of such interest payments.

Section 4.12 *Liens.*

The Company will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly, create, incur, assume or suffer to exist any Lien of any kind securing Indebtedness on any asset now owned or hereafter acquired, except Permitted Liens.

Section 4.13 *Business Activities.*

The Company will not, and will not permit any of its Restricted Subsidiaries to, engage in any business other than Permitted Businesses, except to such extent as would not be material to the Company and its Restricted Subsidiaries taken as a whole.

Section 4.14 *Corporate Existence.*

Subject to Article 5 hereof, the Company shall do or cause to be done all things necessary to preserve and keep in full force and effect:

(1) its corporate existence, and the corporate, partnership or other existence of each of its Restricted Subsidiaries, in accordance with the respective organizational documents (as the same may be amended from time to time) of the Company or any such Restricted Subsidiary; and

(2) the rights (charter and statutory) of the Company and its Restricted Subsidiaries;

provided, however, that the Company shall not be required to preserve any such right, license or franchise, or the corporate, partnership or other existence of any of its Restricted Subsidiaries, if the Board of Directors shall determine that the preservation thereof is no longer desirable in the conduct of the business of the Company and its Restricted Subsidiaries, taken as a whole, and that the loss thereof would not have a material adverse effect on the ability of the Company and the Restricted Subsidiaries, taken as a whole, to perform their obligations under the Notes and the Indenture.

Section 4.15 *Offer to Repurchase Upon Change of Control.*

(a) If there is a Change of Control, the Company will be required to make an offer (a "*Change of Control Offer*") to each Holder to repurchase all or any part (equal to $2,000 or an integral multiple of $1,000 in excess thereof) of that Holder's Notes at a purchase price in cash equal to 101% of the aggregate principal amount of Notes repurchased, plus accrued and unpaid interest and Special Interest, if any, on the Notes repurchased to the date of purchase, subject to the rights of Holders of Notes on the relevant record date to receive interest due on the relevant interest payment date (in either case, the *"Change of Control Payment"*). Within 30 days following any Change of Control, the Company will mail, or cause to be mailed, a notice to each Holder describing the transaction or transactions that constitute the Change of Control and stating:

(1) that the Change of Control Offer is being made pursuant to this Section 4.15 and that all Notes tendered will be accepted for payment;

(2) the purchase price and the purchase date, which shall be a Business day no earlier than 30 days and no later than 60 days from the date such notice is mailed (the *"Change of Control Payment Date"*);

(3) that any Note not tendered will continue to accrue interest;

(4) that, unless the Company defaults in the payment of the Change of Control Payment, all Notes accepted for payment pursuant to the Change of Control Offer will cease to accrue interest on and after the Change of Control Payment Date;

(5) that Holders electing to have any Notes purchased pursuant to a Change of Control Offer will be required to surrender the Notes, with the form entitled "Option of Holder to Elect Purchase" attached to the Notes completed, or transfer by book-entry transfer, to the Paying Agent at the address specified in the notice prior to the close of business on the third Business Day preceding the Change of Control Payment Date;

(6) that Holders will be entitled to withdraw their election if the Paying Agent receives, not later than the close of business on the second Business Day preceding the Change of Control Payment Date, a facsimile transmission or letter setting forth the name of the Holder, the principal amount of Notes delivered for purchase, and a statement that such Holder is withdrawing his election to have the Notes purchased; and

(7) that Holders whose Notes are being purchased only in part will be issued new Notes equal in principal amount to the unpurchased portion of the Notes surrendered, which unpurchased portion must be equal to $2,000 in principal amount or an integral multiple of $1,000 in excess thereof.

The Company will comply with the requirements of Rule 14e-1 under the Exchange Act and any other securities laws and regulations thereunder to the extent those laws and regulations are applicable in connection with the repurchase of the Notes as a result of a Change in Control. To the extent that the provisions of any securities laws or regulations conflict with the provisions of this Section 4.15, the Company will comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under this Section 4.15 by virtue of such compliance.

(b) On the Change of Control Payment Date, the Company will, to the extent lawful:

(1) accept for payment all Notes or portions of Notes properly tendered pursuant to the Change of Control Offer;

(2) deposit with the Paying Agent an amount equal to the Change of Control Payment in respect of all Notes or portions of Notes properly tendered; and

(3) deliver or cause to be delivered to the Trustee the Notes properly accepted together with an Officer's Certificate stating the aggregate principal amount of Notes or portions of Notes being purchased by the Company.

The Paying Agent will promptly mail (but in any case not later than five days after the Change of Control Payment Date) to each Holder of Notes properly tendered the Change of Control Payment for such Notes, and the Trustee will promptly authenticate and mail (or cause to be transferred by book entry) to each Holder a new Note equal in principal amount to any unpurchased portion of the Notes surrendered, if any. The Company will publicly announce the results of the Change of Control Offer on or as soon as practicable after the Change of Control Payment Date.

(c) Notwithstanding anything to the contrary in this Section 4.15, the Company will not be required to make a Change of Control Offer upon a Change of Control if (1) a third party makes the

Change of Control Offer in the manner, at the times and otherwise in compliance with the requirements set forth in this Section 4.15 and purchases all Notes properly tendered and not withdrawn under the Change of Control Offer, or (2) notice of redemption has been given pursuant to Section 3.07 hereof, unless and until there is a default in payment of the applicable redemption price.

(d) Notwithstanding anything to the contrary contained herein, a Change of Control Offer may be made in advance of a Change of Control, conditioned upon the consummation of such Change of Control, if a definitive agreement is in place for the Change of Control at the time the Change of Control Offer is made.

Section 4.16 *[Reserved]*

Section 4.17 *Additional Note Guarantees.*

If the Company or any of its Restricted Subsidiaries acquires or creates another Domestic Subsidiary after the date of this Indenture, then the Company will cause that newly acquired or created Domestic Subsidiary to provide a Note Guarantee pursuant to a supplemental indenture in form and substance reasonably satisfactory to the Trustee and deliver an Opinion of Counsel reasonably satisfactory to the Trustee within 20 Business Days of the date on which it was acquired or created. Such Opinion of Counsel will state to the effect that such supplemental indenture has been duly authorized, executed and delivered by that Domestic Subsidiary and constitutes a valid and binding agreement of that Domestic Subsidiary, enforceable in accordance with its terms (subject to customary exceptions). The form of such supplemental indenture is attached as Exhibit E hereto.

Section 4.18 *Designation of Restricted and Unrestricted Subsidiaries.*

The Board of Directors of the Company may designate any Restricted Subsidiary to be an Unrestricted Subsidiary if that designation would not cause a Default. If a Restricted Subsidiary is designated as an Unrestricted Subsidiary, the aggregate Fair Market Value of all outstanding Investments owned by the Company and its Restricted Subsidiaries in the Subsidiary designated as Unrestricted will be deemed to be an Investment made as of the time of the designation and will reduce the amount available for Restricted Payments under Section 4.07 hereof or under one or more clauses of the definition of Permitted Investments, as determined by the Company. That designation will only be permitted if the Investment would be permitted at that time and if the Restricted Subsidiary otherwise meets the definition of an Unrestricted Subsidiary. The Board of Directors of the Company may redesignate any Unrestricted Subsidiary to be a Restricted Subsidiary if that redesignation would not cause a Default.

Any designation of a Subsidiary of the Company as an Unrestricted Subsidiary will be evidenced to the Trustee by filing with the Trustee a certified copy of a resolution of the Board of Directors giving effect to such designation and an Officer's Certificate certifying that such designation complied with the preceding conditions and was permitted by Section 4.07 hereof. If, at any time, any Unrestricted Subsidiary would fail to meet the preceding requirements as an Unrestricted Subsidiary, it will thereafter cease to be an Unrestricted Subsidiary for purposes of this Indenture and any Indebtedness of such Subsidiary will be deemed to be incurred by a Restricted Subsidiary of the Company as of such date and, if such Indebtedness is not permitted to be incurred as of such date under Section 4.09 hereof, the Company will be in default of such covenant. The Board of Directors of the Company may at any time designate any Unrestricted Subsidiary to be a Restricted Subsidiary of the Company; *provided* that such designation will be deemed to be an incurrence of Indebtedness by a Restricted Subsidiary of the Company of any outstanding Indebtedness of such Unrestricted Subsidiary, and such designation will only be permitted if (1) such Indebtedness is permitted under Section 4.09 hereof, calculated on a pro forma basis as if such designation had occurred at the beginning of the applicable reference period; and (2) no Default or Event of Default would be in existence following such designation.

ARTICLE 5
SUCCESSORS

Section 5.01 *Merger, Consolidation or Sale of Assets.*

The Company shall not, directly or indirectly: (1) consolidate or merge with or into another Person (whether or not the Company is the surviving corporation); or (2) sell, assign, lease, transfer, convey or otherwise dispose of all or substantially all of the properties or assets of the Company and its Restricted Subsidiaries taken as a whole, in one or more related transactions, to another Person, unless:

(1) either:

(A) the Company is the surviving corporation; or

(B) the Person formed by or surviving any such consolidation or merger (if other than the Company) or to which such sale, assignment, transfer, conveyance or other disposition has been made is an entity organized or existing under the laws of the United States, any state of the United States or the District of Columbia; and, if such entity is not a corporation, a co-obligor of the Notes is a corporation organized or existing under any such laws;

(2) the Person formed by or surviving any such consolidation or merger (if other than the Company) or the Person to which such sale, assignment, transfer, conveyance or other disposition has been made assumes all the obligations of the Company under the Notes, this Indenture and the Registration Rights Agreement pursuant to agreements reasonably satisfactory to the Trustee;

(3) immediately after such transaction, no Default or Event of Default exists; and

(4) the Company or the Person formed by or surviving any such consolidation or merger (if other than the Company), or to which such sale, assignment, transfer, conveyance or other disposition has been made would, on the date of such transaction after giving pro forma effect thereto and any related financing transactions as if the same had occurred at the beginning of the applicable four-quarter period (i) be permitted to incur at least $1.00 of additional Indebtedness pursuant to the Fixed Charge Coverage Ratio test set forth in Section 4.09(a) hereof; or (ii) have had a Fixed Charge Coverage Ratio greater than the actual Fixed Charge Coverage Ratio for the Company for such four-quarter period.

This Section 5.01 will not apply to any sale, assignment, transfer, conveyance, lease or other disposition of assets between or among the Company and its Restricted Subsidiaries. Clauses (3) and (4) of this Section 5.01 will not apply to (1) any merger or consolidation of the Company with or into one of its Restricted Subsidiaries for any purpose or (2) with or into an Affiliate solely for the purpose of reincorporating the Company in another jurisdiction.

Section 5.02 *Successor Corporation Substituted.*

Upon the consummation of any transaction effected in accordance with Section 5.01, if the Company is not the continuing Person, the resulting, surviving or transferee Person will succeed to, and

be substituted for, and may exercise every right and power of, the Company under this Indenture and the Notes with the same effect as if such successor Person had been named as the Company in this Indenture. Upon such substitution, except in the case of a lease of all or substantially all its assets, the Company will be released from its obligations under this Indenture and the Notes.

ARTICLE 6
DEFAULTS AND REMEDIES

Section 6.01 *Events of Default.*

Each of the following is an "*Event of Default*":

(1) default for 30 days in the payment when due of interest and Special Interest, if any, on, the Notes;

(2) default in the payment when due (at maturity, upon redemption or otherwise) of the principal of, or premium on, if any, the Notes;

(3) failure by the Company to accept and pay for Notes tendered when and as required by the provisions of this Indenture described in Sections 4.10 or 4.15 or failure by the Company or any of its Restricted Subsidiaries to comply with the provisions of Section 5.01 hereof;

(4) failure by the Company or any of its Restricted Subsidiaries for 60 days after notice to the Company by the Trustee or the Holders of at least 25% in aggregate principal amount of the Notes then outstanding voting as a single class to comply with any of the other agreements in this Indenture;

(5) default under any mortgage, indenture or instrument under which there may be issued or by which there may be secured or evidenced any Indebtedness for money borrowed by the Company or any of its Restricted Subsidiaries (or the payment of which is guaranteed by the Company or any of its Restricted Subsidiaries), whether such Indebtedness or Guarantee now exists, or is created after the date of this Indenture, if that default:

(A) is caused by a failure to pay such Indebtedness at final maturity after the expiration of any applicable grace period provided in such Indebtedness on the date of such default (a "*Payment Default*"); or

(B) results in the acceleration of such Indebtedness prior to its express maturity,

and, in each case, the principal amount of any such Indebtedness, together with the principal amount of any other such Indebtedness under which there has been a Payment Default or the maturity of which has been so accelerated, aggregates $10.0 million or more;

(6) failure by the Company or any of its Restricted Subsidiaries to pay final judgments entered by a court or courts of competent jurisdiction aggregating in excess of $10.0 million (excluding amounts which insurance carriers of the Hillman Companies, Parent, the Company or any Restricted Subsidiaries have expressly agreed to pay under applicable policies), which judgments are not paid, discharged or stayed, for a period of 60 days;

(7) except as permitted by this Indenture, any Note Guarantee of any Significant Subsidiary is held in any judicial proceeding to be unenforceable or invalid or ceases for any reason to be in full force and effect, or any Guarantor, or any Person acting on behalf of any Guarantor, denies or disaffirms its obligations under its Note Guarantee;

(8) the Company or any of its Restricted Subsidiaries that is a Significant Subsidiary or any group of Restricted Subsidiaries of the Company that, taken together, would constitute a Significant Subsidiary pursuant to or within the meaning of Bankruptcy Law:

(A) commences a voluntary case,

(B) consents to the entry of an order for relief against it in an involuntary case,

(C) consents to the appointment of a custodian of it or for all or substantially all of its property, or

(D) makes a general assignment for the benefit of its creditors;

(9) a court of competent jurisdiction enters an order or decree under any Bankruptcy Law that:

(A) is for relief against the Company or any of its Restricted Subsidiaries that is a Significant Subsidiary or any group of Restricted Subsidiaries of the Company that, taken together, would constitute a Significant Subsidiary in an involuntary case;

(B) appoints a custodian of the Company or any of its Restricted Subsidiaries that is a Significant Subsidiary or any group of Restricted Subsidiaries of the Company that, taken together, would constitute a Significant Subsidiary or for all or substantially all of the property of the Company or any of its Restricted Subsidiaries that is a Significant Subsidiary or any group of Restricted Subsidiaries of the Company that, taken together, would constitute a Significant Subsidiary; or

(C) orders the liquidation of the Company or any of its Restricted Subsidiaries that is a Significant Subsidiary or any group of Restricted Subsidiaries of the Company that, taken together, would constitute a Significant Subsidiary;

and the order or decree remains unstayed and in effect for 60 consecutive days.

Section 6.02 *Acceleration.*

In the case of an Event of Default specified in clause (8) or (9) of Section 6.01 hereof, with respect to the Company, any Restricted Subsidiary of the Company that is a Significant Subsidiary or any group of Restricted Subsidiaries of the Company that, taken together, would constitute a Significant Subsidiary, all outstanding Notes will become due and payable immediately without further action or notice. If any other Event of Default occurs and is continuing, the Trustee or the Holders of at least 25% in aggregate principal amount of then outstanding Notes may declare all the Notes to be due and payable immediately. Upon any such declaration, the Notes shall become due and payable immediately.

The Holders of a majority in aggregate principal amount of then outstanding Notes by written notice to the Trustee may, on behalf of all of the Holders of all the Notes, rescind an acceleration and its

consequences hereunder, if the rescission would not conflict with any judgment or decree and if all existing Events of Default (except nonpayment of principal of, premium on, if any, interest or Special Interest, if any, on the Notes that has become due solely because of the acceleration) have been cured or waived.

Section 6.03 *Other Remedies.*

If an Event of Default occurs and is continuing, the Trustee may pursue any available remedy to collect the payment of principal of, premium on, if any, interest or Special Interest, if any, on, the Notes or to enforce the performance of any provision of the Notes or this Indenture.

The Trustee may maintain a proceeding even if it does not possess any of the Notes or does not produce any of them in the proceeding. A delay or omission by the Trustee or any Holder of a Note in exercising any right or remedy accruing upon an Event of Default shall not impair the right or remedy or constitute a waiver of or acquiescence in the Event of Default. All remedies are cumulative to the extent permitted by law.

Section 6.04 *Waiver of Past Defaults.*

The Holders of a majority in aggregate principal amount of then outstanding Notes by written notice to the Trustee may, on behalf of the Holders of all of the Notes waive any existing Default or Event of Default and its consequences hereunder, except a continuing Default or Event of Default in the payment of principal of, premium on, if any, interest or Special Interest, if any, on, the Notes (including in connection with an offer to purchase); *provided, however*, that the Holders of a majority in aggregate principal amount of then outstanding Notes may rescind an acceleration and its consequences, including any related payment Default that resulted from such acceleration. Upon any such waiver, such Default shall cease to exist, and any Event of Default arising therefrom shall be deemed to have been cured for every purpose of this Indenture; but no such waiver shall extend to any subsequent or other Default or impair any right consequent thereon.

Section 6.05 *Control by Majority.*

Holders of a majority in aggregate principal amount of then outstanding Notes may direct the time, method and place of conducting any proceeding for exercising any remedy available to the Trustee or exercising any trust or power conferred on it. However, the Trustee may refuse to follow any direction that conflicts with law or this Indenture that the Trustee determines may be unduly prejudicial to the rights of other Holders of Notes or the Trustee or that may involve the Trustee in personal liability provided however, that the Trustee may take any other action deemed proper by the Trustee that is not inconsistent with such direction. Prior to taking any action hereunder, the Trustee shall be entitled to indemnity satisfactory to it in its sole discretion against all losses and expenses caused by taking or not taking such action.

Section 6.06 *Limitation on Suits.*

No Holder of a Note may pursue any remedy with respect to this Indenture or the Notes unless:

(1) such Holder has previously given to the Trustee written notice that an Event of Default is continuing;

(2) Holders of at least 25% in aggregate principal amount of then outstanding Notes make a written request to the Trustee to pursue the remedy;

(3) such Holder or Holders offer and, if requested, provide to the Trustee security or indemnity satisfactory to the Trustee against any loss, liability or expense;

(4) the Trustee does not comply with such request within 60 days after receipt of the request and the offer of security or indemnity; and

(5) during such 60-day period, Holders of a majority in aggregate principal amount of then outstanding Notes do not give the Trustee a direction inconsistent with such request.

A Holder of a Note may not use this Indenture to prejudice the rights of another Holder of a Note or to obtain a preference or priority over another Holder of a Note.

Section 6.07 *Rights of Holders of Notes to Receive Payment.*

Notwithstanding any other provision of this Indenture, the right of any Holder of a Note to receive payment of principal of, premium on, if any, interest or Special Interest, if any, on, the Note, on or after the respective due dates expressed in the Note (including in connection with an offer to purchase), or to bring suit for the enforcement of any such payment on or after such respective dates, shall not be impaired or affected without the consent of such Holder.

Section 6.08 *Collection Suit by Trustee.*

If an Event of Default specified in Section 6.01(1) or (2) hereof occurs and is continuing, the Trustee is authorized to recover judgment in its own name and as trustee of an express trust against the Company for the whole amount of principal of, premium on, if any, interest and Special Interest, if any, remaining unpaid on, the Notes and interest on overdue principal and, to the extent lawful, interest and such further amount as shall be sufficient to cover the costs and expenses of collection, including the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel.

Section 6.09 *Trustee May File Proofs of Claim.*

The Trustee is authorized to file such proofs of claim and other papers or documents as may be necessary or advisable in order to have the claims of the Trustee (including any claim for the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel) and the Holders of the Notes allowed in any judicial proceedings relative to the Company (or any other obligor upon the Notes), its creditors or its property and shall be entitled and empowered to collect, receive and distribute any money or other property payable or deliverable on any such claims and any custodian in any such judicial proceeding is hereby authorized by each Holder to make such payments to the Trustee, and in the event that the Trustee shall consent to the making of such payments directly to the Holders, to pay to the Trustee any amount due to it for the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel, and any other amounts due the Trustee under Section 7.07 hereof. To the extent that the payment of any such compensation, expenses, disbursements and advances of the Trustee, its agents and counsel, and any other amounts due the Trustee under Section 7.07 hereof out of the estate in any such proceeding, shall be denied for any reason, payment of the same shall be secured by a Lien on, and shall be paid out of, any and all distributions, dividends, money, securities and other properties that the Holders may be entitled to receive in such proceeding whether in liquidation or under any plan of reorganization or arrangement or otherwise. Nothing herein contained shall be deemed to authorize the Trustee to authorize or consent to or accept or adopt on behalf of any Holder any plan of reorganization, arrangement, adjustment or composition affecting the Notes or the rights of any Holder, or to authorize the Trustee to vote in respect of the claim of any Holder in any such proceeding.

Section 6.10 *Priorities.*

If the Trustee collects any money pursuant to this Article 6, it shall pay out the money in the following order:

First: to the Trustee, its agents and attorneys for amounts due under Section 7.07 hereof, including payment of all compensation, expenses and liabilities incurred, and all advances made, by the Trustee and the costs and expenses of collection;

Second: to Holders of Notes for amounts due and unpaid on the Notes for principal, premium, if any, interest and Special Interest, if any, ratably, without preference or priority of any kind, according to the amounts due and payable on the Notes for principal, premium, if any, interest and Special Interest, if any, respectively; and

Third: to the Company or to such party as a court of competent jurisdiction shall direct.

The Trustee may fix a record date and payment date for any payment to Holders of Notes pursuant to this Section 6.10.

Section 6.11 *Undertaking for Costs.*

In any suit for the enforcement of any right or remedy under this Indenture or in any suit against the Trustee for any action taken or omitted by it as a Trustee, a court in its discretion may require the filing by any party litigant in the suit of an undertaking to pay the costs of the suit, and the court in its discretion may assess reasonable costs, including reasonable attorneys' fees, against any party litigant in the suit, having due regard to the merits and good faith of the claims or defenses made by the party litigant. This Section 6.11 does not apply to a suit by the Trustee, a suit by a Holder of a Note pursuant to Section 6.07 hereof, or a suit by Holders of more than 10% in aggregate principal amount of then outstanding Notes.

ARTICLE 7
TRUSTEE

Section 7.01 *Duties of Trustee.*

(a) If an Event of Default has occurred and is continuing, the Trustee will exercise such of the rights and powers vested in it by this Indenture, and use the same degree of care and skill in its exercise, as a prudent person would exercise or use under the circumstances in the conduct of such person's own affairs.

(b) Except during the continuance of an Event of Default:

(1) the duties of the Trustee will be determined solely by the express provisions of this Indenture and the Trustee need perform only those duties that are specifically set forth in this Indenture and no others, and no implied covenants or obligations shall be read into this Indenture against the Trustee; and

(2) in the absence of bad faith on its part, the Trustee may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the Trustee and conforming to the requirements of this Indenture. However, the Trustee will examine the certificates and opinions to determine whether or not they conform to the requirements of this Indenture.

(c) The Trustee may not be relieved from liabilities for its own negligent action, its own negligent failure to act, or its own willful misconduct, except that:

(1) this paragraph does not limit the effect of paragraph (b) of this Section 7.01;

(2) the Trustee will not be liable for any error of judgment made in good faith by a Responsible Officer, unless it is proved in a court of competent jurisdiction that the Trustee was negligent in ascertaining the pertinent facts; and

(3) the Trustee will not be liable with respect to any action it takes or omits to take in good faith in accordance with a direction received by it pursuant to Section 6.05 hereof.

(d) Whether or not therein expressly so provided, every provision of this Indenture that in any way relates to the Trustee is subject to paragraphs (a), (b), and (c) of this Section 7.01.

(e) No provision of this Indenture will require the Trustee to expend or risk its own funds or incur any liability. The Trustee will be under no obligation to exercise any of its rights and powers under this Indenture at the request of any Holders, unless such Holder has offered to the Trustee security and indemnity satisfactory to it against any loss, liability or expense.

(f) The Trustee will not be liable for interest on any money received by it except as the Trustee may agree in writing with the Company. Money held in trust by the Trustee need not be segregated from other funds except to the extent required by law.

Section 7.02 *Rights of Trustee.*

(a) The Trustee may conclusively rely upon any document believed by it to be genuine and to have been signed or presented by the proper Person. The Trustee need not investigate any fact or matter stated in the document.

(b) Before the Trustee acts or refrains from acting, it may require an Officer's Certificate or an Opinion of Counsel or both. The Trustee will not be liable for any action it takes or omits to take in good faith in reliance on such Officer's Certificate or Opinion of Counsel. The Trustee may consult with counsel, accountant, appraiser or other expert or adviser of its selection (any of the foregoing, an "*Advisor*"), whether retained or employed by the Company, or by the Trustee, and the written advice of such Advisor or any Opinion of Counsel will be full and complete authorization and protection from liability in respect of any action taken, suffered or omitted by it hereunder in good faith and in reliance thereon.

(c) The Trustee may act through its attorneys and agents and will not be responsible for the misconduct or negligence of any agent or attorney appointed with due care.

(d) The Trustee will not be liable for any action it takes or omits to take in good faith that it believes to be authorized or within the rights or powers conferred upon it by this Indenture.

(e) Unless otherwise specifically provided in this Indenture, any demand, request, direction or notice from the Company will be sufficient if signed by an Officer of the Company.

(f) The Trustee will be under no obligation to exercise any of the rights or powers vested in it by this Indenture at the request or direction of any of the Holders unless such Holders have offered to the Trustee indemnity or security satisfactory to it against the losses, liabilities and expenses that might be incurred by it in compliance with such request or direction.

(g) The Trustee shall not be required to give any note, bond or surety in respect of the trusts and powers under this Indenture.

(h) The Trustee may request that the Company deliver an Officer's Certificate setting forth the names of individuals and/or titles of officers authorized at such time to take specified actions pursuant to the Indenture, which Officer's Certificate may be signed by any person authorized to sign an Officer's Certificate, including any person specified as so authorized in such certificate previously delivered and not superseded.

(i) Except with respect to information contained in the Officer's Certificate delivered to it pursuant to this Section 4.04 of this Indenture, the Trustee shall have no duty to monitor or investigate the Company's compliance with, or the breach of, any representation, warranty or covenant made in this Indenture.

(j) Delivery of reports, information and documents to the Trustee described in Section 4.03 of this Indenture is for informational purposes only and the Trustee's receipt of such shall not constitute constructive notice of any information contained therein or determinable from information contained therein, including the Company's compliance with any of its covenants hereunder (as to which the Trustee is entitled to rely conclusively on Officer's Certificates). The Trustee is under no duty to examine such reports, information or documents to ensure compliance with the provision of this indenture or to ascertain the correctness or otherwise of the information or the statements contained therein.

(k) In no event shall the Trustee be responsible or liable for special, indirect, or consequential loss or damage of any kind whatsoever (including, but not limited to, loss of profit) irrespective of whether the Trustee has been advised of the likelihood of such loss or damage and regardless of the form of action.

(l) The Trustee shall not be deemed to have notice of any Default or Event of Default unless written notice of any event which is in fact such a default is received by a Responsible Officer of the Trustee at the Corporate Trust Office of the Trustee, and such notice references the Securities and this Indenture.

(m) The rights, privileges, protections, immunities and benefits given to the Trustee, including, without limitation, its right to be indemnified, are extended to, and shall be enforceable by, the Trustee in each of its capacities hereunder, and each agent, custodian and other Person employed to act hereunder.

Section 7.03 *Individual Rights of Trustee.*

The Trustee in its individual or any other capacity may become the owner or pledgee of Notes and may otherwise deal with the Company or any Affiliate of the Company with the same rights it would have if it were not Trustee. However, in the event that the Trustee acquires any conflicting interest it must eliminate such conflict within 90 days, apply to the SEC for permission to continue as trustee (if this Indenture has been qualified under the TIA) or resign. Any Agent may do the same with like rights and duties. The Trustee is also subject to Sections 7.10 and 7.11 hereof.

Section 7.04 *Trustee's Disclaimer.*

The Trustee will not be responsible for and makes no representation as to the validity or adequacy of this Indenture or the Notes or the Note Guarantees, it shall not be accountable for the Company's use of the proceeds from the Notes or any money paid to the Company or upon the Company's direction under any provision of this Indenture, it will not be responsible for the use or application of any money received by any Paying Agent other than the Trustee, and it will not be responsible for any statement or recital herein or any statement in the Notes or any other document in connection with the sale of the Notes or pursuant to this Indenture other than its certificate of authentication.

Section 7.05 *Notice of Defaults.*

If a Default or Event of Default occurs and is continuing and it is known to the Trustee, Trustee, unless such Default or Event of Default has been cured or waived, will mail to Holders of Notes a notice of the Default or Event of Default within 90 days after it occurs. Except in the case of a Default or Event of Default in payment of principal of, premium on, if any, interest or Special Interest, if any, on, any Note, the Trustee may withhold the notice and shall be protected in withholding such notice if and so long as a committee of its Responsible Officers in good faith determines that withholding the notice is in the interests of the Holders of the Notes.

Section 7.06 *Reports by Trustee to Holders of the Notes.*

(a) Within 60 days after each May 15 beginning with the May 15 following the date of this Indenture, and for so long as Notes remain outstanding, the Trustee will mail to the Holders of the Notes a brief report dated as of such reporting date that complies with TIA §313(a) (but if no event described in TIA §313(a) has occurred within the twelve months preceding the reporting date, no report need be transmitted). The Trustee also will comply with TIA §313(b)(2). The Trustee will also transmit by mail all reports as required by TIA §313(c).

(b) A copy of each report at the time of its mailing to the Holders of Notes will be mailed by the Trustee to the Company and filed by the Trustee with the SEC and each stock exchange on which the Notes are listed in accordance with TIA §313(d). The Company will promptly notify the Trustee in writing when the Notes are listed on any stock exchange or any delisting thereof.

Section 7.07 *Compensation and Indemnity*.

(a) The Company will pay to the Trustee from time to time such compensation for its acceptance of this Indenture and services hereunder as the Trustee and Company shall agree in writing from time to time. The Trustee's compensation will not be limited by any law on compensation of a trustee of an express trust. The Company will reimburse the Trustee promptly upon written request for all reasonable disbursements, advances and expenses incurred or made by it in addition to the compensation for its services. Such expenses will include the reasonable compensation, disbursements and expenses of the Trustee's agents and counsel.

(b) The Company and the Guarantors jointly and severally will indemnify the Trustee and any predecessor Trustee, including its officers, directors, agents and employees, and hold them harmless, against any and all losses, liabilities or expenses incurred by it arising out of or in connection with the acceptance or administration of its duties under this Indenture, including the costs and expenses of enforcing this Indenture against the Company and the Guarantors (including this Section 7.07) and reasonable fees and expenses of counsel and defending itself against any claim (whether asserted by the Company, the Guarantors, any Holder or any other Person) or liability in connection with the exercise or

performance of any of its powers or duties hereunder, except to the extent any such loss, liability or expense may be attributable to its negligence, bad faith or willful misconduct. The Trustee will notify the Company promptly of any claim for which it may seek indemnity. Failure by the Trustee to so notify the Company will not relieve the Company or any of the Guarantors of their obligations hereunder. The Company or such Guarantor will defend the claim and the Trustee will cooperate in the defense. To the extent there exists a conflict of interest, the Trustee may have separate counsel and the Company will pay the reasonable fees and expenses of such counsel. Neither the Company nor any Guarantor need pay for any settlement made without its consent, which consent will not be unreasonably withheld.

(c) The obligations of the Company and the Guarantors under this Section 7.07 will survive the satisfaction and discharge of this Indenture and the resignation or removal of the Trustee.

(d) To secure the Company's and the Guarantors' payment obligations in this Section 7.07, the Trustee will have a Lien prior to the Notes on all money or property held or collected by the Trustee, except that held in trust to pay principal of, premium on, if any, interest or Special Interest, if any, on, particular Notes. Such Lien will survive the satisfaction and discharge of this Indenture.

(e) When the Trustee incurs expenses or renders services after an Event of Default specified in Section 6.01(8) or (9) hereof occurs, the expenses and the compensation for the services (including the fees and expenses of its agents and counsel) are intended to constitute expenses of administration under any Bankruptcy Law.

(f) The Trustee will comply with the provisions of TIA §313(b)(2) to the extent applicable.

Section 7.08 *Replacement of Trustee.*

(a) A resignation or removal of the Trustee and appointment of a successor Trustee will become effective only upon the successor Trustee's acceptance of appointment as provided in this Section 7.08.

(b) The Trustee may resign in writing at any time and be discharged from the trust hereby created by so notifying the Company. The Holders of a majority in aggregate principal amount of then outstanding Notes may remove the Trustee by so notifying the Trustee and the Company in writing. The Company may remove the Trustee if:

(1) the Trustee fails to comply with Section 7.10 hereof;

(2) the Trustee is adjudged a bankrupt or an insolvent or an order for relief is entered with respect to the Trustee under any Bankruptcy Law;

(3) a custodian or public officer takes charge of the Trustee or its property; or

(4) the Trustee becomes incapable of acting.

(c) If the Trustee resigns or is removed or if a vacancy exists in the office of Trustee for any reason, the Company will promptly appoint a successor Trustee. Within one year after the successor Trustee takes office, the Holders of a majority in aggregate principal amount of then outstanding Notes may appoint a successor Trustee to replace the successor Trustee appointed by the Company.

(d) If a successor Trustee does not take office within 60 days after the retiring Trustee resigns or is removed, the retiring Trustee (at the Company's expense), the Company, or the Holders of at least 10% in aggregate principal amount of then outstanding Notes may petition any court of competent jurisdiction for the appointment of a successor Trustee.

(e) If the Trustee, after written request by any Holder who has been a Holder for at least six months, fails to comply with Section 7.10 hereof, such Holder may petition any court of competent jurisdiction for the removal of the Trustee and the appointment of a successor Trustee.

(f) A successor Trustee will deliver a written acceptance of its appointment to the retiring Trustee and to the Company. Thereupon, the resignation or removal of the retiring Trustee will become effective, and the successor Trustee will have all the rights, powers and duties of the Trustee under this Indenture. The successor Trustee will mail a notice of its succession to Holders. The retiring Trustee will promptly transfer all property held by it as Trustee to the successor Trustee; *provided* all sums owing to the Trustee hereunder have been paid and subject to the Lien provided for in Section 7.07 hereof. Notwithstanding replacement of the Trustee pursuant to this Section 7.08, the Company's obligations under Section 7.07 hereof will continue for the benefit of the retiring Trustee.

Section 7.09 *Successor Trustee by Merger, etc.*

If the Trustee consolidates, merges or converts into, or transfers all or substantially all of its corporate trust business to, another corporation, the successor corporation without any further act will be the successor Trustee.

Section 7.10 *Eligibility; Disqualification.*

There will at all times be a Trustee hereunder that is a corporation organized and doing business under the laws of the United States of America or of any state thereof that is authorized under such laws to exercise corporate trustee power, that is subject to supervision or examination by federal or state authorities and that has a combined capital and surplus of at least $100.0 million as set forth in its most recent published annual report of condition.

This Indenture will always have a Trustee who satisfies the requirements of TIA §310(a)(1), (2) and (5). The Trustee is subject to TIA §310(b).

Section 7.11 *Preferential Collection of Claims Against Company.*

The Trustee is subject to TIA §311(a), excluding any creditor relationship listed in TIA §311(b). A Trustee who has resigned or been removed shall be subject to TIA §311(a) to the extent indicated therein.

ARTICLE 8
LEGAL DEFEASANCE AND COVENANT DEFEASANCE

Section 8.01 *Option to Effect Legal Defeasance or Covenant Defeasance.*

The Company may at any time, at the option of its Board of Directors evidenced by a resolution set forth in an Officer's Certificate, elect to have either Section 8.02 or 8.03 hereof be applied to all outstanding Notes upon compliance with the conditions set forth below in this Article 8.

Section 8.02 *Legal Defeasance and Discharge*.

Upon the Company's exercise under Section 8.01 hereof of the option applicable to this Section 8.02, the Company and each of the Guarantors will, subject to the satisfaction of the conditions set forth in Section 8.04 hereof, be deemed to have been discharged from their obligations with respect to all outstanding Notes (including the Note Guarantees) on the date the conditions set forth below are satisfied (hereinafter, "*Legal Defeasance*"). For this purpose, Legal Defeasance means that the Company and the Guarantors will be deemed to have paid and discharged the entire Indebtedness represented by the outstanding Notes (including the Note Guarantees), which will thereafter be deemed to be "outstanding" only for the purposes of Section 8.05 hereof and the other Sections of this Indenture referred to in clauses (1) and (2) below, and to have satisfied all their other obligations under such Notes, the Note Guarantees and this Indenture (and the Trustee, on demand of and at the expense of the Company, shall execute proper instruments acknowledging the same), except for the following provisions which will survive until otherwise terminated or discharged hereunder:

(1) the rights of Holders of outstanding Notes to receive payments in respect of the principal of, premium on, if any, interest or Special Interest, if any, on, such Notes when such payments are due from the trust referred to in Section 8.04 hereof;

(2) the Company's obligations with respect to such Notes under Article 2 and Section 4.02 hereof;

(3) the rights, powers, trusts, duties and immunities of the Trustee hereunder and the Company's and the Guarantors' obligations in connection therewith; and

(4) this Article 8.

Subject to compliance with this Article 8, the Company may exercise its option under this Section 8.02 notwithstanding the prior exercise of its option under Section 8.03 hereof.

Section 8.03 *Covenant Defeasance*.

Upon the Company's exercise under Section 8.01 hereof of the option applicable to this Section 8.03, the Company and each of the Guarantors will, subject to the satisfaction of the conditions set forth in Section 8.04 hereof, be released from each of their obligations under Article 10 of this Indenture, the Note Guarantees and the covenants contained in Article 4 (other than Sections 4.01, 4.02, 4.04, 4.06 and 4.14 (but only with regard to the Company's existence)) and clauses (3) and (4) of Section 5.01 hereof with respect to the outstanding Notes on and after the date the conditions set forth in Section 8.04 hereof are satisfied (hereinafter, "*Covenant Defeasance*"), and the Notes will thereafter be deemed not "outstanding" for the purposes of any direction, waiver, consent or declaration or act of Holders (and the consequences of any thereof) in connection with such covenants, but will continue to be deemed "outstanding" for all other purposes hereunder (it being understood that such Notes will not be deemed outstanding for accounting purposes). For this purpose, Covenant Defeasance means that, with respect to the outstanding Notes and Note Guarantees, the Company and the Guarantors may omit to comply with and will have no liability in respect of any term, condition or limitation set forth in any such covenant, whether directly or indirectly, by reason of any reference elsewhere herein to any such covenant or by reason of any reference in any such covenant to any other provision herein or in any other document and such omission to comply will not constitute a Default or an Event of Default under Section 6.01 hereof, but, except as specified above, the remainder of this Indenture and such Notes will be unaffected thereby. In addition, upon the Company's exercise under Section 8.01 hereof of the option applicable to this Section 8.03, subject to the satisfaction of the conditions set forth in Section 8.04 hereof, Sections 6.01(3), (4), (5), (6) and (7) hereof will not constitute Events of Default.

Section 8.04 *Conditions to Legal or Covenant Defeasance*.

In order to exercise either Legal Defeasance or Covenant Defeasance under either Section 8.02 or 8.03 hereof:

(1) the Company must irrevocably deposit with the Trustee, in trust, for the benefit of the Holders, cash in U.S. dollars, non-callable Government Securities, or a combination thereof, in such amounts as will be sufficient, in the opinion of a nationally recognized investment bank, appraisal firm, or firm of independent public accountants, to pay the principal of, premium on, if any, interest and Special Interest, if any, on, the outstanding Notes on the stated date for payment thereof or on the applicable redemption date, as the case may be, and the Company must specify whether the Notes are being defeased to such stated date for payment or to a particular redemption date;

(2) in the case of an election under Section 8.02 hereof, the Company must deliver to the Trustee an Opinion of Counsel reasonably acceptable to the Trustee confirming that:

(A) the Company has received from, or there has been published by, the Internal Revenue Service a ruling; or

(B) since the date of this Indenture, there has been a change in the applicable federal income tax law,

in either case to the effect that, and based thereon such Opinion of Counsel shall confirm that, the Holders of the outstanding Notes will not recognize income, gain or loss for federal income tax purposes as a result of such Legal Defeasance and will be subject to federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such Legal Defeasance had not occurred;

(3) in the case of an election under Section 8.03 hereof, the Company must deliver to the Trustee an Opinion of Counsel reasonably acceptable to the Trustee confirming that the Holders of the outstanding Notes will not recognize income, gain or loss for federal income tax purposes as a result of such Covenant Defeasance and will be subject to federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such Covenant Defeasance had not occurred;

(4) no Default or Event of Default shall have occurred and is continuing on the date of such deposit (other than a Default or Event of Default resulting from the borrowing of funds to be applied to such deposit (and any similar concurrent deposit relating to other Indebtedness), and the granting of Liens to secure such borrowings);

(5) such Legal Defeasance or Covenant Defeasance will not result in a breach or violation of, or constitute a default under, any material agreement or instrument (other than this Indenture and the agreements governing any other Indebtedness being defeased, discharged, refinanced or replaced) to which the Company or any of the Guarantors is a party or by which the Company or any of the Guarantors is bound;

(6) the Company must deliver to the Trustee an Officer's Certificate stating that the deposit was not made by the Company with the intent of preferring the Holders of Notes over the other creditors of the Company with the intent of defeating, hindering, delaying or defrauding any creditors of the Company or others; and

(7) the Company must deliver to the Trustee an Officer's Certificate and an Opinion of Counsel, each stating that all conditions precedent relating to the Legal Defeasance or the Covenant Defeasance have been complied with.

Section 8.05 *Deposited Money and Government Securities to be Held in Trust; Other Miscellaneous Provisions*

Subject to Section 8.06 hereof, all money and non-callable Government Securities (including the proceeds thereof) deposited with the Trustee (or other qualifying trustee, collectively for purposes of this Section 8.05, the "*Trustee*") pursuant to Section 8.04 hereof in respect of the outstanding Notes will be held in trust and applied by the Trustee, in accordance with the provisions of such Notes and this Indenture, to the payment, either directly or through any Paying Agent (including the Company acting as Paying Agent) as the Trustee may determine, to the Holders of such Notes of all sums due and to become due thereon in respect of principal, premium, if any, interest and Special Interest, if any, but such money need not be segregated from other funds except to the extent required by law.

The Company will pay and indemnify the Trustee against any tax, fee or other charge imposed on or assessed against the cash or non-callable Government Securities deposited pursuant to Section 8.04 hereof or the principal and interest received in respect thereof other than any such tax, fee or other charge which by law is for the account of the Holders of the outstanding Notes.

Notwithstanding anything in this Article 8 to the contrary, the Trustee will deliver or pay to the Company from time to time upon the request of the Company any money or non-callable Government Securities held by it as provided in Section 8.04 hereof which, in the opinion of a nationally recognized investment bank, appraisal firm or firm of independent public accountants expressed in a written certification thereof delivered to the Trustee (which may be the opinion delivered under Section 8.04(1) hereof), are in excess of the amount thereof that would then be required to be deposited to effect an equivalent Legal Defeasance or Covenant Defeasance.

Section 8.06 *Repayment to Company*.

Any money deposited with the Trustee or any Paying Agent, or then held by the Company, in trust for the payment of the principal of, premium on, if any, interest or Special Interest, if any, on, any Note and remaining unclaimed for two years after such principal, premium, if any, interest or Special Interest, if any, has become due and payable shall be paid to the Company on its request or (if then held by the Company) will be discharged from such trust; and the Holder of such Note will thereafter be permitted to look only to the Company for payment thereof, and all liability of the Trustee or such Paying Agent with respect to such trust money, and all liability of the Company as trustee thereof, will thereupon cease; *provided, however*, that the Trustee or such Paying Agent, before being required to make any such repayment, may (but shall not be obligated) at the expense of the Company cause to be published once, in the New York Times and The Wall Street Journal (national edition), notice that such money remains unclaimed and that, after a date specified therein, which will not be less than 30 days from the date of such notification or publication, any unclaimed balance of such money then remaining will be repaid to the Company.

Section 8.07 *Reinstatement*.

If the Trustee or Paying Agent is unable to apply any U.S. dollars or non-callable Government Securities in accordance with Section 8.02 or 8.03 hereof, as the case may be, by reason of any order or judgment of any court or governmental authority enjoining, restraining or otherwise prohibiting such application, then the Company's and the Guarantors' obligations under this Indenture and the Notes and the Note Guarantees will be revived and reinstated as though no deposit had occurred pursuant to Section 8.02 or 8.03 hereof until such time as the Trustee or Paying Agent is permitted to apply all such money in accordance with Section 8.02 or 8.03 hereof, as the case may be; *provided, however*, that, if the Company makes any payment of principal of, premium on, if any, interest or Special Interest, if any, on, any Note following the reinstatement of its obligations, the Company will be subrogated to the rights of the Holders of such Notes to receive such payment from the money held by the Trustee or Paying Agent.

ARTICLE 9
AMENDMENT, SUPPLEMENT AND WAIVER

Section 9.01 *Without Consent of Holders of Notes.*

Notwithstanding Section 9.02 of this Indenture, without the consent of any Holder of Notes, the Company, the Guarantors and the Trustee may amend or supplement this Indenture, the Notes or the Note Guarantees:

(1) to cure any ambiguity, defect or inconsistency;

(2) to provide for uncertificated Notes in addition to or in place of certificated Notes;

(3) to provide for the assumption of the Company's or a Guarantor's obligations to the Holders of the Notes and Note Guarantees by a successor to the Company or such Guarantor pursuant to Article 5 or Article 10 hereof;

(4) to make any change that would provide any additional rights or benefits to the Holders of the Notes or that does not adversely affect the rights hereunder of any Holder;

(5) to comply with requirements of the SEC in order to effect or maintain the qualification of this Indenture under the TIA;

(6) to conform the text of this Indenture, the Notes, the Note Guarantees to any provision of the "Description of Notes" section of the Offering Memorandum, to the extent that such provision in that "Description of Notes" was intended to be a verbatim recitation of a provision of this Indenture, the Notes, the Note Guarantees, which intent may be evidenced by an Officer's Certificate to that effect;

(7) to provide for the issuance of Additional Notes in accordance with the limitations set forth in this Indenture as of the date hereof;

(8) to allow any Guarantor to execute a supplemental indenture and/or a Note Guarantee with respect to the Notes or to secure the Notes; or

(9) to evidence and provide for the acceptance of the appointment of a successor Trustee.

Upon the request of the Company accompanied by a resolution of its Board of Directors authorizing the execution of any such amended or supplemental indenture, and upon receipt by the Trustee of the documents described in Section 7.02 hereof, the Trustee will join with the Company and the Guarantors in the execution of any amended or supplemental indenture authorized or permitted by the terms of this Indenture and to make any further appropriate agreements and stipulations that may be therein contained, but the Trustee will not be obligated to enter into such amended or supplemental indenture that affects its own rights, duties or immunities under this Indenture or otherwise.

Section 9.02 *With Consent of Holders of Notes.*

Except as provided below in this Section 9.02, the Company and the Trustee may amend or supplement this Indenture (including, without limitation, Section 3.09, 4.10 and 4.15 hereof) and the Notes and the Note Guarantees with the consent of the Holders of at least a majority in aggregate principal amount of then outstanding Notes (including, without limitation, Additional Notes, if any) voting as a single class (including, without limitation, consents obtained in connection with a tender offer or exchange offer for, or purchase of, the Notes), and, subject to Sections 6.04 and 6.07 hereof, any existing Default or Event of Default (other than a Default or Event of Default in the payment of the principal of, premium on, if any, interest or Special Interest, if any, on, the Notes, except a payment default resulting from an acceleration that has been rescinded) or compliance with any provision of this Indenture or the Notes or the Note Guarantees may be waived with the consent of the Holders of a majority in aggregate principal amount of then outstanding Notes (including, without limitation, Additional Notes, if any) voting as a single class (including, without limitation, consents obtained in connection with a tender offer or exchange offer for, or purchase of, the Notes). Section 2.08 hereof shall determine which Notes are considered to be "outstanding" for purposes of this Section 9.02.

However, without the consent of each Holder affected, an amendment, supplement or waiver under this Section 9.02 may not (with respect to any Notes held by a non-consenting Holder):

(1) reduce the principal amount of Notes whose Holders must consent to an amendment, supplement or waiver;

(2) reduce the principal of or change the fixed maturity of any Note or alter or waive any of the provisions with respect to the redemption of the Notes (except as provided above with respect to Sections 3.09, 4.10 and 4.15 hereof);

(3) reduce the rate of or change the time for payment of interest, including default interest, on any Note;

(4) waive a Default or Event of Default in the payment of principal of, premium on, if any, interest or Special Interest, if any, on, the Notes (except a rescission of acceleration of the Notes by the Holders of at least a majority in aggregate principal amount of then outstanding Notes and a waiver of the payment default that resulted from such acceleration);

(5) make any Note payable in money other than that stated in the Notes;

(6) make any change in the provisions of this Indenture relating to waivers of past Defaults or the rights of Holders of Notes to receive payments of principal of, premium on, if any, interest or Special Interest, if any, on, the Notes;

(7) waive a redemption payment with respect to any Note (other than a payment required by Sections 3.09, 4.10 or 4.15 hereof);

(8) release any Guarantor from any of its obligations under its Note Guarantee or this Indenture, except in accordance with the terms of this Indenture; or

(9) make any change in the preceding amendment and waiver provisions.

Upon the request of the Company accompanied by a resolution of its Board of Directors authorizing the execution of any such amended or supplemental indenture, and upon the filing with the Trustee of evidence reasonably satisfactory to the Trustee of the consent of the Holders of Notes as aforesaid, and upon receipt by the Trustee of the documents described in Section 7.02 hereof, the Trustee will join with the Company and the Guarantors in the execution of such amended or supplemental indenture unless such amended or supplemental indenture directly affects the Trustee's own rights, duties or immunities under this Indenture or otherwise, in which case the Trustee may in its discretion, but will not be obligated to, enter into such amended or supplemental Indenture.

It is not necessary for the consent of the Holders of Notes under this Section 9.02 to approve the particular form of any proposed amendment, supplement or waiver, but it is sufficient if such consent approves the substance thereof.

After an amendment, supplement or waiver under this Section 9.02 becomes effective, the Company will mail to the Holders of Notes affected thereby a notice briefly describing the amendment, supplement or waiver. Any failure of the Company to mail such notice, or any defect therein, will not, however, in any way impair or affect the validity of any such amended or supplemental indenture or waiver.

Section 9.03 *Compliance with Trust Indenture Act.*

Every amendment or supplement to this Indenture or the Notes will be set forth in a amended or supplemental indenture that complies with the TIA as then in effect.

Section 9.04 *Revocation and Effect of Consents.*

Until an amendment, supplement or waiver becomes effective, a consent to it by a Holder of a Note is a continuing consent by the Holder of a Note and every subsequent Holder of a Note or portion of a Note that evidences the same debt as the consenting Holder's Note, even if notation of the consent is not made on any Note. However, any such Holder of a Note or subsequent Holder of a Note may revoke the consent as to its Note if the Trustee receives written notice of revocation before the date the amendment, supplement or waiver becomes effective. An amendment, supplement or waiver becomes effective in accordance with its terms and thereafter binds every Holder.

Section 9.05 *Notation on or Exchange of Notes.*

The Trustee may place an appropriate notation about an amendment, supplement or waiver on any Note thereafter authenticated. The Company in exchange for all Notes may issue and the Trustee shall, upon receipt of an Authentication Order, authenticate new Notes that reflect the amendment, supplement or waiver.

Failure to make the appropriate notation or issue a new Note will not affect the validity and effect of such amendment, supplement or waiver.

Section 9.06 *Trustee to Sign Amendments, etc.*

The Trustee will sign any amended or supplemental indenture authorized pursuant to this Article 9 if the amendment or supplement does not adversely affect the rights, duties, liabilities or immunities of the Trustee. The Company may not sign an amended or supplemental indenture until the Board of Directors of the Company approves it. In executing any amended or supplemental indenture, the Trustee will be entitled to receive and (subject to Section 7.01 hereof) will be fully protected in conclusively relying upon, in addition to the documents required by Section 12.04 hereof, an Officer's Certificate and an Opinion of Counsel stating that the execution of such amended or supplemental indenture is authorized or permitted by this Indenture.

ARTICLE 10
NOTE GUARANTEES

Section 10.01 *Guarantee*.

(a) Subject to this Article 10, to the fullest extent permitted by law each of the Guarantors hereby, jointly and severally, unconditionally guarantees to each Holder of a Note authenticated and delivered by the Trustee and to the Trustee and its successors and assigns, irrespective of the validity and enforceability of this Indenture, the Notes or the obligations of the Company hereunder or thereunder, that:

(1) the principal of, premium on, if any, interest and Special Interest, if any, on, the Notes will be promptly paid in full when due, whether at maturity, by acceleration, redemption or otherwise, and interest on the overdue principal of, premium on, if any, interest and Special Interest, if any, on, the Notes, if lawful, and all other obligations of the Company to the Holders or the Trustee hereunder or thereunder will be promptly paid in full or performed, all in accordance with the terms hereof and thereof; and

(2) in case of any extension of time of payment or renewal of any Notes or any of such other obligations, that same will be promptly paid in full when due or performed in accordance with the terms of the extension or renewal, whether at Stated Maturity, by acceleration or otherwise.

Failing payment when due of any amount so guaranteed or any performance so guaranteed for whatever reason, the Guarantors will be jointly and severally obligated to pay the same immediately. Each Guarantor agrees that this is a guarantee of payment and not a guarantee of collection.

(b) To the fullest extent permitted by law, the Guarantors hereby agree that their obligations hereunder are unconditional, irrespective of the validity, regularity or enforceability of the Notes or this Indenture, the absence of any action to enforce the same, any waiver or consent by any Holder of the Notes with respect to any provisions hereof or thereof, the recovery of any judgment against the Company, any action to enforce the same or any other circumstance (other than complete performance) which might otherwise constitute a legal or equitable discharge or defense of a guarantor. To the fullest extent permitted by law, each Guarantor hereby waives diligence, presentment, demand of payment, filing of claims with a court in the event of insolvency or bankruptcy of the Company, any right to require a proceeding first against the Company, protest, notice and all demands whatsoever and covenant that this Note Guarantee will not be discharged except by complete performance of the obligations contained in the Notes and this Indenture.

(c) If any Holder or the Trustee is required by any court or otherwise to return to the Company, the Guarantors or any custodian, trustee, liquidator or other similar official acting in relation to either the Company or the Guarantors, any amount paid by either to the Trustee or such Holder, this Note Guarantee, to the extent theretofore discharged, will be reinstated in full force and effect.

(d) Each Guarantor agrees that it will not be entitled to any right of subrogation in relation to the Holders in respect of any obligations guaranteed hereby until payment in full of all obligations guaranteed hereby. Each Guarantor further agrees that, as between the Guarantors, on the one hand, and the Holders and the Trustee, on the other hand, (1) the maturity of the obligations guaranteed hereby may be accelerated as provided in Article 6 hereof for the purposes of this Note Guarantee, notwithstanding any stay, injunction or other prohibition preventing such acceleration in respect of the obligations guaranteed hereby, and (2) in the event of any declaration of acceleration of such obligations as provided in Article 6 hereof, such obligations (whether or not due and payable) will forthwith become due and payable by the Guarantors for the purpose of this Note Guarantee. The Guarantors will have the right to seek contribution from any non-paying Guarantor so long as the exercise of such right does not impair the rights of the Holders under the Note Guarantee.

Section 10.02 *Limitation on Guarantor Liability.*

Each Guarantor, and by its acceptance of Notes, each Holder, hereby confirms that it is the intention of all such parties that the Note Guarantee of such Guarantor not constitute a fraudulent transfer or conveyance for purposes of Bankruptcy Law, the Uniform Fraudulent Conveyance Act, the Uniform Fraudulent Transfer Act or any similar federal or state law to the extent applicable to any Note Guarantee. To effectuate the foregoing intention, the Trustee, the Holders and the Guarantors hereby irrevocably agree that the obligations of such Guarantor will be limited to the maximum amount that will, after giving effect to such maximum amount and all other contingent and fixed liabilities of such Guarantor that are relevant under such laws, and after giving effect to any collections from, rights to receive contribution from or payments made by or on behalf of any other Guarantor in respect of the obligations of such other Guarantor under this Article 10, result in the obligations of such Guarantor under its Note Guarantee not constituting a fraudulent transfer or conveyance.

Section 10.03 *Execution and Delivery of Note Guarantee*.

To evidence its Note Guarantee set forth in Section 10.01 hereof, each Guarantor hereby agrees that a notation of such Note Guarantee substantially in the form attached as Exhibit D hereto will be endorsed by an Officer of such Guarantor on each Note authenticated and delivered by the Trustee and that this Indenture will be executed on behalf of such Guarantor by one of its Officers.

Each Guarantor hereby agrees that its Note Guarantee set forth in Section 10.01 hereof will remain in full force and effect notwithstanding any failure to endorse on each Note a notation of such Note Guarantee.

If an Officer whose signature is on this Indenture or on the Note Guarantee no longer holds that office at the time the Trustee authenticates the Note on which a Note Guarantee is endorsed, the Note Guarantee will be valid nevertheless.

The delivery of any Note by the Trustee, after the authentication thereof hereunder, will constitute due delivery of the Note Guarantee set forth in this Indenture on behalf of the Guarantors.

Section 10.04 *Guarantors May Consolidate, etc., on Certain Terms.*

Except as otherwise provided in Section 10.05 hereof, no Guarantor may sell or otherwise dispose of all or substantially all of its assets to, or consolidate with or merge with or into (whether or not such Guarantor is the surviving Person) another Person, other than the Company or another Guarantor, unless:

(1) immediately after giving effect to such transaction, no Default or Event of Default exists; and

(2) either:

(a) subject to Section 10.05 hereof, the Person acquiring the property in any such sale or disposition or the Person formed by or surviving any such consolidation or merger unconditionally assumes all the obligations of that Guarantor under its Note Guarantee, this Indenture, and the Registration Rights Agreement on the terms set forth herein or therein, pursuant to a supplemental indenture in form and substance reasonably satisfactory to the Trustee; or

(b) in the case of any Guarantor other than Hillman Companies or Parent, the Net Proceeds of such sale or other disposition are applied in accordance with the applicable provisions of this Indenture, including without limitation, Section 4.10 hereof.

In case of any such consolidation, merger, sale or conveyance and upon the assumption by the successor Person, by supplemental indenture, executed and delivered to the Trustee and reasonably satisfactory in form to the Trustee, of the Note Guarantee endorsed upon the Notes and the due and punctual performance of all of the covenants and conditions of this Indenture to be performed by the Guarantor, such successor Person will succeed to and be substituted for the Guarantor with the same effect as if it had been named herein as a Guarantor. Such successor Person thereupon may cause to be signed any or all of the Note Guarantees to be endorsed upon all of the Notes issuable hereunder which theretofore shall not have been signed by the Company and delivered to the Trustee. All the Note Guarantees so issued will in all respects have the same legal rank and benefit under this Indenture as the Note Guarantees theretofore and thereafter issued in accordance with the terms of this Indenture as though all of such Note Guarantees had been issued at the date of the execution hereof.

Except as set forth in Articles 4 and 5 hereof, and notwithstanding clauses 2(a) and (b) above, nothing contained in this Indenture or in any of the Notes will prevent any consolidation or merger of a Guarantor with or into the Company or another Guarantor, or will prevent any sale or conveyance of the property of a Guarantor as an entirety or substantially as an entirety to the Company or another Guarantor.

Section 10.05 *Releases.*

(a) In the event of any sale or other disposition of all or substantially all of the assets of any Guarantor, by way of merger, consolidation or otherwise, to a Person that is not (either before or after giving effect to such transaction) the Company or a Restricted Subsidiary of the Company, then the Person acquiring the property will be released and relieved of any obligations under the Note Guarantee;

(b) In the event of any sale or other disposition of Capital Stock of any Guarantor to a Person that is not (either before or after giving effect to such transaction) the Company or a Restricted Subsidiary of the Company and such Guarantor ceases to be a Restricted Subsidiary of the Company as a result of the sale or other disposition, then such Guarantor will be released and relieved of any obligations under its Note Guarantee;

provided, in both cases, that such sale or other disposition does not violate Section 4.10 hereof. Upon delivery by the Company to the Trustee of an Officer's Certificate and an Opinion of Counsel to the effect that such sale or other disposition was made by the Company in accordance with the provisions of this Indenture, including without limitation Section 4.10 hereof, the Trustee will execute any documents reasonably required in order to evidence the release of any Guarantor from its obligations under its Note Guarantee.

(c) Upon designation of any Restricted Subsidiary that is a Guarantor as an Unrestricted Subsidiary in accordance with the terms of this Indenture, such Guarantor will be released and relieved of any obligations under its Note Guarantee.

(d) Upon Legal Defeasance or Covenant Defeasance in accordance with Article 8 hereof or satisfaction and discharge of this Indenture in accordance with Article 10 hereof, each Guarantor will be released and relieved of any obligations under its Note Guarantee.

Any Guarantor not released from its obligations under its Note Guarantee as provided in this Section 10.05 will remain liable for the full amount of principal of, premium on, if any, interest and Special Interest, if any, on, the Notes and for the other obligations of any Guarantor under this Indenture as provided in this Article 10.

ARTICLE 11
SATISFACTION AND DISCHARGE

Section 11.01 *Satisfaction and Discharge.*

This Indenture will be discharged and will cease to be of further effect as to all Notes issued hereunder, when:

(1) either:

(a) all Notes that have been authenticated, except lost, stolen or destroyed Notes that have been replaced or paid and Notes for whose payment money has been deposited in trust and thereafter repaid to the Company, have been delivered to the Trustee for cancellation; or

(b) all Notes that have not been delivered to the Trustee for cancellation have become due and payable by reason of the mailing of a notice of redemption or otherwise or will become due and payable by reason of redemption or final maturity within one year and the Company or any Guarantor has irrevocably deposited or caused to be deposited with the Trustee as trust funds in trust solely for the benefit of the Holders, cash in U.S. dollars, non-callable Government Securities, or a combination thereof, in such amounts as will be sufficient, without consideration of any reinvestment of interest, to pay and discharge the entire Indebtedness on the Notes not delivered to the Trustee for cancellation for principal, premium, if any, interest and Special Interest, if any, to the date of maturity or redemption;

(2) in respect of subclause (b) of clause (1) of this Section 11.01, no Default or Event of Default has occurred and is continuing on the date of the deposit (other than a Default or Event of Default resulting from the borrowing of funds to be applied to such deposit and any similar deposit relating to other Indebtedness and, in each case, the granting of Liens to secure such borrowings) and the deposit will not result in a breach or violation of, or constitute a default under, any other material instrument to which the Company or any Guarantor is a party or by which the Company or any Guarantor is bound (other than this Indenture and the agreements governing any other Indebtedness being defeased, discharged, refinanced or replaced);

(3) the Company or any Guarantor has paid or caused to be paid all sums payable by it under this Indenture; and

(4) the Company has delivered irrevocable instructions to the Trustee under this Indenture to apply the deposited money toward the payment of the Notes at maturity or on the redemption date, as the case may be.

In addition, the Company must deliver an Officer's Certificate and an Opinion of Counsel to the Trustee stating that all conditions precedent to satisfaction and discharge have been satisfied.

Notwithstanding the satisfaction and discharge of this Indenture, if money has been deposited with the Trustee pursuant to subclause (b) of clause (1) of this Section 11.01, the provisions of Sections 11.02 and 8.06 hereof will survive. In addition, nothing in this Section 11.01 will be deemed to discharge those provisions of Section 7.07 hereof, that, by their terms, survive the satisfaction and discharge of this Indenture.

Section 11.02 *Application of Trust Money.*

Subject to the provisions of Section 8.06 hereof, all money deposited with the Trustee pursuant to Section 11.01 hereof shall be held in trust and applied by it, in accordance with the provisions of the Notes and this Indenture, to the payment, either directly or through any Paying Agent (including the Company acting as its own Paying Agent) as the Trustee may determine, to the Persons entitled thereto, of the principal, premium, if any, interest and Special Interest, if any, for whose payment such money has been deposited with the Trustee; but such money need not be segregated from other funds except to the extent required by law.

If the Trustee or Paying Agent is unable to apply any money or Government Securities in accordance with Section 11.01 hereof by reason of any legal proceeding or by reason of any order or judgment of any court or governmental authority enjoining, restraining or otherwise prohibiting such application, the Company's and any Guarantor's obligations under this Indenture and the Notes shall be revived and reinstated as though no deposit had occurred pursuant to Section 11.01 hereof; *provided* that if the Company has made any payment of principal of, premium on, if any, interest or Special Interest, if any, on, any Notes because of the reinstatement of its obligations, the Company shall be subrogated to the rights of the Holders of such Notes to receive such payment from the money or Government Securities held by the Trustee or Paying Agent.

ARTICLE 12
MISCELLANEOUS

Section 12.01 *Trust Indenture Act Controls.*

If any provision of this Indenture limits, qualifies or conflicts with the duties imposed by TIA §318(c), the imposed duties will control.

Section 12.02 *Notices.*

Any notice or communication by the Company, any Guarantor or the Trustee to the others is duly given if in writing and delivered in Person or by first class mail (registered or certified, return receipt requested), facsimile transmission or overnight air courier guaranteeing next day delivery, to the others' address:

If to the Company and/or any Guarantor:

The Hillman Group, Inc.
10590 Hamilton Avenue
Cincinnati, Ohio 45231
Facsimile No.: (513) 595-8297
Attention: Chief Financial Officer

With a copy to:
Paul, Weiss, Rifkind, Wharton & Garrison LLP
1285 Avenue of the Americas
New York, New York 10019
Facsimile No.: (212) 492-0025
Attention: John C. Kennedy

If to the Trustee:
Wells Fargo Bank, National Association
45 Broadway, 14th Floor
New York, New York 10006
Facsimile No.: (212) 515-1589
Attention: Corporate Trust - Hillman Administrator

The Company, any Guarantor or the Trustee, by notice to the others, may designate additional or different addresses for subsequent notices or communications.

All notices and communications (other than those sent to Holders) will be deemed to have been duly given: at the time delivered by hand, if personally delivered; five Business Days after being deposited in the mail, postage prepaid, if mailed; when receipt acknowledged, if transmitted by facsimile; and the next Business Day after timely delivery to the courier, if sent by overnight air courier guaranteeing next day delivery.

Any notice or communication to a Holder will be mailed by first class mail, certified or registered, return receipt requested, or by overnight air courier guaranteeing next day delivery to its address shown on the register kept by the Registrar. Any notice or communication will also be so mailed to any Person described in TIA §313(c), to the extent required by the TIA. Failure to mail a notice or communication to a Holder or any defect in it will not affect its sufficiency with respect to other Holders.

If a notice or communication is mailed in the manner provided above within the time prescribed, it is duly given, whether or not the addressee receives it.

If the Company mails a notice or communication to Holders, it will mail a copy to the Trustee and each Agent at the same time.

Section 12.03 *Communication by Holders of Notes with Other Holders of Notes.*

Holders may communicate pursuant to TIA §312(b) with other Holders with respect to their rights under this Indenture or the Notes. The Company, the Guarantors, the Trustee, the Registrar and any other Person shall have the protection of TIA §312(c).

Section 12.04 *Certificate and Opinion as to Conditions Precedent.*

Upon any request or application by the Company to the Trustee to take any action under this Indenture, the Company shall furnish to the Trustee:

(1) an Officer's Certificate in form and substance reasonably satisfactory to the Trustee (which must include the statements set forth in Section 12.05 hereof) stating that, in the opinion of the signers, all conditions precedent and covenants, if any, provided for in this Indenture relating to the proposed action have been satisfied; and

(2) an Opinion of Counsel in form and substance reasonably satisfactory to the Trustee (which must include the statements set forth in Section 12.05 hereof) stating that, in the opinion of such counsel, all such conditions precedent and covenants have been satisfied.

Section 12.05 *Statements Required in Certificate or Opinion.*

Each certificate or opinion with respect to compliance with a condition or covenant provided for in this Indenture (other than a certificate provided pursuant to TIA §314(a)(4)) must comply with the provisions of TIA §314(e) and must include:

(1) a statement that the Person making such certificate or opinion has read such covenant or condition;

(2) a brief statement as to the nature and scope of the examination or investigation upon which the statements or opinions contained in such certificate or opinion are based;

(3) a statement that, in the opinion of such Person, he or she has made such examination or investigation as is necessary to enable him or her to express an informed opinion as to whether or not such covenant or condition has been satisfied; and

(4) a statement as to whether or not, in the opinion of such Person, such condition or covenant has been satisfied.

Section 12.06 *Rules by Trustee and Agents.*

The Trustee may make reasonable rules for action by or at a meeting of Holders. The Registrar or Paying Agent may make reasonable rules and set reasonable requirements for its functions.

Section 12.07 *No Personal Liability of Directors, Officers, Employees and Stockholders.*

No director, officer, employee, incorporator or stockholder of the Company or any Guarantor, as such, will have any liability for any obligations of the Company or the Guarantors under the Notes, this Indenture, the Note Guarantees or for any claim based on, in respect of, or by reason of, such obligations or their creation. Each Holder of Notes by accepting a Note waives and releases all such liability. The waiver and release are part of the consideration for issuance of the Notes. The waiver may not be effective to waive liabilities under the federal securities laws.

Section 12.08 *Governing Law.*

THE INTERNAL LAW OF THE STATE OF NEW YORK WILL GOVERN AND BE USED TO CONSTRUE THIS INDENTURE, THE NOTES AND THE NOTE GUARANTEES WITHOUT

GIVING EFFECT TO APPLICABLE PRINCIPLES OF CONFLICTS OF LAW TO THE EXTENT THAT THE APPLICATION OF THE LAWS OF ANOTHER JURISDICTION WOULD BE REQUIRED THEREBY.

Section 12.09 *No Adverse Interpretation of Other Agreements.*

This Indenture may not be used to interpret any other indenture, loan or debt agreement of the Company or its Subsidiaries or of any other Person. Any such indenture, loan or debt agreement may not be used to interpret this Indenture.

Section 12.10 *Successors*.

All agreements of the Company in this Indenture and the Notes will bind its successors. All agreements of the Trustee in this Indenture will bind its successors. All agreements of each Guarantor in this Indenture will bind its successors, except as otherwise provided in Section 10.05 hereof.

Section 12.11 *Severability*.

In case any provision in this Indenture or in the Notes is invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions will not in any way be affected or impaired thereby.

Section 12.12 *Counterpart Originals*.

The parties may sign any number of copies of this Indenture. Each signed copy will be an original, but all of them together represent the same agreement.

Section 12.13 *Table of Contents, Headings, etc.*

The Table of Contents, Cross-Reference Table and Headings of the Articles and Sections of this Indenture have been inserted for convenience of reference only, are not to be considered a part of this Indenture and will in no way modify or restrict any of the terms or provisions hereof.

Section 12.14 *Facsimile and PDF Delivery of Signature Pages.*

The exchange of copies of this Indenture and of signature pages by facsimile or portable document format ("*PDF*") transmission shall constitute effective execution and delivery of this Indenture as to the parties hereto and may be used in lieu of the original Indenture for all purposes. Signatures of the parties hereto transmitted by facsimile or PDF shall be deemed to be their original signatures for all purposes.

Section 12.15 *U.S.A. Patriot Act.*

The parties hereto acknowledge that in accordance with Section 326 of the U.S.A. Patriot Act, the Trustee, like all financial institutions and in order to help fight the funding of terrorism and money laundering, is required to obtain, verify, and record information that identifies each person or legal entity that establishes a relationship or opens an account with the Trustee. The parties to this Indenture agree that they will provide the Trustee with such information as it may request in order for the Trustee to satisfy the requirements of the U.S.A. Patriot Act.

[Signatures on following page]

SIGNATURES

Dated as of May 28, 2010

THE HILLMAN GROUP, INC.
THE HILLMAN COMPANIES, INC.
HILLMAN INVESTMENT COMPANY
ALL POINTS INDUSTRIES, INC.
SUNSUB C INC.

By: /s/ James P. Waters
Name: James P. Waters
Title: Chief Financial Officer

INDENTURE

WELLS FARGO BANK, NATIONAL ASSOCIATION,
as Trustee

By: /s/ Raymond Delli Colli
Name: Raymond Delli Colli
Title: Vice President

INDENTURE

[Insert the Global Note Legend, if applicable pursuant to the provisions of the Indenture]

[Insert the Private Placement Legend, if applicable pursuant to the provisions of the Indenture]

[Insert the OID Legend, if applicable pursuant to the provisions of the Indenture]

[Face of Note]

CUSIP/CINS _____

10.875% Senior Notes due 2018

No.____ $_____

THE HILLMAN GROUP, INC.

promises to pay _____ to or registered assigns,

the principal sum of _____ DOLLARS on June 1, 2018.

Interest Payment Dates: June 1 and December 1

Record Dates: May 15 and November 15

Dated: _____, 2010

THE HILLMAN GROUP, INC.

By:
Name:
Title:

This is one of the Notes referred to
in the within-mentioned Indenture:

WELLS FARGO BANK, NATIONAL ASSOCIATION,
as Trustee

By: _____
Authorized Signatory

[Back of Note]

10.875% Senior Notes due 2018

Capitalized terms used herein have the meanings assigned to them in the Indenture referred to below unless otherwise indicated.

(1) *INTEREST*. The Hillman Group, Inc., a Delaware corporation (the "*Company*"), promises to pay or cause to be paid interest on the principal amount of this Note at 10.875% per annum from _____, ____ until maturity and shall pay the Special Interest, if any, payable pursuant to Section 5 of the Registration Rights Agreement referred to below. The Company will pay interest and Special Interest, if any, semi-annually in arrears on June 1 and December 1 of each year, or if any such day is not a Business Day, on the next succeeding Business Day (each, an "*Interest Payment Date*"). Interest on the Notes will accrue from the most recent date to which interest has been paid or, if no interest has been paid, from the date of issuance; *provided* that, if this Note is authenticated between a record date referred to on the face hereof and the next succeeding Interest Payment Date, interest shall accrue from such next succeeding Interest Payment Date; *provided further* that the first Interest Payment Date shall be _____, ____. The Company will pay interest (including post-petition interest in any proceeding under any Bankruptcy Law) on overdue principal at the rate that is equal to the then applicable interest rate on the Notes to the extent lawful; it will pay interest (including post-petition interest in any proceeding under any Bankruptcy Law) on overdue installments of interest and Special Interest, if any (without regard to any applicable grace period), at the same rate to the extent lawful.

Interest will be computed on the basis of a 360-day year comprised of twelve 30-day months.

(2) *METHOD OF PAYMENT*. The Company will pay interest on the Notes (except defaulted interest) and Special Interest, if any, to the Persons who are registered Holders of Notes at the close of business on the May 15 or November 15 next preceding the Interest Payment Date, even if such Notes are canceled after such record date and on or before such Interest Payment Date, except as provided in Section 2.12 of the Indenture with respect to defaulted interest. The Notes will be payable as to principal, premium, if any, interest and Special Interest, if any, at the office or agency of the Paying Agent and Registrar within the City and State of New York, or, at the option of the Company, payment of interest and Special Interest, if any, may be made by check mailed to the Holders at their addresses set forth in the register of Holders; *provided* that payment by wire transfer of immediately available funds will be required with respect to principal of, premium on, if any, interest and Special Interest, if any, on, all Global Notes and all other Notes the Holders of which will have provided wire transfer instructions to the Company or the Paying Agent. Such payment will be in such coin or currency of the United States of America as at the time of payment is legal tender for payment of public and private debts.

(3) *PAYING AGENT AND REGISTRAR*. Initially, Wells Fargo Bank, National Association, the Trustee under the Indenture, will act as Paying Agent and Registrar. The Company may change the Paying Agent or Registrar without prior notice to the Holders of the Notes. The Company or any of its Subsidiaries may act as Paying Agent or Registrar.

(4) *INDENTURE*. The Company issued the Notes under an Indenture dated as of May 28, 2010 (the "*Indenture*") among the Company, the Guarantors and the Trustee. The terms of the Notes include those stated in the Indenture and those made part of the Indenture by reference

to the TIA. The Notes are subject to all such terms, and Holders are referred to the Indenture and the TIA for a statement of such terms. To the extent any provision of this Note conflicts with the express provisions of the Indenture, the provisions of the Indenture shall govern and be controlling. The Notes are unsecured obligations of the Company. The Indenture does not limit the aggregate principal amount of Notes that may be issued thereunder.

(5) *OPTIONAL REDEMPTION.*

(a) At any time prior to June 1, 2013, the Company may on any one or more occasions redeem up to 35% of the aggregate principal amount of Notes issued under the Indenture, upon not less than 30 nor more than 60 days' notice, at a redemption price equal to 110.875% of the principal amount of the Notes redeemed, plus accrued and unpaid interest and Special Interest, if any, to the date of redemption (subject to the rights of Holders of Notes on the relevant record date to receive interest on the relevant Interest Payment Date) with the net cash proceeds of an Equity Offering by the Company or a capital contribution to the Company's common equity made with the net cash proceeds of a concurrent Equity Offering by the Company's direct or indirect parent; *provided* that:

(A) at least 65% of the aggregate principal amount of Notes originally issued under the Indenture (excluding Notes held by the Company and its Subsidiaries) remains outstanding immediately after the occurrence of such redemption; and

(B) the redemption occurs within 90 days of the date of the closing of such Equity Offering.

(b) At any time prior to June 1, 2014, the Company may on any one or more occasions redeem all or a part of the Notes, upon not less than 30 nor more than 60 days' notice, at a redemption price equal to 100% of the principal amount of the Notes redeemed, plus the Applicable Premium as of, and accrued and unpaid interest and Special Interest, if any, to the applicable date of redemption, subject to the rights of Holders on the relevant record date to receive interest due on the relevant Interest Payment Date.

(c) Except pursuant to the preceding paragraphs, the Notes will not be redeemable at the Company's option prior to June 1, 2014.

(d) On or after June 1, 2014, the Company may on any one or more occasions redeem all or a part of the Notes, upon not less than 30 nor more than 60 days' notice, at the redemption prices (expressed as percentages of principal amount) set forth below, plus accrued and unpaid interest and Special Interest, if any, on the Notes redeemed, to the applicable redemption date, if redeemed during the twelve-month period beginning on June 1 of the years indicated below, subject to the rights of Holders on the relevant record date to receive interest on the relevant Interest Payment Date:

Year	Percentage
2014	105.438%
2015	102.719%
2016 and thereafter	100.000%

Unless the Company defaults in the payment of the redemption price, interest will cease to accrue on the Notes or portions thereof called for redemption on the applicable redemption date.

(6) *MANDATORY REDEMPTION.* The Company is not required to make mandatory redemption or sinking fund payments with respect to the Notes.

(7) *REPURCHASE AT THE OPTION OF HOLDER.*

(a) If there is a Change of Control, the Company will be required to make an offer (a "*Change of Control Offer*") to each Holder to repurchase all or any part (equal to $2,000 or an integral multiple of $1,000 in excess thereof) of that Holder's Notes at a purchase price in cash equal to 101% of the aggregate principal amount of Notes repurchased, plus accrued and unpaid interest and Special Interest, if any, on the Notes repurchased to the date of purchase, subject to the rights of Holders of Notes on the relevant record date to receive interest due on the relevant interest payment date. Within 30 days following any Change of Control, the Company will mail, or cause to be mailed, a notice to each Holder setting forth the procedures governing the Change of Control Offer as required by the Indenture.

(b) If the Company or a Restricted Subsidiary of the Company consummates any Asset Sales, within 30 days of each date on which the aggregate amount of Excess Proceeds exceeds $15.0 million, the Company will make an Asset Sale Offer to (A) all Holders of Notes and (B) all holders of other Indebtedness that is *pari passu* in right of payment with the Notes containing provisions similar to those set forth in the Indenture with respect to offers to purchase, prepay or redeem with the proceeds of asset sales, to purchase, prepay or redeem the maximum principal amount of notes and such other *pari passu* Indebtedness (plus all accrued interest on the Indebtedness and the amount of all fees and expenses, including premiums, incurred in connection therewith) that may be purchased, prepaid or redeemed out of the Excess Proceeds. The offer price in any Asset Sale Offer will be equal to 100% of the principal amount, plus accrued and unpaid interest and Special Interest, if any, to the date of purchase, prepayment or redemption, subject to the rights of Holders of Notes on the relevant record date to receive interest due on the relevant interest payment date, and will be payable in cash. If any Excess Proceeds remain after consummation of an Asset Sale Offer, such amounts shall no longer be considered Excess Proceeds for purposes of this Indenture and the Company may use those Excess Proceeds for any purpose not otherwise prohibited by the Indenture. If the aggregate principal amount of Notes and other *pari passu* Indebtedness tendered in (or required to be prepaid or redeemed in connection with) such Asset Sale Offer exceeds the amount of Excess Proceeds, the Trustee will select the Notes and such other *pari passu* Indebtedness to be purchased on a *pro rata* basis, based on the amounts tendered or required to be prepaid or redeemed. Upon completion of each Asset Sale Offer, the amount of Excess Proceeds will be reset at zero. Holders of Notes that are the subject of an offer to purchase will receive an Asset Sale Offer from the Company prior to any related purchase date and may elect to have such Notes purchased by completing the form entitled "*Option of Holder to Elect Purchase*" attached to the Notes.

(8) *NOTICE OF REDEMPTION.* At least 30 days but not more than 60 days before a redemption date, the Company will mail or cause to be mailed, by first class mail, a notice of redemption to each Holder whose Notes are to be redeemed at its registered address, except that redemption notices may be mailed more than 60 days prior to a redemption date if the notice is issued in connection with a defeasance of the Notes or a satisfaction and discharge of the Indenture pursuant to Articles 8 or 11 thereof. Notes and portions of Notes selected will be in amounts of $2,000 or whole multiples of $1,000 in excess thereof; except that if all of the Notes of a Holder are to be redeemed or purchased, the entire outstanding amount of Notes held by such Holder shall be redeemed or purchased

(9) *DENOMINATIONS, TRANSFER, EXCHANGE*. The Notes are in registered form in denominations of $2,000 and integral multiples of $1,000 in excess thereof. The transfer of Notes may be registered and Notes may be exchanged as provided in the Indenture. The Registrar and the Trustee may require a Holder, among other things, to furnish appropriate endorsements and transfer documents and the Company may require a Holder to pay any taxes and fees required by law or permitted by the Indenture. The Company need not exchange or register the transfer of any Note or portion of a Note selected for redemption, except for the unredeemed portion of any Note being redeemed in part. Also, the Company need not exchange or register the transfer of any Notes for a period of 15 days before a selection of Notes to be redeemed or during the period between a record date and the next succeeding Interest Payment Date.

(10) *PERSONS DEEMED OWNERS.* The registered Holder of a Note may be treated as the owner of it for all purposes. Only registered Holders have rights under the Indenture.

(11) *AMENDMENT, SUPPLEMENT AND WAIVER*. Subject to certain exceptions, the Indenture, the Notes or the Note Guarantees may be amended or supplemented with the consent of the Holders of at least a majority in aggregate principal amount of the then outstanding Notes including Additional Notes, if any, voting as a single class, and any existing Default or Event of Default or compliance with any provision of the Indenture or the Notes or the Note Guarantees may be waived with the consent of the Holders of a majority in aggregate principal amount of the then outstanding Notes including Additional Notes, if any, voting as a single class. Without the consent of any Holder of Notes, the Indenture, the Notes or the Note Guarantees may be amended or supplemented to cure any ambiguity, defect or inconsistency, to provide for uncertificated Notes in addition to or in place of certificated Notes, to provide for the assumption of the Company's or a Guarantor's obligations to Holders of the Notes and Note Guarantees by a successor to the Company or such Guarantor pursuant to the Indenture, to make any change that would provide any additional rights or benefits to the Holders of the Notes or that does not adversely affect the rights under the Indenture of any Holder, to comply with the requirements of the SEC in order to effect or maintain the qualification of the Indenture under the TIA, to conform the text of the Indenture, the Notes, the Note Guarantees to any provision of the "Description of Notes" section of the Offering Memorandum, to the extent that such provision in that "Description of Notes" was intended to be a verbatim recitation of a provision of the Indenture, the Notes or the Note Guarantees, which intent may be evidenced by an Officer's Certificate to that effect, to provide for the issuance of Additional Notes in accordance with the limitations set forth in the Indenture, to allow any Guarantor to execute a supplemental indenture to the Indenture and/or a Note Guarantee with respect to the Notes, or to evidence and provide for the acceptance of the appointment of a successor Trustee.

(12) *DEFAULTS AND REMEDIES.* Events of Default include: (i) default for 30 days in the payment when due of interest and Special Interest, if any, on, the Notes; (ii) default in the payment when due (at maturity, upon redemption or otherwise) of the principal of, or premium on, if any, the Notes, (iii) failure by the Company or any of its Restricted Subsidiaries to comply with the provisions of Sections 4.10 or 4.15 or failure by the Company or any of its Restricted Subsidiaries to comply with the provisions of Section 5.01 of the Indenture; (iv) failure by the Company or any of its Restricted Subsidiaries for 60 days after notice to the Company by the Trustee or the Holders of at least 25% in aggregate principal amount of the Notes then outstanding voting as a single class to comply with any of the other agreements in the Indenture; (v) default under certain other agreements relating to Indebtedness of the Company which default is a Payment Default or results in the acceleration of such Indebtedness prior to its express maturity; (vi) failure by the Company or any of its Restricted Subsidiaries to pay certain final judgments, which judgments are not paid, discharged or stayed, for a period of 60 days;

(vii) certain events of bankruptcy or insolvency with respect to the Company or any of its Restricted Subsidiaries that is a Significant Subsidiary or any group of Restricted Subsidiaries that, taken together, would constitute a Significant Subsidiary; and (viii) except as permitted by the Indenture, any Note Guarantee of any Significant Subsidiary is held in any judicial proceeding to be unenforceable or invalid or ceases for any reason to be in full force and effect, or any Guarantor, or any Person acting on behalf of any Guarantor, denies or disaffirms its obligations under its Note Guarantee. In the case of an Event of Default arising from certain events of bankruptcy or insolvency with respect to the Company, any Restricted Subsidiary of the Company that is a Significant Subsidiary or any group of Restricted Subsidiaries of the Company that, taken together, would constitute a Significant Subsidiary, all outstanding Notes will become due and payable immediately without further action or notice. If any other Event of Default occurs and is continuing, the Trustee or the Holders of at least 25% in aggregate principal amount of then outstanding Notes may declare all the Notes to be due and payable immediately. Holders may not enforce the Indenture or the Notes except as provided in the Indenture. Subject to certain limitations, Holders of a majority in aggregate principal amount of then outstanding Notes may direct the time, method and place of conducting any proceeding for exercising any remedy available to the Trustee or exercising any trust or power conferred on it. The Trustee may withhold from Holders of the Notes notice of any continuing Default or Event of Default (except a Default or Event of Default relating to the payment of principal, premium, if any, interest or Special Interest, if any,) if it determines that withholding notice is in their interest. The Holders of a majority in aggregate principal amount of then outstanding Notes by notice to the Trustee may, on behalf of all the Holders, rescind an acceleration or waive an existing Default or Event of Default and its respective consequences under the Indenture except a continuing Default or Event of Default in the payment of principal of, premium on, if any, interest or Special Interest, if any, on, the Notes (including in connection with an offer to purchase). The Company is required to deliver to the Trustee annually a statement regarding compliance with the Indenture, and the Company is required, upon becoming aware of any Default or Event of Default, to deliver to the Trustee a statement specifying such Default or Event of Default.

(13) *TRUSTEE DEALINGS WITH COMPANY*. The Trustee, in its individual or any other capacity, may make loans to, accept deposits from, and perform services for the Company or its Affiliates, and may otherwise deal with the Company or its Affiliates, as if it were not the Trustee.

(14) *NO RECOURSE AGAINST OTHERS*. No director, officer, employee, incorporator or stockholder of the Company or any Guarantor, as such, will have any liability for any obligations of the Company or the Guarantors under the Notes, the Indenture, the Note Guarantees or for any claim based on, in respect of, or by reason of, such obligations or their creation. Each Holder of Notes by accepting a Note waives and releases all such liability. The waiver and release are part of the consideration for issuance of the Notes. The waiver may not be effective to waive liabilities under the federal securities laws.

(15) *AUTHENTICATION*. This Note will not be valid until authenticated by the manual signature of the Trustee or an Authenticating Agent.

(16) *ABBREVIATIONS*. Customary abbreviations may be used in the name of a Holder or an assignee, such as: TEN COM (= tenants in common), TEN ENT (= tenants by the entireties), JT TEN (= joint tenants with right of survivorship and not as tenants in common), CUST (= Custodian), and U/G/M/A (= Uniform Gifts to Minors Act).

(17) *ADDITIONAL RIGHTS OF HOLDERS OF RESTRICTED GLOBAL NOTES AND RESTRICTED DEFINITIVE NOTES.* In addition to the rights provided to Holders of Notes under the Indenture, Holders of Restricted Global Notes and Restricted Definitive Notes will have all the rights set forth in the Registration Rights Agreement dated as of May 28, 2010, among the Company, the Guarantors and the other parties named on the signature pages thereof or, in the case of each issuance of Additional Notes issued in a transaction exempt from the registration requirements of the Securities Act, Holders of Restricted Global Notes and Restricted Definitive Notes will have the rights set forth in the registration rights agreement, if any, among the Company, the Guarantors and the other parties thereto, in each case relating to rights given by the Company and the Guarantors to the purchasers of any Additional Notes (collectively, the "*Registration Rights Agreement*").

(18) *CUSIP NUMBERS.* Pursuant to a recommendation promulgated by the Committee on Uniform Security Identification Procedures, the Company has caused CUSIP numbers to be printed on the Notes, and the Trustee may use CUSIP numbers in notices of redemption as a convenience to Holders. No representation is made as to the accuracy of such numbers either as printed on the Notes or as contained in any notice of redemption, and reliance may be placed only on the other identification numbers placed thereon.

(19) *GOVERNING LAW.* THE INTERNAL LAW OF THE STATE OF NEW YORK WILL GOVERN AND BE USED TO CONSTRUE THE INDENTURE, THIS NOTE AND THE NOTE GUARANTEES WITHOUT GIVING EFFECT TO APPLICABLE PRINCIPLES OF CONFLICTS OF LAW TO THE EXTENT THAT THE APPLICATION OF THE LAWS OF ANOTHER JURISDICTION WOULD BE REQUIRED THEREBY.

The Company will furnish to any Holder upon written request and without charge a copy of the Indenture and/or the Registration Rights Agreement. Requests may be made to:

The Hillman Group, Inc.,
10590 Hamilton Avenue
Cincinnati, Ohio, 45231
Attention: Chief Financial Officer.

ASSIGNMENT FORM

To assign this Note, fill in the form below:

(I) or (we) assign and transfer this Note to: _____
(Insert assignee's legal name)

_____
(Insert assignee's soc. sec. or tax I.D. no.)

_____

_____

_____

_____
(Print or type assignee's name, address and zip code)

and irrevocably appoint _____
to transfer this Note on the books of the Company. The agent may substitute another to act for him.

Date: _____

Your Signature: _____
(Sign exactly as your name appears on the face of this Note)

Signature Guarantee*: _____

* Participant in a recognized Signature Guarantee Medallion Program (or other signature guarantor acceptable to the Trustee).

OPTION OF HOLDER TO ELECT PURCHASE

If you want to elect to have this Note purchased by the Company pursuant to Section 4.10 or 4.15 of the Indenture, check the appropriate box below:

☐ Section 4.10 ☐ Section 4.15

If you want to elect to have only part of the Note purchased by the Company pursuant to Section 4.10 or Section 4.15 of the Indenture, state the amount you elect to have purchased:

$_____

Date: _____

Your Signature: _____
(Sign exactly as your name appears on the face of this Note)

Tax Identification No.: _____

Signature Guarantee*: _____

* Participant in a recognized Signature Guarantee Medallion Program (or other signature guarantor acceptable to the Trustee).

SCHEDULE OF EXCHANGES OF INTERESTS IN THE GLOBAL NOTE

The following exchanges of a part of this Global Note for an interest in another Global Note or for a Definitive Note, or exchanges of a part of another Global Note or Definitive Note for an interest in this Global Note, have been made:

Date of Exchange	Amount of decrease in Principal Amount of this Global Note	Amount of increase in Principal Amount of this Global Note	Principal Amount of this Global Note following such decrease (or increase)	Signature of authorized signatory of Trustee, Depository, or Note Custodian

THE RIGHTS ATTACHING TO THIS REGULATION S TEMPORARY GLOBAL NOTE, AND THE CONDITIONS AND PROCEDURES GOVERNING ITS EXCHANGE FOR CERTIFICATED NOTES, ARE AS SPECIFIED IN THE INDENTURE (AS DEFINED HEREIN). NEITHER THE HOLDER NOR THE BENEFICIAL OWNERS OF THIS REGULATION S TEMPORARY GLOBAL NOTE SHALL BE ENTITLED TO RECEIVE PAYMENT OF INTEREST HEREON.

THIS GLOBAL NOTE IS HELD BY THE DEPOSITARY (AS DEFINED IN THE INDENTURE GOVERNING THIS NOTE) OR ITS NOMINEE IN CUSTODY FOR THE BENEFIT OF THE BENEFICIAL OWNERS HEREOF, AND IS NOT TRANSFERABLE TO ANY PERSON UNDER ANY CIRCUMSTANCES EXCEPT THAT (1) THE TRUSTEE MAY MAKE SUCH NOTATIONS HEREON AS MAY BE REQUIRED PURSUANT TO SECTION 2.06 OF THE INDENTURE, (2) THIS GLOBAL NOTE MAY BE EXCHANGED IN WHOLE BUT NOT IN PART PURSUANT TO SECTION 2.06(a) OF THE INDENTURE, (3) THIS GLOBAL NOTE MAY BE DELIVERED TO THE TRUSTEE FOR CANCELLATION PURSUANT TO SECTION 2.11 OF THE INDENTURE AND (4) THIS GLOBAL NOTE MAY BE TRANSFERRED TO A SUCCESSOR DEPOSITARY WITH THE PRIOR WRITTEN CONSENT OF THE COMPANY.

UNLESS AND UNTIL IT IS EXCHANGED IN WHOLE OR IN PART FOR NOTES IN DEFINITIVE FORM, THIS NOTE MAY NOT BE TRANSFERRED EXCEPT AS A WHOLE BY THE DEPOSITARY TO A NOMINEE OF THE DEPOSITARY OR BY A NOMINEE OF THE DEPOSITARY TO THE DEPOSITARY OR ANOTHER NOMINEE OF THE DEPOSITARY OR BY THE DEPOSITARY OR ANY SUCH NOMINEE TO A SUCCESSOR DEPOSITARY OR A NOMINEE OF SUCH SUCCESSOR DEPOSITARY. UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY (55 WATER STREET, NEW YORK, NEW YORK) ("DTC"), TO THE COMPANY OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR SUCH OTHER NAME AS MAY BE REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR SUCH OTHER ENTITY AS MAY BE REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

THE NOTES EVIDENCED HEREBY HAVE NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933 (THE "SECURITIES ACT") AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT (A)(1) TO A PERSON WHOM THE SELLER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A UNDER THE SECURITIES ACT PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A, (2) IN AN OFFSHORE TRANSACTION COMPLYING WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE SECURITIES ACT, (3) PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT PROVIDED BY RULE 144 THEREUNDER (IF AVAILABLE), (4) TO AN INSTITUTIONAL ACCREDITED INVESTOR IN A TRANSACTION EXEMPT FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT OR (5) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT, (B) TO US, ANY OF THE GUARANTORS OR ANY OF THEIR SUBSIDIARIES AND (C) IN ACCORDANCE WITH ALL APPLICABLE BLUE SKY LAWS OF THE STATES OF THE UNITED STATES, AND ANY SELLER AGREES THAT IT WILL DELIVER TO EACH PERSON TO WHOM THIS NOTE OR AN INTEREST HEREIN IS TRANSFERRED A NOTICE SUBSTANTIALLY TO THE EFFECT OF THIS LEGEND.

[Insert the OID Legend, if applicable pursuant to the provisions of the Indenture]

[Face of Regulation S Temporary Global Note]

CUSIP/CINS _____

10.875% Senior Notes due 2018

No.____ $_____

THE HILLMAN GROUP, INC.

promises to pay to CEDE & CO. or registered assigns,

the principal sum of _____ DOLLARS on June 1, 2018.

Interest Payment Dates: June 1 and December 1

Record Dates: May 15 and November 15

Dated:_____, 2010

THE HILLMAN GROUP, INC.

By: _____
Name:
Title:

This is one of the Notes referred to
in the within-mentioned Indenture:

WELLS FARGO BANK, NATIONAL ASSOCIATION,
as Trustee

By: _____
Authorized Signatory

[Back of Note]

10.875% Senior Notes due 2018

Capitalized terms used herein have the meanings assigned to them in the Indenture referred to below unless otherwise indicated.

(1) *INTEREST*. The Hillman Group, Inc., a Delaware corporation (the *"Company"*), promises to pay or cause to be paid interest on the principal amount of this Note at 10.875% per annum from _____, 20[ ] until maturity and shall pay the Special Interest, if any, payable pursuant to Section 5 of the Registration Rights Agreement referred to below. The Company will pay interest and Special Interest, if any, semi-annually in arrears on June 1 and December 1 of each year, or if any such day is not a Business Day, on the next succeeding Business Day (each, an *"Interest Payment Date"*). Interest on the Notes will accrue from the most recent date to which interest has been paid or, if no interest has been paid, from the date of issuance; *provided* that if this Note is authenticated between a record date referred to on the face hereof and the next succeeding Interest Payment Date, interest shall accrue from such next succeeding Interest Payment Date; *provided further* that the first Interest Payment Date shall be _____, 20[ ]. The Company will pay interest (including post-petition interest in any proceeding under any Bankruptcy Law) on overdue principal at the rate that is equal to the then applicable interest rate on the Notes to the extent lawful; it will pay interest (including post-petition interest in any proceeding under any Bankruptcy Law) on overdue installments of interest and Special Interest, if any, (without regard to any applicable grace period), at the same rate to the extent lawful.

Interest will be computed on the basis of a 360-day year of twelve 30-day months.

(2) *METHOD OF PAYMENT*. The Company will pay interest on the Notes (except defaulted interest) and Special Interest, if any, to the Persons who are registered Holders of Notes at the close of business on the _____ or _____ next preceding the Interest Payment Date, even if such Notes are canceled after such record date and on or before such Interest Payment Date, except as provided in Section 2.12 of the Indenture with respect to defaulted interest. The Notes will be payable as to principal, premium, if any, interest and Special Interest, if any, at the office or agency of the Paying Agent and Registrar within the City and State of New York, or, at the option of the Company, payment of interest and Special Interest, if any, may be made by check mailed to the Holders at their addresses set forth in the register of Holders; *provided* that payment by wire transfer of immediately available funds will be required with respect to principal of, premium on, if any, interest and Special Interest, if any, on, all Global Notes and all other Notes the Holders of which will have provided wire transfer instructions to the Company or the Paying Agent. Such payment will be in such coin or currency of the United States of America as at the time of payment is legal tender for payment of public and private debts.

(3) *PAYING AGENT AND REGISTRAR*. Initially, Wells Fargo Bank, National Association, the Trustee under the Indenture, will act as Paying Agent and Registrar. The Company may change the Paying Agent or Registrar without prior notice to the Holders of the Notes. The Company or any of its Subsidiaries may act as Paying Agent or Registrar.

(4) *INDENTURE*. The Company issued the Notes under an Indenture dated as of May 28, 2010 (the*"Indenture"*) among the Company, the Guarantors and the Trustee. The terms of the Notes include those stated in the Indenture and those made part of the Indenture by reference to the TIA. The Notes are subject to all such terms, and Holders are referred to the Indenture and the TIA for a statement of such terms. To the extent any provision of this Note conflicts with the express provisions of the Indenture, the provisions of the Indenture shall govern and be controlling. The Notes are unsecured obligations of the Company. The Indenture does not limit the aggregate principal amount of Notes that may be issued thereunder.

(5) *OPTIONAL REDEMPTION.*

(a) At any time prior to June 1, 2013, the Company may on any one or more occasions redeem up to 35% of the aggregate principal amount of Notes issued under the Indenture, upon not less than 30 nor more than 60 days' notice, at a redemption price equal to 110.875% of the principal amount of the Notes redeemed, plus accrued and unpaid interest and Special Interest, if any, to the date of redemption (subject to the rights of Holders of Notes on the relevant record date to receive interest on the relevant Interest Payment Date) with the net cash proceeds of an Equity Offering by the Company or a capital contribution to the Company's common equity made with the net cash proceeds of a concurrent Equity Offering by the Company's direct or indirect parent; *provided* that:

(A) at least 65% of the aggregate principal amount of Notes originally issued under the Indenture (excluding Notes held by the Company and its Subsidiaries) remains outstanding immediately after the occurrence of such redemption; and

(B) the redemption occurs within 90 days of the date of the closing of such Equity Offering.

(b) At any time prior to June 1, 2014, the Company may on any one or more occasions redeem all or a part of the Notes, upon not less than 30 nor more than 60 days' notice, at a redemption price equal to 100% of the principal amount of the Notes redeemed, plus the Applicable Premium as of, and accrued and unpaid interest and Special Interest, if any, to the applicable date of redemption, subject to the rights of Holders on the relevant record date to receive interest due on the relevant Interest Payment Date.

(c) Except pursuant to the preceding paragraphs, the Notes will not be redeemable at the Company's option prior to June 1, 2014.

(d) On or after June 1, 2014, the Company may on any one or more occasions redeem all or a part of the Notes, upon not less than 30 nor more than 60 days' notice, at the redemption prices (expressed as percentages of principal amount) set forth below, plus accrued and unpaid interest and Special Interest, if any, on the Notes redeemed, to the applicable redemption date, if redeemed during the twelve-month period beginning on June 1 of the years indicated below, subject to the rights of Holders on the relevant record date to receive interest on the relevant Interest Payment Date:

Year	Percentage
2014	105.438%
2015	102.719%
2016 and thereafter	100.000%

(e) Unless the Company defaults in the payment of the redemption price, interest will cease to accrue on the Notes or portions thereof called for redemption on the applicable redemption date.

(6) *MANDATORY REDEMPTION.* The Company is not required to make mandatory redemption or sinking fund payments with respect to the Notes.

(7) *REPURCHASE AT OPTION OF HOLDER.*

(a) If there is a Change of Control, the Company will be required to make an offer (a "*Change of Control Offer*") to each Holder to repurchase all or any part (equal to $2,000 or an integral multiple of $1,000 in excess thereof) of that Holder's Notes at a purchase price in cash equal to 101% of the aggregate principal amount of Notes repurchased plus accrued and unpaid interest and Special Interest, if any, on the Notes repurchased to the date of purchase, subject to the rights of Holders of Notes on the relevant record date to receive interest due on the relevant interest payment date. Within 30 days following any Change of Control, the Company will mail or cause to be mailed a notice to each Holder setting forth the procedures governing the Change of Control Offer as required by the Indenture.

(b) If the Company or a Restricted Subsidiary of the Company consummates any Asset Sales, within 30 days of each date on which the aggregate amount of Excess Proceeds exceeds $15.0 million, the Company will make an Asset Sale Offer to all Holders of Notes and all holders of other Indebtedness that is *pari passu* in right of payment with the Notes containing provisions similar to those set forth in the Indenture with respect to offers to purchase, prepay or redeem with the proceeds of asset sales, to purchase, prepay or redeem the maximum principal amount of notes and such other *pari passu* Indebtedness (plus all accrued interest on the Indebtedness and the amount of all fees and expenses, including premiums, incurred in connection therewith) that may be purchased, prepaid or redeemed out of the Excess Proceeds. The offer price in any Asset Sale Offer will be equal to 100% of the principal amount, plus accrued and unpaid interest and Special Interest, if any, to the date of purchase, prepayment or redemption, subject to the rights of Holders of Notes on the relevant record date to receive interest due on the relevant interest payment date, and will be payable in cash. If any Excess Proceeds remain after consummation of an Asset Sale Offer, such amounts shall no longer be considered Excess Proceeds for purposes of this Indenture and the Company may use those Excess Proceeds for any purpose not otherwise prohibited by the Indenture. If the aggregate principal amount of Notes and other *pari passu* Indebtedness tendered in (or required to be prepaid or redeemed in connection with) such Asset Sale Offer exceeds the amount of Excess Proceeds, the Trustee will select the Notes and such other *pari passu* Indebtedness to be purchased on a *pro rata* basis, based on the amounts tendered or required to be prepaid or redeemed. Upon completion of each Asset Sale Offer, the amount of Excess Proceeds will be reset at zero. Holders of Notes that are the subject of an offer to purchase will receive an Asset Sale Offer from the Company prior to any related purchase date and may elect to have such Notes purchased by completing the form entitled "*Option of Holder to Elect Purchase*" attached to the Notes.

(8) *NOTICE OF REDEMPTION.* At least 30 days but not more than 60 days before a redemption date the Company will mail or cause to be mailed, by first class mail, a notice of redemption to each Holder whose Notes are to be redeemed at its registered address, except that redemption notices may be mailed more than 60 days prior to a redemption date if the notice is issued in connection with a defeasance of the Notes or a satisfaction and discharge of the Indenture pursuant to Articles 8 and 11 thereof. Notes and portions of Notes selected will be in

amounts of $2,000 or whole multiples of $1,000 in excess thereof; except that if all of the Notes of a Holder are to be redeemed or purchased, the entire outstanding amount of Notes held by such Holder shall be redeemed or purchased.

(9) *DENOMINATIONS, TRANSFER, EXCHANGE*. The Notes are in registered form in denominations of $2,000 and integral multiples of $1,000 in excess thereof. The transfer of Notes may be registered and Notes may be exchanged as provided in the Indenture. The Registrar and the Trustee may require a Holder, among other things, to furnish appropriate endorsements and transfer documents and the Company may require a Holder to pay any taxes and fees required by law or permitted by the Indenture. The Company need not exchange or register the transfer of any Note or portion of a Note selected for redemption, except for the unredeemed portion of any Note being redeemed in part. Also, the Company need not exchange or register the transfer of any Notes for a period of 15 days before a selection of Notes to be redeemed or during the period between a record date and the next succeeding Interest Payment Date.

This Regulation S Temporary Global Note is exchangeable in whole or in part for one or more Global Notes only (i) on or after the termination of the 40-day distribution compliance period (as defined in Regulation S) and (ii) upon presentation of certificates (accompanied by an Opinion of Counsel, if applicable) required by Article 2 of the Indenture. Upon exchange of this Regulation S Temporary Global Note for one or more Global Notes, the Trustee shall cancel this Regulation S Temporary Global Note.

(10) *PERSONS DEEMED OWNERS.* The registered Holder of a Note may be treated as the owner of it for all purposes. Only registered Holders have rights under the Indenture.

(11) *AMENDMENT, SUPPLEMENT AND WAIVER*. Subject to certain exceptions, the Indenture, the Notes or the Note Guarantees may be amended or supplemented with the consent of the Holders of at least a majority in aggregate principal amount of the then outstanding Notes including Additional Notes, if any, voting as a single class, and any existing Default or Event of Default or compliance with any provision of the Indenture or the Notes or the Note Guarantees may be waived with the consent of the Holders of a majority in aggregate principal amount of the then outstanding Notes including Additional Notes, if any, voting as a single class. Without the consent of any Holder of Notes, the Indenture, the Notes or the Note Guarantees may be amended or supplemented to cure any ambiguity, defect or inconsistency, to provide for uncertificated Notes in addition to or in place of certificated Notes, to provide for the assumption of the Company's or a Guarantor's obligations to Holders of the Notes and Note Guarantees by a successor to the Company or such Guarantor pursuant to the Indenture, to make any change that would provide any additional rights or benefits to the Holders of the Notes or that does not adversely affect the rights under the Indenture of any Holder, to comply with the requirements of the SEC in order to effect or maintain the qualification of the Indenture under the TIA, to conform the text of the Indenture, the Notes or the Note Guarantees to any provision of the "Description of Notes" section of the Offering Memorandum to the extent that such provision in that "Description of Notes" was intended to be a verbatim recitation of a provision of the Indenture, the Notes or the Note Guarantees, which intent may be evidenced by an Officer's Certificate to that effect, to provide for the issuance of Additional Notes in accordance with the limitations set forth in the Indenture, to allow any Guarantor to execute a supplemental indenture to the Indenture and/or a Note Guarantee with respect to the Notes, or to evidence and provide for the acceptance of the appointment of a successor Trustee.

(12) *DEFAULTS AND REMEDIES.* Events of Default include: (i) default for 30 days in the payment when due of interest and Special Interest, if any, on, the Notes; (ii) default in the

payment when due (at maturity, upon redemption or otherwise) of the principal of, or premium on, if any, the Notes, (iii) failure by the Company or any of its Restricted Subsidiaries to comply with the provisions of Sections 4.10 or 4.15 or failure by the Company or any of its Restricted Subsidiaries to comply with the provisions of Section 5.01 of the Indenture; (iv) failure by the Company or any of its Restricted Subsidiaries for 60 days after notice to the Company by the Trustee or the Holders of at least 25% in aggregate principal amount of the Notes then outstanding voting as a single class to comply with any of the other agreements in the Indenture; (v) default under certain other agreements relating to Indebtedness of the Company which default is a Payment Default or results in the acceleration of such Indebtedness prior to its express maturity; (vi) failure by the Company or any of its Restricted Subsidiaries to pay certain final judgments, which judgments are not paid, discharged or stayed, for a period of 60 days; (vii) certain events of bankruptcy or insolvency with respect to the Company or any of its Restricted Subsidiaries that is a Significant Subsidiary or any group of Restricted Subsidiaries that, taken together, would constitute a Significant Subsidiary; and (viii) except as permitted by the Indenture, any Note Guarantee of any Significant Subsidiary is held in any judicial proceeding to be unenforceable or invalid or ceases for any reason to be in full force and effect, or any Guarantor, or any Person acting on behalf of any Guarantor, denies or disaffirms its obligations under its Note Guarantee. In the case of an Event of Default arising from certain events of bankruptcy or insolvency with respect to the Company, any Restricted Subsidiary of the Company that is a Significant Subsidiary or any group of Restricted Subsidiaries of the Company that, taken together, would constitute a Significant Subsidiary, all outstanding Notes will become due and payable immediately without further action or notice. If any other Event of Default occurs and is continuing, the Trustee or the Holders of at least 25% in aggregate principal amount of then outstanding Notes may declare all the Notes to be due and payable immediately. Holders may not enforce the Indenture or the Notes except as provided in the Indenture. Subject to certain limitations, Holders of a majority in aggregate principal amount of then outstanding Notes may direct the time, method and place of conducting any proceeding for exercising any remedy available to the Trustee or exercising any trust or power conferred on it. The Trustee may withhold from Holders of the Notes notice of any continuing Default or Event of Default (except a Default or Event of Default relating to the payment of principal, premium, if any, interest or Special Interest, if any,) if it determines that withholding notice is in their interest. The Holders of a majority in aggregate principal amount of then outstanding Notes by notice to the Trustee may, on behalf of all the Holders, rescind an acceleration or waive an existing Default or Event of Default and its respective consequences under the Indenture except a continuing Default or Event of Default in the payment of principal of, premium on, if any, interest or Special Interest, if any, on, the Notes (including in connection with an offer to purchase). The Company is required to deliver to the Trustee annually a statement regarding compliance with the Indenture, and the Company is required, upon becoming aware of any Default or Event of Default, to deliver to the Trustee a statement specifying such Default or Event of Default.

(13) *TRUSTEE DEALINGS WITH COMPANY.* The Trustee, in its individual or any other capacity, may make loans to, accept deposits from, and perform services for the Company or its Affiliates, and may otherwise deal with the Company or its Affiliates, as if it were not the Trustee.

(14) *NO RECOURSE AGAINST OTHERS.* No director, officer, employee, incorporator or stockholder of the Company or any Guarantor, as such, will have any liability for any obligations of the Company or the Guarantors under the Notes, the Indenture, the Note Guarantees or the Indenture or for any claim based on, in respect of, or by reason of, such obligations or their creation. Each Holder by accepting a Note waives and releases all such liability. The waiver and release are part of the consideration for issuance of the Notes. The waiver may not be effective to waive liabilities under the federal securities laws.

(15) *AUTHENTICATION.* This Note will not be valid until authenticated by the manual signature of the Trustee or an Authenticating Agent.

(16) *ABBREVIATIONS.* Customary abbreviations may be used in the name of a Holder or an assignee, such as: TEN COM (= tenants in common), TEN ENT (= tenants by the entireties), JT TEN (= joint tenants with right of survivorship and not as tenants in common), CUST (= Custodian), and U/G/M/A (= Uniform Gifts to Minors Act).

(17) *ADDITIONAL RIGHTS OF HOLDERS OF RESTRICTED GLOBAL NOTES AND RESTRICTED DEFINITIVE NOTES* In addition to the rights provided to Holders of Notes under the Indenture, Holders of Restricted Global Notes and Restricted Definitive Notes will have all the rights set forth in the Registration Rights Agreement dated as of May 28, 2010, among the Company, the Guarantors and the other parties named on the signature pages thereof or, in the case of each issuance of Additional Notes issued in a transaction exempt from the registration requirements of the Securities Act, Holders of Restricted Global Notes and Restricted Definitive Notes will have the rights set forth in the registration rights agreement, if any, among the Company, the Guarantors and the other parties thereto, in each case relating to rights given by the Company and the Guarantors to the purchasers of any Additional Notes (collectively, the "Registration Rights Agreement").

(18) *CUSIP NUMBERS.* Pursuant to a recommendation promulgated by the Committee on Uniform Security Identification Procedures, the Company has caused CUSIP numbers to be printed on the Notes, and the Trustee may use CUSIP numbers in notices of redemption as a convenience to Holders. No representation is made as to the accuracy of such numbers either as printed on the Notes or as contained in any notice of redemption, and reliance may be placed only on the other identification numbers placed thereon.

(19) *GOVERNING LAW*. THE INTERNAL LAW OF THE STATE OF NEW YORK WILL GOVERN AND BE USED TO CONSTRUE THE INDENTURE, THIS NOTE AND THE NOTE GUARANTEES WITHOUT GIVING EFFECT TO APPLICABLE PRINCIPLES OF CONFLICTS OF LAW TO THE EXTENT THAT THE APPLICATION OF THE LAWS OF ANOTHER JURISDICTION WOULD BE REQUIRED THEREBY.

The Company will furnish to any Holder upon written request and without charge a copy of the Indenture and/or the Registration Rights Agreement. Requests may be made to:

The Hillman Group, Inc.,
10590 Hamilton Avenue
Cincinnati, Ohio, 45231
Attention: Chief Financial Officer.

ASSIGNMENT FORM

To assign this Note, fill in the form below:

(I) or (we) assign and transfer this Note to: _____

(Insert assignee's legal name)

_____

(Insert assignee's soc. sec. or tax I.D. no.)

_____

_____

_____

_____

(Print or type assignee's name, address and zip code)

and irrevocably appoint _____
to transfer this Note on the books of the Company. The agent may substitute another to act for him.

Date: _____

Your Signature: _____
(Sign exactly as your name appears on the face of this Note)

Signature Guarantee*: _____

* Participant in a recognized Signature Guarantee Medallion Program (or other signature guarantor acceptable to the Trustee).

OPTION OF HOLDER TO ELECT PURCHASE

If you want to elect to have this Note purchased by the Company pursuant to Section 4.10 or 4.15 of the Indenture, check the appropriate box below:

☐ Section 4.10 ☐ Section 4.15

If you want to elect to have only part of the Note purchased by the Company pursuant to Section 4.10 or Section 4.15 of the Indenture, state the amount you elect to have purchased:

$_____

Date: _____

Your Signature: _____
(Sign exactly as your name appears on the face of this Note)

Tax Identification No.: _____

Signature Guarantee*: _____

* Participant in a recognized Signature Guarantee Medallion Program (or other signature guarantor acceptable to the Trustee).

SCHEDULE OF EXCHANGES OF INTERESTS IN THE REGULATION S TEMPORARY GLOBAL NOTE

The following exchanges of a part of this Regulation S Temporary Global Note for an interest in another Global Note, or exchanges of a part of another other Restricted Global Note for an interest in this Regulation S Temporary Global Note, have been made:

Date of Exchange	Amount of decrease in Principal Amount of this Global Note	Amount of increase in Principal Amount of this Global Note	Principal Amount of this Global Note following such decrease (or increase)	Signature of authorized signatory of Trustee, Depository or Note Custodian

EXHIBIT B

FORM OF CERTIFICATE OF TRANSFER

The Hillman Group, Inc.
10590 Hamilton Avenue
Cincinnati, Ohio, 45231
Attention: Chief Financial Officer

Wells Fargo Bank – DAPS Reorg.
MAC N9303-121
608 2nd Avenue South
Minneapolis, MN 55479
Facsimile No.: (866) 969-1290

with a copy to:

Wells Fargo Bank, National Association
45 Broadway, 14th Floor
New York, New York 10006
Facsimile No.: (212) 515-1589
Attention: Corporate Trust - Hillman Administrator

Re: 10.875% Senior Notes Due 2018

Reference is hereby made to the Indenture, dated as of May 28, 2010 (the "*Indenture*"), among The Hillman Group, Inc., as issuer (the "*Company*"), the Guarantors party thereto and Wells Fargo Bank, National Association, as trustee. Capitalized terms used but not defined herein shall have the meanings given to them in the Indenture.

_____, (the "*Transferor*") owns and proposes to transfer the Note[s] or interest in such Note[s] specified in Annex A hereto, in the principal amount of $_____ in such Note[s] or interests (the "*Transfer*"), to _____ (the "*Transferee*"), as further specified in Annex A hereto. In connection with the Transfer, the Transferor hereby certifies that:

[CHECK ALL THAT APPLY]

1. ☐ **Check if Transferee will take delivery of a beneficial interest in the 144A Global Note or a Restricted Definitive Note pursuant to Rule 144A** The Transfer is being effected pursuant to and in accordance with Rule 144A under the Securities Act of 1933, as amended (the "*Securities Act*"), and, accordingly, the Transferor hereby further certifies that the beneficial interest or Definitive Note is being transferred to a Person that the Transferor reasonably believes is purchasing the beneficial interest or Definitive Note for its own account, or for one or more accounts with respect to which such Person exercises sole investment discretion, and such Person and each such account is a "qualified institutional buyer" within the meaning of Rule 144A in a transaction meeting the requirements of Rule 144A, and such Transfer is in compliance with any applicable blue sky securities laws of any state of the United States. Upon consummation of the proposed Transfer in accordance with the terms of the Indenture, the transferred beneficial interest or Definitive Note will be subject to the restrictions on transfer enumerated in the Private Placement Legend printed on the 144A Global Note and/or the Restricted Definitive Note and in the Indenture and the Securities Act.

2. ☐ **Check if Transferee will take delivery of a beneficial interest in the Regulation S Temporary Global Note, the Regulation S Permanent Global Note or a Restricted Definitive Note**

pursuant to Regulation S. The Transfer is being effected pursuant to and in accordance with Rule 903 or Rule 904 under the Securities Act and, accordingly, the Transferor hereby further certifies that (i) the Transfer is not being made to a Person in the United States and (x) at the time the buy order was originated, the Transferee was outside the United States or such Transferor and any Person acting on its behalf reasonably believed and believes that the Transferee was outside the United States or (y) the transaction was executed in, on or through the facilities of a designated offshore securities market and neither such Transferor nor any Person acting on its behalf knows that the transaction was prearranged with a buyer in the United States, (ii) no directed selling efforts have been made in contravention of the requirements of Rule 903(b) or Rule 904(b) of Regulation S under the Securities Act [and/,] (iii) the transaction is not part of a plan or scheme to evade the registration requirements of the Securities Act [and (iv) if the proposed transfer is being made prior to the expiration of the Restricted Period, the transfer is not being made to a U.S. Person or for the account or benefit of a U.S. Person (other than an Initial Purchaser)]. Upon consummation of the proposed transfer in accordance with the terms of the Indenture, the transferred beneficial interest or Definitive Note will be subject to the restrictions on Transfer enumerated in the Private Placement Legend printed on the Regulation S Permanent Global Note, the Regulation S Temporary Global Note and/or the Restricted Definitive Note and in the Indenture and the Securities Act.

3. ☐ **Check and complete if Transferee will take delivery of a beneficial interest in the IAI Global Note or a Restricted Definitive Note pursuant to any provision of the Securities Act other than Rule 144A or Regulation S**. The Transfer is being effected in compliance with the transfer restrictions applicable to beneficial interests in Restricted Global Notes and Restricted Definitive Notes and pursuant to and in accordance with the Securities Act and any applicable blue sky securities laws of any state of the United States, and accordingly the Transferor hereby further certifies that (check one):

(a) ☐ such Transfer is being effected pursuant to and in accordance with Rule 144 under the Securities Act;

or

(b) ☐ such Transfer is being effected to the Company, any of the Guarantors or any of their respective subsidiaries;

or

(c) ☐ such Transfer is being effected pursuant to an effective registration statement under the Securities Act and in compliance with the prospectus delivery requirements of the Securities Act;

or

(d) ☐ such Transfer is being effected to an Institutional Accredited Investor and pursuant to an exemption from the registration requirements of the Securities Act other than Rule 144A, Rule 144, Rule 903 or Rule 904, and the Transferor hereby further certifies that it has not engaged in any general solicitation within the meaning of Regulation D under the Securities Act and the Transfer complies with the transfer restrictions applicable to beneficial interests in a Restricted Global Note or Restricted Definitive Notes and the requirements of the exemption claimed, which certification is supported by (1) a certificate executed by the Transferee in the form of Exhibit D to the Indenture and (2) an Opinion of Counsel provided by the Transferor or the Transferee (a copy of which the Transferor has attached to this certification), to the effect that such Transfer is in compliance with the Securities Act. Upon consummation of the proposed transfer in accordance with the terms of the Indenture, the transferred

beneficial interest or Definitive Note will be subject to the restrictions on transfer enumerated in the Private Placement Legend printed on the IAI Global Note and/or the Restricted Definitive Notes and in the Indenture and the Securities Act.

4. ☐ **Check if Transferee will take delivery of a beneficial interest in an Unrestricted Global Note or of an Unrestricted Definitive Note**

(a) ☐ **Check if Transfer is pursuant to Rule 144**. (i) The Transfer is being effected pursuant to and in accordance with Rule 144 under the Securities Act and in compliance with the transfer restrictions contained in the Indenture and any applicable blue sky securities laws of any state of the United States and (ii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act. Upon consummation of the proposed Transfer in accordance with the terms of the Indenture, the transferred beneficial interest or Definitive Note will no longer be subject to the restrictions on transfer enumerated in the Private Placement Legend printed on the Restricted Global Notes, on Restricted Definitive Notes and in the Indenture.

(b) ☐ **Check if Transfer is Pursuant to Regulation S**. (i) The Transfer is being effected pursuant to and in accordance with Rule 903 or Rule 904 under the Securities Act and in compliance with the transfer restrictions contained in the Indenture and any applicable blue sky securities laws of any state of the United States and (ii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act. Upon consummation of the proposed Transfer in accordance with the terms of the Indenture, the transferred beneficial interest or Definitive Note will no longer be subject to the restrictions on transfer enumerated in the Private Placement Legend printed on the Restricted Global Notes, on Restricted Definitive Notes and in the Indenture.

(c) ☐ **Check if Transfer is Pursuant to Other Exemption**. (i) The Transfer is being effected pursuant to and in compliance with an exemption from the registration requirements of the Securities Act other than Rule 144, Rule 903 or Rule 904 and in compliance with the transfer restrictions contained in the Indenture and any applicable blue sky securities laws of any State of the United States and (ii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act. Upon consummation of the proposed Transfer in accordance with the terms of the Indenture, the transferred beneficial interest or Definitive Note will not be subject to the restrictions on transfer enumerated in the Private Placement Legend printed on the Restricted Global Notes or Restricted Definitive Notes and in the Indenture.

This certificate and the statements contained herein are made for your benefit and the benefit of the Company.

_____
[Insert Name of Transferor]

By: _____
Name:
Title:

Dated: _____

ANNEX A TO CERTIFICATE OF TRANSFER

1. The Transferor owns and proposes to transfer the following:

[CHECK ONE OF (a) OR (b)]

(a) ☐ a beneficial interest in the:

(i) ☐ 144A Global Note (CUSIP_____), or

(ii) ☐ Regulation S Global Note (CUSIP_____), or

(iii) ☐ IAI Global Note (CUSIP_____); or

(b) ☐ a Restricted Definitive Note.

2. After the Transfer the Transferee will hold:

[CHECK ONE]

(a) ☐ a beneficial interest in the:

(i) ☐ 144A Global Note (CUSIP_____), or

(ii) ☐ Regulation S Global Note (CUSIP_____), or

(iii) ☐ IAI Global Note (CUSIP_____); or

(iv) ☐ Unrestricted Global Note (CUSIP_____); or

(b) ☐ a Restricted Definitive Note; or

(c) ☐ an Unrestricted Definitive Note,

in accordance with the terms of the Indenture.

EXHIBIT C

FORM OF CERTIFICATE OF EXCHANGE

The Hillman Group, Inc.
10590 Hamilton Avenue
Cincinnati, Ohio, 45231
Attention: Chief Financial Officer

Wells Fargo Bank – DAPS Reorg.
MAC N9303-121
608 2nd Avenue South
Minneapolis, MN 55479
Facsimile No.: (866) 969-1290

with a copy to:

Wells Fargo Bank, National Association
45 Broadway, 14th Floor
New York, New York 10006
Facsimile No.: (212) 515-1589
Attention: Corporate Trust - Hillman Administrator

Re: 10.875% Senior Notes Due 2018

(CUSIP [ ])

Reference is hereby made to the Indenture, dated as of May 28, 2010 (the "*Indenture*"), among The Hillman Group, Inc., as issuer (the "*Company*"), the Guarantors party thereto and Wells Fargo Bank, National Association, as trustee. Capitalized terms used but not defined herein shall have the meanings given to them in the Indenture.

_____, (the "*Owner*") owns and proposes to exchange the Note[s] or interest in such Note[s] specified herein, in the principal amount of $_____ in such Note[s] or interests (the "*Exchange*"). In connection with the Exchange, the Owner hereby certifies that:

1. **Exchange of Restricted Definitive Notes or Beneficial Interests in a Restricted Global Note for Unrestricted Definitive Notes or Beneficial Interests in an Unrestricted Global Note**

(a) ☐ **Check if Exchange is from beneficial interest in a Restricted Global Note to beneficial interest in an Unrestricted Global Note** In connection with the Exchange of the Owner's beneficial interest in a Restricted Global Note for a beneficial interest in an Unrestricted Global Note in an equal principal amount, the Owner hereby certifies (i) the beneficial interest is being acquired for the Owner's own account without transfer, (ii) such Exchange has been effected in compliance with the transfer restrictions applicable to the Global Notes and pursuant to and in accordance with the Securities Act of 1933, as amended (the "*Securities Act*"), (iii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act and (iv) the beneficial interest in an Unrestricted Global Note is being acquired in compliance with any applicable blue sky securities laws of any state of the United States.

(b) ☐ **Check if Exchange is from beneficial interest in a Restricted Global Note to Unrestricted Definitive Note** In connection with the Exchange of the Owner's beneficial interest in a Restricted Global Note for an Unrestricted Definitive Note, the Owner hereby certifies (i) the Definitive

Note is being acquired for the Owner's own account without transfer, (ii) such Exchange has been effected in compliance with the transfer restrictions applicable to the Restricted Global Notes and pursuant to and in accordance with the Securities Act, (iii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act and (iv) the Definitive Note is being acquired in compliance with any applicable blue sky securities laws of any state of the United States.

(c) ☐ **Check if Exchange is from Restricted Definitive Note to beneficial interest in an Unrestricted Global Note** In connection with the Owner's Exchange of a Restricted Definitive Note for a beneficial interest in an Unrestricted Global Note, the Owner hereby certifies (i) the beneficial interest is being acquired for the Owner's own account without transfer, (ii) such Exchange has been effected in compliance with the transfer restrictions applicable to Restricted Definitive Notes and pursuant to and in accordance with the Securities Act, (iii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act and (iv) the beneficial interest is being acquired in compliance with any applicable blue sky securities laws of any state of the United States.

(d) ☐ **Check if Exchange is from Restricted Definitive Note to Unrestricted Definitive Note** In connection with the Owner's Exchange of a Restricted Definitive Note for an Unrestricted Definitive Note, the Owner hereby certifies (i) the Unrestricted Definitive Note is being acquired for the Owner's own account without transfer, (ii) such Exchange has been effected in compliance with the transfer restrictions applicable to Restricted Definitive Notes and pursuant to and in accordance with the Securities Act, (iii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act and (iv) the Unrestricted Definitive Note is being acquired in compliance with any applicable blue sky securities laws of any state of the United States.

2. **Exchange of Restricted Definitive Notes or Beneficial Interests in Restricted Global Notes for Restricted Definitive Notes or Beneficial Interests in Restricted Global Notes**

(a) ☐ **Check if Exchange is from beneficial interest in a Restricted Global Note to Restricted Definitive Note.**In connection with the Exchange of the Owner's beneficial interest in a Restricted Global Note for a Restricted Definitive Note with an equal principal amount, the Owner hereby certifies that the Restricted Definitive Note is being acquired for the Owner's own account without transfer. Upon consummation of the proposed Exchange in accordance with the terms of the Indenture, the Restricted Definitive Note issued will continue to be subject to the restrictions on transfer enumerated in the Private Placement Legend printed on the Restricted Definitive Note and in the Indenture and the Securities Act.

(b) ☐ **Check if Exchange is from Restricted Definitive Note to beneficial interest in a Restricted Global Note** In connection with the Exchange of the Owner's Restricted Definitive Note for a beneficial interest in the [CHECK ONE] ☐ 144A Global Note, ☐ Regulation S Global Note, ☐ IAI Global Note with an equal principal amount, the Owner hereby certifies (i) the beneficial interest is being acquired for the Owner's own account without transfer and (ii) such Exchange has been effected in compliance with the transfer restrictions applicable to the Restricted Global Notes and pursuant to and in accordance with the Securities Act, and in compliance with any applicable blue sky securities laws of any state of the United States. Upon consummation of the proposed Exchange in accordance with the terms of the Indenture, the beneficial interest issued will be subject to the restrictions on transfer enumerated in the Private Placement Legend printed on the relevant Restricted Global Note and in the Indenture and the Securities Act.

This certificate and the statements contained herein are made for your benefit and the benefit of the Company.

_____
[Insert Name of Transferor]

By: _____
Name:
Title:

Dated: _____

EXHIBIT D

FORM OF CERTIFICATE FROM
ACQUIRING INSTITUTIONAL ACCREDITED INVESTOR

The Hillman Group, Inc.
10590 Hamilton Avenue
Cincinnati, Ohio 45231
Facsimile No.: (513) 595-8297
Attention: Chief Financial Officer

Wells Fargo Bank, National Association
45 Broadway, 14th Floor
New York, New York 10006
Facsimile No.: (212) 515-1589
Attention: Corporate Trust Services

Re: 10.875% Senior Notes due 2018

Reference is hereby made to the Indenture, dated as of May 28, 2010 (the "*Indenture*"), among The Hillman Group, Inc., as issuer (the "*Company*"), the Guarantors party thereto and Wells Fargo Bank, National Association, as trustee. Capitalized terms used but not defined herein shall have the meanings given to them in the Indenture.

In connection with our proposed purchase of $____ aggregate principal amount of:

(a) ☐ a beneficial interest in a Global Note, or

(b) ☐ a Definitive Note,

we confirm that:

1. We understand that any subsequent transfer of the Notes or any interest therein is subject to certain restrictions and conditions set forth in the Indenture and the undersigned agrees to be bound by, and not to resell, pledge or otherwise transfer the Notes or any interest therein except in compliance with, such restrictions and conditions and the Securities Act of 1933, as amended (the "*Securities Act*").

2. We understand that the offer and sale of the Notes have not been registered under the Securities Act, and that the Notes and any interest therein may not be offered or sold except as permitted in the following sentence. We agree, on our own behalf and on behalf of any accounts for which we are acting as hereinafter stated, that if we should sell the Notes or any interest therein, we will do so only (A) to the Company, any Guarantor or any of their respective subsidiaries, (B) to a Person whom we reasonably believe is a qualified institutional buyer within the meaning of Rule 144A under the Securities Act, (C) to an institutional "accredited investor" in a transaction exempt from the registration requirements of the Securities Act, (D) in an offshore transaction complying with Rule 903 or Rule 904 of Regulation S under the Securities Act, (E) pursuant to an exemption from registration under the Securities Act provided by Rule 144 thereunder (if available) or (F) pursuant to an effective registration statement under the Securities Act, and we further agree to provide to any Person purchasing the Definitive Note or beneficial interest in a Global Note from us in a transaction meeting the requirements of clauses (A) through (E) of this paragraph a notice advising such purchaser that resales thereof are restricted as stated herein.

3. We understand that, on any proposed resale of the Notes or beneficial interest therein, we will be required to furnish to you and the Company such certifications, legal opinions and other information as you and the Company may reasonably require to confirm that the proposed sale complies with the foregoing restrictions. We further understand that the Notes purchased by us will bear a legend to the foregoing effect.

4. We are an institutional "accredited investor" (as defined in Rule 501(a)(1), (2), (3) or (7) of Regulation D under the Securities Act) and have such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of our investment in the Notes, and we and any accounts for which we are acting are each able to bear the economic risk of our or its investment.

5. We are acquiring the Notes or beneficial interest therein purchased by us for our own account or for one or more accounts (each of which is an institutional "accredited investor") as to each of which we exercise sole investment discretion.

You and the Company are entitled to rely upon this letter and are irrevocably authorized to produce this letter or a copy hereof to any interested party in any administrative or legal proceedings or official inquiry with respect to the matters covered hereby.

_____

[Insert Name of Accredited Investor]

By: _____

Name:

Title:

Dated: _____

EXHIBIT E

[FORM OF NOTATION OF GUARANTEE]

For value received, each Guarantor (which term includes any successor Person under the Indenture) has, jointly and severally, unconditionally guaranteed, to the extent set forth in the Indenture and subject to the provisions in the Indenture dated as of May 28, 2010 (the "*Indenture*") among The Hillman Group, Inc., (the *"Company"*), the Guarantors party thereto and Wells Fargo Bank, National Association, as trustee (the "*Trustee*"), (a) the due and punctual payment of the principal of, premium on, if any, interest and Special Interest, if any, on, the Notes, whether at maturity, by acceleration, redemption or otherwise, the due and punctual payment of interest on overdue principal of, premium on, if any, interest and Special Interest, if any, on, the Notes, if any, if lawful, and the due and punctual performance of all other obligations of the Company to the Holders or the Trustee all in accordance with the terms of the Indenture and (b) in case of any extension of time of payment or renewal of any Notes or any of such other obligations, that the same will be promptly paid in full when due or performed in accordance with the terms of the extension or renewal, whether at stated maturity, by acceleration or otherwise. The obligations of the Guarantors to the Holders of Notes and to the Trustee pursuant to the Note Guarantee and the Indenture are expressly set forth in Article 10 of the Indenture and reference is hereby made to the Indenture for the precise terms of the Note Guarantee.

Capitalized terms used but not defined herein have the meanings given to them in the Indenture.

[NAME OF GUARANTOR(S)]

By: _____
Name:
Title:

EXHIBIT F

[FORM OF SUPPLEMENTAL INDENTURE
TO BE DELIVERED BY SUBSEQUENT GUARANTORS]

SUPPLEMENTAL INDENTURE (this "*Supplemental Indenture*"), dated as of _____, among _____ (the "*Guaranteeing Subsidiary*"), a subsidiary of The Hillman Group, Inc. (or its permitted successor), a Delaware corporation (the "*Company*"), the Company, the other Guarantors (as defined in the Indenture referred to herein) and Wells Fargo Bank, National Association., as trustee under the Indenture referred to below (the "*Trustee*").

W I T N E S S E T H

WHEREAS, the Company has heretofore executed and delivered to the Trustee an indenture (the "*Indenture*"), dated as of May 28, 2010 providing for the issuance of 10.875% Senior Notes due 2018 (the "*Notes*");

WHEREAS, the Indenture provides that under certain circumstances the Guaranteeing Subsidiary shall execute and deliver to the Trustee a supplemental indenture pursuant to which the Guaranteeing Subsidiary shall unconditionally guarantee all of the Company's Obligations under the Notes and the Indenture on the terms and conditions set forth herein (the "*Note Guarantee*"); and

WHEREAS, pursuant to Section 9.01 of the Indenture, the Trustee is authorized to execute and deliver this Supplemental Indenture.

NOW, THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt of which is hereby acknowledged, the Guaranteeing Subsidiary and the Trustee mutually covenant and agree for the equal and ratable benefit of the Holders of the Notes as follows:

1. CAPITALIZED TERMS. Capitalized terms used herein without definition shall have the meanings assigned to them in the Indenture.

2. AGREEMENT TO GUARANTEE. The Guaranteeing Subsidiary hereby agrees to provide an unconditional Guarantee on the terms and subject to the conditions set forth in the Note Guarantee and in the Indenture including but not limited to Article 10 thereof.

3. NO RECOURSE AGAINST OTHERS. No director, officer, employee, incorporator or stockholder of the Company or any Guarantor, as such, will have any liability for any obligations of the Company or the Guarantors under the Notes, this Indenture, the Note Guarantees or for any claim based on, in respect of, or by reason of, such obligations or their creation. Each Holder of Notes by accepting a Note waives and releases all such liability. The waiver and release are part of the consideration for issuance of the Notes. The waiver may not be effective to waive liabilities under the federal securities laws.

4. NEW YORK LAW TO GOVERN. THE INTERNAL LAW OF THE STATE OF NEW YORK SHALL GOVERN AND BE USED TO CONSTRUE THIS SUPPLEMENTAL INDENTURE WITHOUT GIVING EFFECT TO APPLICABLE PRINCIPLES OF CONFLICTS OF LAW TO THE EXTENT THAT THE APPLICATION OF THE LAWS OF ANOTHER JURISDICTION WOULD BE REQUIRED THEREBY.

5. COUNTERPARTS. The parties may sign any number of copies of this Supplemental Indenture. Each signed copy shall be an original, but all of them together represent the same agreement.

6. EFFECT OF HEADINGS. The Section headings herein are for convenience only and shall not affect the construction hereof.

7. THE TRUSTEE. The Trustee shall not be responsible in any manner whatsoever for or in respect of the validity or sufficiency of this Supplemental Indenture or for or in respect of the recitals contained herein, all of which recitals are made solely by the Guaranteeing Subsidiary and the Company.

IN WITNESS WHEREOF, the parties hereto have caused this Supplemental Indenture to be duly executed and attested, all as of the date first above written.

Dated: _____,

[Guaranteeing Subsidiary]

By: _____
Name:
Title:

THE HILLMAN GROUP, INC.

By: _____
Name:
Title:

THE HILLMAN COMPANIES, INC.

By: _____
Name:
Title:

HILLMAN INVESTMENT COMPANY

By: _____
Name:
Title:

ALL POINTS INDUSTRIES, INC.

By: _____
Name:
Title:

SUNSUB C, INC.

By: _____
Name:
Title:

WELLS FARGO BANK, NATIONAL ASSOCIATION,
as Trustee

By: _____
Name:
Title:

Exhibit 4.2

EXECUTION COPY

REGISTRATION RIGHTS AGREEMENT

Dated as of May 28, 2010
by and among

THE HILLMAN GROUP INC.
THE GUARANTORS LISTED ON SCHEDULE I HERETO

and

BARCLAYS CAPITAL INC. and MORGAN STANLEY & CO. INCORPORATED

This Registration Rights Agreement (this "***Agreement***") is made and entered into as of May 28, 2010 by and among the Hillman Group, Inc., a Delaware corporation (the "***Company***"), the guarantors listed on Schedule I hereto (the "***Guarantors***") and Barclays Capital Inc. and Morgan Stanley & Co. Incorporated, as representatives of the several initial purchasers named in Schedule I attached to the Purchase Agreement (as defined below (each such initial purchaser, an "***Initial Purchaser***" and, together, the "***Initial Purchasers***"), each of whom has agreed to purchase the Company's 10.875% Senior Notes Due 2018 (the "***Initial Notes***") pursuant to the Purchase Agreement (as defined below).

This Agreement is made pursuant to the Purchase Agreement, dated May 18, 2010 (the "***Purchase Agreement***"), by and among the Company, the Guarantors and the Initial Purchasers. In order to induce the Initial Purchasers to purchase the Initial Notes, the Company and the Guarantors have agreed to provide the registration rights set forth in this Agreement. The execution and delivery of this Agreement is a condition to the obligations of the Initial Purchasers set forth in Section 7 of the Purchase Agreement. Capitalized terms used herein and not otherwise defined shall have the meaning assigned to them in the Indenture, dated as of May 28, 2010, among the Company, the Guarantors and Wells Fargo Bank, National Association, as trustee, relating to the Initial Notes and the Exchange Notes (the "***Indenture***").

The parties hereby agree as follows:

SECTION 1. DEFINITIONS

As used in this Agreement, the following capitalized terms shall have the following meanings:

Act: The Securities Act of 1933, as amended, and the rules and regulations of the Commission promulgated thereunder.

Affiliate: As defined in Rule 144 of the Act.

Broker-Dealer: Any broker or dealer registered under the Exchange Act.

Business Day: Any day other than a Saturday, a Sunday or a day on which banking institutions in the City of New York or at a place of payment are authorized by law, regulation or executive order to remain closed. If the time to perform any action hereunder falls on a day that is not a Business Day, such time will be extended to the next Business Day and no Special Interest shall accrue for the intervening period.

Closing Date: The date hereof.

Commission: The Securities and Exchange Commission.

Consummate: An Exchange Offer shall be deemed "Consummated" for purposes of this Agreement upon the occurrence of (a) the filing and effectiveness under the Act of the Exchange Offer Registration Statement relating to the Exchange Notes to be issued in the Exchange Offer, (b) the maintenance of such Exchange Offer Registration Statement continuously effective and the keeping of the Exchange Offer open for a period not less than the period required pursuant to

Section 3(b) hereof, and (c) the delivery by the Company to the Registrar (as defined in the Indenture) under the Indenture of Exchange Notes in the same aggregate principal amount as the aggregate principal amount of Initial Notes tendered by Holders thereof pursuant to the Exchange Offer.

Consummation Deadline: As defined in Section 3(b) hereof.

Effectiveness Deadline: As defined in Sections 3(a) and 4(a) hereof.

Exchange Act: The Securities Exchange Act of 1934, as amended, and the rules and regulations of the Commission promulgated thereunder.

Exchange Notes: The Company's 10.875% Senior Notes due 2018 to be issued pursuant to the Indenture: (i) in the Exchange Offer or (ii) as contemplated by Section 4 hereof.

Exchange Offer: The exchange and issuance by the Company of a principal amount of Exchange Notes (which shall be registered pursuant to the Exchange Offer Registration Statement) equal to the outstanding principal amount of Initial Notes that are validly tendered and not withdrawn by such Holders in connection with such exchange and issuance.

Exchange Offer Registration Statement: The Registration Statement relating to the Exchange Offer, including the related Prospectus.

Filing Deadline: As defined in Sections 3(a) and 4(a) hereof.

Free Writing Prospectus: Each offer to sell or solicitation of an offer to buy the Initial Notes or the Exchange Notes that would constitute a "free writing prospectus" as defined in Rule 405 under the Securities Act, prepared by or on behalf of the Company or used or referred to by the Company in connection with the sale of the Initial Notes or the Exchange Notes.

Holders: As defined in Section 2 hereof.

Interest Payment Date: As defined in the Initial Notes and Exchange Notes.

Prospectus: The prospectus included in a Registration Statement at the time such Registration Statement is declared effective, as amended or supplemented by any prospectus supplement and by all other amendments thereto, including post-effective amendments, and all material incorporated by reference into such Prospectus.

Recommencement Date: As defined in Section 6(d) hereof.

Registration Default: As defined in Section 5 hereof.

Registration Statement: Any registration statement of the Company and the Guarantors relating to (a) an offering of Exchange Notes pursuant to an Exchange Offer or (b) the registration for resale of Transfer Restricted Securities pursuant to the Shelf Registration Statement, in each case, (i) that is filed pursuant to the provisions of this Agreement, (ii) including the Prospectus included therein, and (iii) including all amendments and supplements thereto (including post-effective amendments) and all exhibits and material incorporated by reference therein.

Rule 144: Rule 144 promulgated under the Act.

Shelf Registration Statement: As defined in Section 4 hereof.

Special Interest. As defined in Section 5 hereof.

Suspension Notice: As defined in Section 6(d) hereof.

TIA: The Trust Indenture Act of 1939 (15 U.S.C. Section 77aaa-77bbbb) as in effect on the date of the Indenture.

Transfer Restricted Securities: Each Initial Note until the earliest to occur of (a) the date on which such Initial Note has been exchanged in the Exchange Offer by a Person other than a Broker-Dealer for an Exchange Note and is entitled to be resold to the public by the Holder thereof without complying with the prospectus delivery requirements of the Act, (b) following the exchange by a Broker-Dealer in the Exchange Offer of an Initial Note for an Exchange Note, the date on which such Exchange Note is sold to a purchaser who receives from such Broker-Dealer on or prior to the date of such sale a copy of the Prospectus contained in the Exchange Offer Registration Statement, (c) the date on which such Initial Note has been effectively registered under the Act and disposed of in accordance with the Shelf Registration Statement; (d) the date on which such Initial Note is sold or otherwise distributed to a Person who is not the Company or an Affiliate of the Company; *provided*, that an Initial Note will not cease to be a Transfer Restricted Security for purposes of the Exchange Offer by virtue of this clause (d); or (e) the earliest date that is no less than two years after the date of the Indenture and on which all such Initial Notes (except for Initial Notes held by an Affiliate of the Company) are no longer subject to any restrictions on transfer under the Act, including Rule 144.

SECTION 2. HOLDERS

A Person is deemed to be a holder of Transfer Restricted Securities (each, a "***Holder***") whenever such Person owns Transfer Restricted Securities.

SECTION 3. REGISTERED EXCHANGE OFFER

(a) To the extent not prohibited by any applicable law or Commission policy, the Company and the Guarantors shall (i) cause the Exchange Offer Registration Statement to be filed with the Commission no later than the 180th day after the initial issuance of the Initial Notes (such date being the "***Filing Deadline***"), (ii) use all commercially reasonable efforts to cause such Exchange Offer Registration Statement to become effective no later than 270 days after the Filing Deadline (such 270th day being the "***Effectiveness Deadline***"), (iii) in connection with the foregoing, use all commercially reasonable efforts to (A) file all pre-effective amendments to such Exchange Offer Registration Statement as may be necessary in order to cause it to become effective, (B) file, if applicable, a post-effective amendment to such Exchange Offer Registration Statement, and (C) cause all necessary filings, if any, in connection with the registration and qualification of the Exchange Notes to be made under the Blue Sky laws of such

jurisdictions as are necessary to permit Consummation of the Exchange Offer, *provided*, *however*, that neither the Company nor any Guarantor shall be required to take any action that would subject them to general service of process or taxation in any jurisdiction where they are not already subject, and (iv) unless the Exchange Offer shall not be permitted by applicable law or Commission policy (after the procedures set forth in Section 6(a)(i) below have been complied with), upon the effectiveness of such Exchange Offer Registration Statement, commence and use all commercially reasonable efforts to Consummate the Exchange Offer. The Exchange Offer shall be on the appropriate form permitting (i) registration of the Exchange Notes to be offered in exchange for the Initial Notes that are Transfer Restricted Securities and (ii) resales of Exchange Notes by Broker-Dealers that tendered into the Exchange Offer Initial Notes that such Broker-Dealer acquired for its own account as a result of market-making activities or other trading activities (other than Initial Notes acquired directly from the Company or any of its Affiliates) as contemplated by Section 3(c) below.

(b) To the extent not prohibited by any applicable law or Commission policy, the Company and the Guarantors shall use all commercially reasonable efforts to cause the Exchange Offer Registration Statement to be effective continuously, and shall keep the Exchange Offer open for a period of not less than the minimum period required under applicable federal and state securities laws to Consummate the Exchange Offer; *provided, however,* that in no event shall such period be less than 20 Business Days. The Company and the Guarantors shall cause the Exchange Offer to comply with all applicable federal and state securities laws. No securities other than the Exchange Notes shall be included in the Exchange Offer Registration Statement. The Company and the Guarantors shall use all commercially reasonable efforts to cause the Exchange Offer to be Consummated on the earliest practicable date after the Exchange Offer Registration Statement has become effective, but in no event later than 30 Business Days or longer, if required by the federal securities laws, after the date on which the Exchange Offer Registration Statement has become effective (such 30th day, or such later date required by the federal securities laws, being the "***Consummation Deadline***").

(c) The Company shall include a "Plan of Distribution" section in the Prospectus contained in the Exchange Offer Registration Statement and indicate therein that any Broker-Dealer who holds Transfer Restricted Securities that were acquired for the account of such Broker-Dealer as a result of market-making activities or other trading activities (other than Initial Notes acquired directly from the Company or any Affiliate of the Company), may exchange such Transfer Restricted Securities pursuant to the Exchange Offer. Such "Plan of Distribution" section shall also contain all other information with respect to such sales by such Broker-Dealers that the Commission may require in order to permit such sales pursuant thereto, but such "Plan of Distribution" shall not name any such Broker-Dealer or disclose the amount of Transfer Restricted Securities held by any such Broker-Dealer, except to the extent required by the Commission as a result of a change in policy, rules or regulations after the date of this Agreement.

Because such Broker-Dealer may be deemed to be an "underwriter" within the meaning of the Act and must, therefore, deliver a prospectus meeting the requirements of the Act in connection with its initial sale of any Exchange Notes received by such Broker-Dealer in the Exchange Offer, the Company and Guarantors shall permit the use of the Prospectus contained in the Exchange Offer Registration Statement by such Broker Dealer to satisfy such prospectus

delivery requirement. To the extent necessary to ensure that the Prospectus contained in the Exchange Offer Registration Statement is available for sales of Exchange Notes by Broker-Dealers, the Company and the Guarantors agree to use all commercially reasonable efforts to keep the Exchange Offer Registration Statement continuously effective, supplemented, amended and current as required by and subject to the provisions of Sections 6(a) and (c) hereof and in conformity with the requirements of this Agreement, the Act and the policies, rules and regulations of the Commission as announced from time to time, for a period of 180 days from the Consummation Deadline or such shorter period as will terminate when all Transfer Restricted Securities covered by such Registration Statement have been sold pursuant thereto. The Company and the Guarantors shall provide sufficient copies of the latest version of such Prospectus to such Broker-Dealers, promptly upon request, and in no event later than five Business Days after such request, at any time during such period.

SECTION 4. SHELF REGISTRATION

(a) Shelf Registration. If (i) the Company and the Guarantors are not (A) required to file the Exchange Offer Registration Statement or (B) permitted to Consummate the Exchange Offer because the Exchange Offer is not permitted by applicable law or Commission policy (after the Company and the Guarantors have complied with the procedures set forth in Section 6(a)(i) below) or (ii) any Holder notifies the Company prior to the 20th Business Day following Consummation of the Exchange Offer that (A) such Holder is prohibited by law or Commission policy from participating in the Exchange Offer, (B) such Holder may not resell the Exchange Notes acquired by it in the Exchange Offer to the public without delivering a prospectus and the Prospectus contained in the Exchange Offer Registration Statement is not appropriate or available for such resales by such Holder or (C) such Holder is a Broker-Dealer and holds Initial Notes acquired directly from the Company or any of its Affiliates, then the Company and the Guarantors shall:

(x) use all commercially reasonable efforts to file, on or prior to the later of (i) 30 days after the earlier of (A) the date as of which the Company determines that the Exchange Offer Registration Statement will not be or cannot be, as the case may be, filed as a result of clause (a)(i) above and (B) the date on which the Company receives the notice specified in clause (a)(ii) above and (ii) 180 days after the initial issuance of the Initial Notes (such later date, the "***Shelf Filing Deadline***"), a shelf registration statement pursuant to Rule 415 under the Act (which may be an amendment to the Exchange Offer Registration Statement (the "***Shelf Registration Statement***")), covering the resale of all Transfer Restricted Securities, and

(y) use all commercially reasonable efforts to cause such Shelf Registration Statement to become effective on or prior to the later of (i) 60 days after the Shelf Filing Deadline and (ii) 270 days after the initial issuance of the Initial Notes (such later date, the "***Shelf Effectiveness Deadline***").

If, after the Company and the Guarantors have filed an Exchange Offer Registration Statement that satisfies the requirements of Section 3(a) above, the Company and the Guarantors are required to file and make effective a Shelf Registration Statement solely because the Exchange Offer is not permitted under applicable federal law (i.e., clause (a)(i)(B) above), then the filing of the Exchange Offer Registration Statement shall be deemed to satisfy the requirements of clause (x) above; *provided* that, in such event, the Company and the Guarantors shall remain obligated to meet the Shelf Effectiveness Deadline set forth in clause (y).

To the extent necessary to ensure that the Shelf Registration Statement is available for sales of Transfer Restricted Securities by the Holders thereof entitled to the benefit of this Section 4(a) and the other securities required to be registered therein pursuant to Section 6(b)(ii) hereof, the Company and the Guarantors shall use all commercially reasonable efforts to keep any Shelf Registration Statement required by this Section 4(a) continuously effective, supplemented, amended and current as required by and subject to the provisions of Sections 6(b) and 6(c) hereof and in conformity with the requirements of this Agreement, the Act and the policies, rules and regulations of the Commission as announced from time to time, for a period of at least one year (as extended pursuant to Section 6(c)(i) or 6(d)) following the Closing Date, or such shorter period as will terminate when all Transfer Restricted Securities covered by such Shelf Registration Statement have been sold pursuant thereto or are no longer Transfer Restricted Securities.

(b) Provision by Holders of Certain Information in Connection with the Shelf Registration Statement No Holder may include any of its Transfer Restricted Securities in any Shelf Registration Statement pursuant to this Agreement unless and until such Holder furnishes to the Company in writing, within 15 days after receipt of a request therefor, the information specified in Item 507 or 508 of Regulation S-K, as applicable, of the Act, or other information reasonably requested by the Company or required by Regulation S-K of the Act, for use in connection with any Shelf Registration Statement or Prospectus or preliminary Prospectus included therein. No Holder shall be entitled to Special Interest pursuant to Section 5 hereof unless and until (and from and after such time) such Holder shall have provided all such information. Each selling Holder agrees to promptly furnish additional information required to be disclosed in order to make the information previously furnished to the Company by such Holder not materially misleading and shall promptly supply such other information as the Company may from time to time reasonably request.

SECTION 5. SPECIAL INTEREST

If (i) any Registration Statement required by this Agreement is not filed with the Commission on or prior to the applicable Filing Deadline, (ii) any such Registration Statement has not been declared effective by the Commission on or prior to the applicable Effectiveness Deadline, (iii) the Exchange Offer has not been Consummated on or prior to 30 Business Days after the Effectiveness Deadline with respect to the Exchange Offer Registration Statement, or (iv) any Registration Statement required by this Agreement is filed and declared effective but shall thereafter cease to be effective or fail to be usable for its intended purpose (each such event referred to in clauses (i) through (iv), a "***Registration Default***"), then the Company and the Guarantors hereby jointly and severally agree to pay to each Holder affected thereby special interest ("***Special Interest***") in an amount equal to 0.25% per annum of the principal amount of Transfer Restricted Securities held by such Holder for each week or portion thereof that the Registration Default continues for the first 90-day period immediately following the occurrence of the first such Registration Default. The amount of Special Interest shall increase by an additional 0.25% per annum of the principal amount of Transfer Restricted Securities with respect to each subsequent 90-day period until all Registration Defaults have been cured, up to a

maximum amount of Special Interest of 0.50% per annum of the principal amount of Transfer Restricted Securities; *provided* that the Company and the Guarantors shall in no event be required to pay Special Interest for more than one Registration Default at any given time. Notwithstanding anything to the contrary set forth herein, (1) upon filing of the Exchange Offer Registration Statement (and/or, if applicable, the Shelf Registration Statement), in the case of clause (i) above, (2) upon the effectiveness of the Exchange Offer Registration Statement (and/or, if applicable, the Shelf Registration Statement), in the case of clause (ii) above, (3) upon Consummation of the Exchange Offer, in the case of clause (iii) above, or (4) upon the filing of a post-effective amendment to the Registration Statement or an additional Registration Statement that causes the Exchange Offer Registration Statement (and/or, if applicable, the Shelf Registration Statement) to again be declared effective or made usable in the case of clause (iv) above, the Special Interest payable with respect to the Transfer Restricted Securities as a result of such clause (i), (ii), (iii), or (iv), as applicable, shall cease on the date of such cure and the interest rate on such Transfer Restricted Securities will revert to the interest rate on such Transfer Restricted Securities prior to the applicable Registration Default.

All accrued Special Interest shall be paid by the Company and the Guarantors (or the Company and the Guarantors will cause the Paying Agent to make such payment on their behalf) to the Holders entitled thereto, in the manner provided for the payment of interest in the Indenture, on each Interest Payment Date, as more fully set forth in the Indenture, the Initial Notes and the Exchange Notes. Notwithstanding the fact that any securities for which Special Interest are due cease to be Transfer Restricted Securities, all obligations of the Company and the Guarantors to pay Special Interest with respect to securities that accrued prior to the time that such securities ceased to be Transfer Restricted Securities shall survive until such time as such obligations with respect to such securities shall have been satisfied in full.

SECTION 6. REGISTRATION PROCEDURES

(a) Exchange Offer Registration Statement. In connection with the Exchange Offer, the Company and the Guarantors shall (x) comply with all applicable provisions of Section 6(c) below, (y) use all commercially reasonable efforts to effect such exchange and to permit the resale of Exchange Notes by Broker-Dealers that tendered in the Exchange Offer Initial Notes that such Broker-Dealer acquired for its own account as a result of its market-making activities or other trading activities (other than Initial Notes acquired directly from the Company or any of its Affiliates) being sold in accordance with the intended method or methods of distribution thereof, and (z) comply with all of the following provisions:

(i) If, following the date hereof there has been announced a change in Commission policy with respect to exchange offers such as the Exchange Offer, that in the reasonable opinion of counsel to the Company raises a substantial question as to whether the Exchange Offer is permitted by applicable federal law, the Company and the Guarantors hereby agree to use all commercially reasonable efforts to either (x) seek a no-action letter or other favorable decision from the Commission allowing the Company and the Guarantors to Consummate an Exchange Offer for such Transfer Restricted Securities, or (y) file, in accordance with Section 4(a) hereof, a Shelf Registration Statement to permit the registration and/or resale of the Transfer Restricted Securities that would otherwise be covered by the Exchange Offer Registration Statement but for the

announcement of a change in Commission policy. In the case of clause (x) above, the Company and the Guarantors hereby agree to pursue the issuance of such a decision to the Commission staff level but shall not be required to take action not commercially reasonable to affect a change of Commission policy. In connection with the foregoing, the Company and the Guarantors hereby agree to take all such other actions as may be requested by the Commission or otherwise reasonably required in connection with the issuance of such decision, including without limitation (A) participating in telephonic conferences with the Commission, (B) delivering to the Commission staff an analysis prepared by counsel to the Company setting forth the legal bases, if any, upon which such counsel has concluded that such an Exchange Offer should be permitted, and (C) diligently pursuing a resolution (which need not be favorable and which need not be a written resolution) by the Commission staff.

(ii) As a condition to its participation in the Exchange Offer, each Holder (including, without limitation, any Holder who is a Broker-Dealer) shall furnish, upon the request of the Company, prior to the Consummation of the Exchange Offer, a written representation to the Company and the Guarantors (which may be contained in the letter of transmittal contemplated by the Exchange Offer Registration Statement) to the effect that (A) it is not an Affiliate of the Company, (B) it is not engaged in, and does not intend to engage in, and has no arrangement or understanding with any Person to participate in, a distribution of the Exchange Notes to be issued in the Exchange Offer, (C) it is acquiring the Exchange Notes in its ordinary course of business, and (D) only if such Holder is a Broker-Dealer that will receive Exchange Notes in exchange for Initial Notes that such Broker-Dealer acquired for its own private account as a result of market making or other trading activities, it will deliver a Prospectus, as required by law, in connection with any sale of such Exchange Notes. As a condition to its participation in the Exchange Offer, each Holder using the Exchange Offer to participate in a distribution of the Exchange Notes shall acknowledge and agree that, if the resales are of Exchange Notes obtained by such Holder in exchange for Initial Notes acquired directly from the Company or an Affiliate thereof, it (1) could not, under Commission policy as in effect on the date of this Agreement, rely on the position of the Commission enunciated in Morgan Stanley and Co., Inc. (available June 5, 1991) and Exxon Capital Holdings Corporation (available May 13, 1988), as interpreted in the Commission's letter to Shearman & Sterling dated July 2, 1993, and similar no-action letters (including, if applicable, any no-action letter obtained pursuant to clause (i) above), and (2) must comply with the registration and prospectus delivery requirements of the Act in connection with a secondary resale transaction and that such a secondary resale transaction must be covered by an effective registration statement containing the selling security holder information required by Item 507 or 508, as applicable, of Regulation S-K.

(iii) Prior to effectiveness of the Exchange Offer Registration Statement, the Company and the Guarantors shall provide a supplemental letter to the Commission (A) stating that the Company and the Guarantors are registering the Exchange Offer in reliance on the position of the Commission enunciated in Exxon Capital Holdings Corporation (available May 13, 1988), Morgan Stanley and Co., Inc. (available June 5, 1991) as interpreted in the Commission's letter toShearman & Sterling dated July 2, 1993,

and, if applicable, any no-action letter obtained pursuant to clause (i) above, (B) including a representation that the Company and Guarantors have not entered into any arrangement or understanding with any Person to distribute the Exchange Notes to be received in the Exchange Offer and that, to the Company's and each Guarantor's information and belief, each Holder participating in the Exchange Offer is acquiring the Exchange Notes in its ordinary course of business and has no arrangement or understanding with any Person to participate in the distribution of the Exchange Notes received in the Exchange Offer, and (C) any other undertaking or representation required by the Commission as set forth in any no-action letter obtained pursuant to clause (i) above, if applicable.

(b) Shelf Registration Statement. In connection with the Shelf Registration Statement, the Company and the Guarantors shall:

(i) comply with all the provisions of Section 6(c) below and use all commercially reasonable efforts to effect such registration to permit the sale of the Transfer Restricted Securities being sold in accordance with the intended method or methods of distribution thereof (as indicated in the information furnished to the Company pursuant to Section 4(b) hereof), and pursuant thereto the Company and the Guarantors will prepare and file with the Commission a Registration Statement relating to the registration on any appropriate form under the Act, which form shall be available for the sale of the Transfer Restricted Securities in accordance with the intended method or methods of distribution thereof within the time periods and otherwise in accordance with the provisions hereof, and

(ii) issue to any Holder or purchaser of Initial Notes covered by any Shelf Registration Statement contemplated by this Agreement, upon the request of the Holder or purchaser, registered Initial Notes having an aggregate principal amount equal to the aggregate principal amount of Initial Notes sold pursuant to the Shelf Registration Statement and surrendered to the Company for cancellation in the names as such Holder or purchaser shall designate; *provided* that such Holder or purchaser provides all documentation reasonably requested by the Company in connection with such issuance.

(c) General Provisions. In connection with any Registration Statement and any related Prospectus required by this Agreement, the Company and the Guarantors shall:

(i) use all commercially reasonable efforts to keep such Registration Statement continuously effective and provide all requisite financial statements for the period specified in Section 3 or 4 of this Agreement, as applicable. Upon the occurrence of any event that would cause any such Registration Statement or the Prospectus contained therein (A) to contain an untrue statement of material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein not misleading, or (B) not to be effective and usable for resale of Transfer Restricted Securities during the period required by this Agreement, the Company and the Guarantors shall file as promptly as practicable an appropriate amendment to such Registration Statement curing such defect, and, if Commission review is required, use all commercially reasonable efforts to cause such amendment to be declared effective as soon as practicable.

(ii) use all commercially reasonable efforts to prepare and file with the Commission such amendments and post-effective amendments to the applicable Registration Statement as may be necessary to keep such Registration Statement effective for the applicable period set forth in Section 3 or 4 hereof, as the case may be; cause the Prospectus to be supplemented by any required Prospectus supplement, and as so supplemented to be filed pursuant to Rule 424 under the Act, and to comply fully with Rules 424, 430A, and 462, as applicable, under the Act in a timely manner; and comply with the provisions of the Act with respect to the disposition of all securities covered by such Registration Statement during the applicable period in accordance with the intended method or methods of distribution by the sellers thereof set forth in such Registration Statement or supplement to the Prospectus;

(iii) advise (a) each Holder whose Transfer Restricted Securities have been included in a Shelf Registration Statement (in the case of a Shelf Registration Statement), and (b) each Holder who has provided notice to the Company promptly and, if requested by such Holder, confirm such advice in writing, (A) when the Prospectus or any Prospectus supplement or post-effective amendment has been filed, and, with respect to any applicable Registration Statement or any post-effective amendment thereto, when the same has become effective, (B) of any request by the Commission for amendments to the Registration Statement or amendments or supplements to the Prospectus or for additional information relating thereto, (C) of the issuance by the Commission of any stop order suspending the effectiveness of the Registration Statement under the Act or of the suspension by any state securities commission of the qualification of the Transfer Restricted Securities for offering or sale in any jurisdiction, or the initiation of any proceeding for any of the preceding purposes, and (D) of the happening of any event that requires the Company to make changes in the Registration Statement or the Prospectus in order that the Registration Statement or the Prospectus, any amendment or supplement thereto or any document incorporated by reference therein do not contain an untrue statement of material fact nor omit to state a material fact required to be stated therein or necessary to make the statements therein (in the case of the Prospectus, in light of the circumstances under which they were made) not misleading. If at any time the Commission shall issue any stop order suspending the effectiveness of the Registration Statement, or any state securities commission or other regulatory authority shall issue an order suspending the qualification or exemption from qualification of the Transfer Restricted Securities under state securities or Blue Sky laws, the Company and the Guarantors shall use all commercially reasonable efforts to obtain the withdrawal or lifting of such order at the earliest possible time;

(iv) subject to Section 6(d), if any fact or event contemplated by Section 6(c)(iii)(D) above shall exist or have occurred, prepare a supplement or post-effective amendment to the Registration Statement or related Prospectus or any document incorporated therein by reference or file any other required document so that, as thereafter delivered to the purchasers of Transfer Restricted Securities, the Prospectus will not contain an untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(v) furnish to each Holder whose Transfer Restricted Securities have been included in a Shelf Registration Statement (in the case of a Shelf Registration Statement) in connection with such exchange, registration or sale, if any, before filing with the Commission, copies of any Registration Statement or any Prospectus included therein or any amendments or supplements to any such Registration Statement or Prospectus (including all documents incorporated by reference after the initial filing of such Registration Statement), which documents will be subject to the reasonable review and comment of such Holders in connection with such sale, if any, for a period of at least three Business Days, and the Company will not file any such Registration Statement or Prospectus or any amendment or supplement to any such Registration Statement or Prospectus (including all such documents incorporated by reference) to which such Holders shall reasonably object within three Business Days after the receipt thereof. A Holder shall be deemed to have reasonably objected to such filing if such Registration Statement, amendment, Prospectus or supplement, as applicable, as proposed to be filed, contains an untrue statement of a material fact or omits to state any material fact necessary to make the statements therein not misleading or fails to comply with the applicable requirements of the Act;

(vi) promptly prior to the filing of any document that is to be incorporated by reference into a Registration Statement or Prospectus in connection with such exchange, registration or sale, if any, provide copies of such document to each Holder whose Transfer Restricted Securities have been included in a Shelf Registration Statement (in the case of a Shelf Registration Statement) in connection with such exchange, registration or sale, if any, make the Company's and the Guarantors' representatives available for discussion of such document and other customary due diligence matters, subject to execution and delivery of customary confidentiality agreements, and include such information in such document prior to the filing thereof as such Holders may reasonably request;

(vii) make available, at reasonable times, for inspection by each Holder whose Transfer Restricted Securities have been included in a Shelf Registration Statement (in the case of a Shelf Registration Statement) and any attorney or accountant retained by such Holders, all financial and other records, pertinent corporate documents of the Company and the Guarantors reasonably requested and cause the Company's and the Guarantors' officers, directors and employees to supply all information reasonably requested by any such Holder, attorney or accountant in connection with such Registration Statement or any post-effective amendment thereto subsequent to the filing thereof and prior to its effectiveness; *provided* that any Holder or representative thereof requesting or receiving such information shall agree to be bound by customary confidentiality agreements and procedures with respect thereto;

(viii) if requested by any Holders whose Transfer Restricted Securities have been included in a Shelf Registration Statement (in the case of a Shelf Registration Statement) in connection with such exchange, registration or sale, promptly include in

any Registration Statement or Prospectus, pursuant to a supplement or post-effective amendment if necessary, such information as such Holders may reasonably request to have included therein, including, without limitation, information relating to the "Plan of Distribution" of the Transfer Restricted Securities and the use of the Registration Statement or Prospectus for market making activities; and make all required filings of such Prospectus supplement or post-effective amendment as soon as practicable after the Company is notified of the matters to be included in such Prospectus supplement or post-effective amendment;

(ix) upon request, furnish to each Holder whose Transfer Restricted Securities have been included in a Shelf Registration Statement (in the case of a Shelf Registration Statement) in connection with such exchange, registration or sale, without charge, at least one copy of the Registration Statement, as first filed with the Commission, and of each amendment thereto, including all documents incorporated by reference therein and all exhibits (including exhibits incorporated therein by reference);

(x) upon request, deliver to each Holder whose Transfer Restricted Securities have been included in a Shelf Registration Statement (in the case of a Shelf Registration Statement) without charge, as many copies of the Prospectus (including each preliminary prospectus) and any amendment or supplement thereto as such Holders reasonably may request; the Company and the Guarantors hereby consent to the use (in accordance with law and subject to Section 6(d) hereof) of the Prospectus and any amendment or supplement thereto by each selling Holder in connection with the offering and the sale of the Transfer Restricted Securities covered by the Prospectus or any amendment or supplement thereto;

(xi) upon the reasonable request of such Holder, enter into such agreements (including an underwriting agreement containing customary terms), and make such representations and warranties, and take all such other reasonable and customary actions in connection therewith in order to expedite or facilitate the disposition of the Transfer Restricted Securities pursuant to a Shelf Registration Statement contemplated by this Agreement, all to such extent as may be customarily and reasonably requested by any Holder or Holders of Transfer Restricted Securities who hold at least 50% in aggregate principal amount of such class of Transfer Restricted Securities; *provided*, that, the Company and the Guarantors shall not be required to enter into any such agreement more than once with respect to all of the Transfer Restricted Securities and may delay entering into such agreement if the Board of Directors of the Company determines in good faith that it is in the best interests of the Company and the Guarantors not to disclose the existence of or facts surrounding any proposed or pending material corporate transaction involving the Company and the Guarantors. In such connection, the Company and the Guarantors shall:

(A) upon the request of any Holder, furnish (or in the case of paragraphs (2) and (3), use its commercially reasonable efforts to cause to be furnished) to each such Holder (in the case of the Shelf Registration Statement) and any underwriter, upon the effectiveness of the Shelf Registration Statement, as the case may be:

(1) a certificate in customary form, dated such date, signed on behalf of the Company and each Guarantor by (x) the Chief Executive Officer or any Vice President, and (y) a principal financial or accounting officer of the Company and such Guarantor, confirming, as of the date thereof, such matters as such Holders may reasonably request;

(2) a customary opinion (including a customary negative assurance statement), dated the date of effectiveness of the Shelf Registration Statement, as the case may be, of counsel for the Company and the Guarantors in customary form and covering such other matters as such Holder may reasonably request; and

(3) a customary comfort letter, dated the date of effectiveness of the Shelf Registration Statement, as the case may be, from the Company's independent accountants, in the customary form and covering matters of the type customarily covered in comfort letters to underwriters in connection with underwritten offerings, and affirming the matters set forth in the comfort letters delivered pursuant to Section 8(e) of the Purchase Agreement; and

(B) deliver such other documents and certificates as may be reasonably requested by the selling Holders to evidence compliance with the matters covered in clause (A) above and with any customary conditions contained in any agreement entered into by the Company and the Guarantors pursuant to this clause (xi);

(xii) prior to any public offering of Transfer Restricted Securities, cooperate with the selling Holders and their counsel in connection with the registration and qualification of the Transfer Restricted Securities under the securities or Blue Sky laws of such jurisdictions as the selling Holders may request and do any and all other acts or things necessary or advisable to enable the disposition in such jurisdictions of the Transfer Restricted Securities covered by the applicable Registration Statement; *provided, however,* that the Company and the Guarantors shall not be required to register or qualify as a foreign corporation where it is not now so qualified or to take any action that would subject it to the service of process in suits or to taxation in any jurisdiction where it is not now so subject;

(xiii) in connection with any sale of Transfer Restricted Securities that will result in such securities no longer being Transfer Restricted Securities, cooperate with the Holders to facilitate the timely preparation and delivery of certificates representing Transfer Restricted Securities to be sold and not bearing any restrictive legends; and to enable such Transfer Restricted Securities to be registered in such denominations and such names as the selling Holders may request at least two Business Days prior to such sale of Transfer Restricted Securities;

(xiv) use all commercially reasonable efforts to cause the disposition of the Transfer Restricted Securities covered by the Registration Statement to be registered with or approved by such other governmental agencies or authorities as may be necessary to enable the seller or sellers thereof to consummate the disposition of such Transfer Restricted Securities, subject to the proviso contained in clause (xii) above;

(xv) provide a CUSIP number for all Transfer Restricted Securities not later than the effective date of a Registration Statement covering such Transfer Restricted Securities and provide the Trustee under the Indenture with certificates for the Transfer Restricted Securities which are in a form eligible for deposit with the Depository Trust Company;

(xvi) otherwise use all commercially reasonable efforts to comply with all applicable rules and regulations of the Commission, and make generally available to its security holders with regard to any applicable Registration Statement, as soon as practicable, a consolidated earnings statement meeting the requirements of Rule 158 under the Act (which need not be audited) covering a twelve-month period beginning after the effective date of the Registration Statement (as such term is defined in paragraph (c) of Rule 158 under the Act); and

(xvii) cause the Indenture to be qualified under the TIA not later than the effective date of the first Registration Statement required by this Agreement and, in connection therewith, cooperate with the Trustee and the Holders to effect such changes to the Indenture as may be required for such Indenture to be so qualified in accordance with the terms of the TIA; and execute and use its commercially reasonable efforts to cause the Trustee to execute, all documents that may be required to effect such changes and all other forms and documents required to be filed with the Commission to enable such Indenture to be so qualified in a timely manner.

(d) Restrictions on Holders. Each Holder agrees by acquisition of a Transfer Restricted Security that, upon receipt of the notice referred to in Section 6(c)(i) or 6(c)(iii)(C) or any notice from the Company of the existence of any fact of the kind described in Section 6(c)(iii)(D) hereof (in each case, a "***Suspension Notice***"), such Holder will forthwith discontinue disposition of Transfer Restricted Securities pursuant to the applicable Registration Statement until (i) such Holder has received copies of the supplemented or amended Prospectus contemplated by Section 6(c)(iv) hereof, or (ii) such Holder is advised in writing by the Company that the use of the Prospectus may be resumed, and has received copies of any additional or supplemental filings that are incorporated by reference in the Prospectus (in each case, the "***Recommencement Date***"). Each Holder receiving a Suspension Notice hereby agrees that it will either (i) destroy any Prospectuses, other than permanent file copies, then in such Holder's possession which have been replaced by the Company with more recently dated Prospectuses, or (ii) deliver to the Company (at the Company's expense) all copies, other than permanent file copies, then in such Holder's possession of the Prospectus covering such Transfer Restricted Securities that was current at the time of receipt of the Suspension Notice. The time period regarding the effectiveness of such Registration Statement set forth in Section 3 or 4 hereof, as applicable, shall be extended by a number of days equal to the number of days in the period from and including the date of delivery of the Suspension Notice to the Recommencement Date.

SECTION 7. REGISTRATION EXPENSES

All expenses incident to the Company's and the Guarantors' performance of or compliance with this Agreement will be borne by the Company and the Guarantors, regardless of whether a Registration Statement becomes effective, including without limitation: (i) all registration and filing fees and expenses; (ii) all fees and expenses of compliance with federal securities and state Blue Sky or securities laws; (iii) all expenses of printing (including printing certificates for the Exchange Notes to be issued in the Exchange Offer and printing of Prospectuses), messenger and delivery services and telephone; (iv) the reasonable fees and disbursements of counsel for the Company and the Guarantors, and, in the case of a Shelf Registration Statement, the reasonable and documented fees and disbursements of one counsel for all of the Holders of Transfer Restricted Securities selected by the Holders of a majority in principal amount of Transfer Restricted Securities being registered; (v) all application and filing fees in connection with listing the Exchange Notes on a national securities exchange or automated quotation system pursuant to the requirements hereof; and (vi) all fees and disbursements of independent certified public accountants of the Company and the Guarantors (including the expenses of any special audit and comfort letters required by or incident to such performance); *provided, however,* that in no event shall the Company or the Guarantors be responsible for any underwriting discounts and commissions, brokerage commissions and transfer taxes, and fees attributable to the sale or other disposition of Transfer Restricted Securities.

The Company will, in any event, bear its and the Guarantors' internal expenses (including, without limitation, all salaries and expenses of its officers and employees performing legal or accounting duties), the expenses of any annual audit and the fees and expenses of any Person, including special experts, retained by the Company or the Guarantors.

SECTION 8. INDEMNIFICATION

(a) The Company and the Guarantors agree, jointly and severally, to indemnify and hold harmless each Holder, its directors, officers and each Person, if any, who controls such Holder (within the meaning of Section 15 of the Act or Section 20 of the Exchange Act), from and against any and all losses, claims, damages, liabilities or judgments, (including without limitation, any legal or other expenses incurred in connection with investigating or defending any matter, including any action that could give rise to any such losses, claims, damages, liabilities or judgments) caused by any untrue statement or alleged untrue statement of a material fact contained in any Registration Statement, preliminary prospectus or Prospectus, Free Writing Prospectus or any "issuer information" (as defined in Rule 433 of the Act) filed or required to be filed pursuant to Rule 433(d) under the Act or in any amendment or supplement thereto, or caused by any omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, except insofar as such losses, claims, damages, liabilities or judgments are caused by an untrue statement or omission or alleged untrue statement or omission that is based upon information relating to any of the Holders furnished in writing to the Company by or on behalf of any of the Holders.

(b) Each Holder agrees, severally and not jointly, to indemnify and hold harmless the Company and the Guarantors, and their respective directors and officers, and each Person, if any, who controls (within the meaning of Section 15 of the Act or Section 20 of the Exchange Act) the Company, or the Guarantors to the same extent as the foregoing indemnity from the Company and the Guarantors set forth in section (a) above, but only with reference to information relating to such Holder furnished in writing to the Company and the Guarantors by or on behalf of such Holder expressly for use in any Registration Statement. In no event shall any Holder, its directors, officers or any Person who controls such Holder be liable or responsible for any amount in excess of the amount by which the total amount received by such Holder with respect to its sale of Transfer Restricted Securities pursuant to a Registration Statement exceeds the sum of: (i) the amount paid by such Holder for such Transfer Restricted Securities plus (ii) the amount of any damages that such Holder, its directors, officers or any Person who controls such Holder has otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission.

(c) In case any action shall be commenced involving any Person in respect of which indemnity may be sought pursuant to Section 8(a) or 8(b) (the "***Indemnified party***"), the indemnified party shall promptly notify the Person against whom such indemnity may be sought (the "***Indemnifying party***") in writing and the indemnifying party shall assume the defense of such action, including the employment of counsel reasonably satisfactory to the indemnified party and the payment of all reasonable fees and expenses of such counsel, as incurred (except that in the case of any action in respect of which indemnity may be sought pursuant to both Sections 8(a) and 8(b), a Holder shall not be required to assume the defense of such action pursuant to this Section 8(c), but may employ separate counsel and participate in the defense thereof, but the fees and expenses of such counsel, except as provided below, shall be at the expense of the Holder). Any indemnified party shall have the right to employ separate counsel in any such action and participate in the defense thereof, but the reasonable fees and expenses of such counsel shall be at the expense of the indemnified party unless (i) the employment of such counsel has been specifically authorized in writing by the indemnifying party, (ii) the indemnifying party has failed to assume the defense of such action or employ counsel reasonably satisfactory to the indemnified party, or (iii) the named parties to any such action (including any impleaded parties) include both the indemnified party and the indemnifying party, and the indemnified party has been advised by such counsel that there may be one or more legal defenses available to it which are different from or additional to those available to the indemnifying party (in which case the indemnifying party shall not have the right to assume the defense of such action on behalf of the indemnified party). In any such case, the indemnifying party shall not, in connection with any one action or separate but substantially similar or related actions in the same jurisdiction arising out of the same general allegations or circumstances, be liable for the reasonable fees and expenses of more than one separate firm of attorneys (in addition to any local counsel) for all indemnified parties and all such fees and expenses shall be reimbursed as they are incurred. Such firm shall be designated in writing by a majority of the Holders, in the case of the parties indemnified pursuant to Section 8(a), and by the Company and Guarantors, in the case of parties indemnified pursuant to Section 8(b). The indemnifying party shall indemnify and hold harmless the indemnified party from and against any and all losses, claims, damages,

liabilities and judgments by reason of any settlement of any action effected with its written consent (which consent shall not be unreasonably withheld). No indemnifying party shall, without the prior written consent of the indemnified party (which consent shall not be unreasonably withheld), effect any settlement or compromise of, or consent to the entry of judgment with respect to, any pending or threatened claim, action, suit or proceeding in respect of which the indemnified party is or could have been a party and indemnity or contribution may be or could have been sought hereunder by the indemnified party, unless such settlement, compromise or judgment (i) includes an unconditional release of the indemnified party from all liability on claims that are or could have been the subject matter of such claim, action, suit or proceeding and (ii) does not include a statement as to or an admission of fault, culpability or a failure to act, by or on behalf of the indemnified party.

(d) To the extent that the indemnification provided for in this Section 8 is unavailable to an indemnified party in respect of any losses, claims, damages, liabilities or judgments referred to therein, then each indemnifying party, in lieu of indemnifying such indemnified party, shall contribute to the amount paid or payable by such indemnified party as a result of such losses, claims, damages, liabilities or judgments (i) in such proportion as is appropriate to reflect the relative benefits received by the Company and the Guarantors, on the one hand, and the Holders, on the other hand, from their sale of Transfer Restricted Securities, or (ii) if the allocation provided by clause 8(d)(i) above is not permitted by applicable law, in such proportion as is appropriate to reflect not only the relative benefits referred to in clause 8(d)(i) above but also the relative fault of the Company and the Guarantors, on the one hand, and of the Holder, on the other hand, in connection with the statements or omissions which resulted in such losses, claims, damages, liabilities or judgments, as well as any other relevant equitable considerations. The relative fault of the Company and the Guarantors, on the one hand, and of the Holder, on the other hand, shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or omission or alleged omission to state a material fact relates to information supplied by the Company or such Guarantor, on the one hand, or by the Holder, on the other hand, and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission. The amount paid or payable by a party as a result of the losses, claims, damages, liabilities and judgments referred to above shall be deemed to include, subject to the limitations set forth in Section 8(c) hereof, any legal or other fees or expenses reasonably incurred by such party in connection with investigating or defending any action or claim.

(e) The Company, the Guarantors and each Holder agree that it would not be just and equitable if contribution pursuant to this Section 8(d) were determined by pro rata allocation (even if the Holders were treated as one entity for such purpose) or by any other method of allocation that does not take account of the equitable considerations referred to in the immediately preceding paragraph. The amount paid or payable by an indemnified party as a result of the losses, claims, damages, liabilities or judgments referred to in the immediately preceding paragraph shall be deemed to include, subject to the limitations set forth above, any legal or other expenses reasonably incurred by such indemnified party in connection with investigating or defending any matter, including any action that could have given rise to such losses, claims, damages, liabilities or judgments. Notwithstanding the provisions of this Section 8, no Holder, its directors, its officers or any Person, if any, who controls such Holder shall be required to contribute, in the aggregate, any amount in excess of the amount by which the total

amount received by such Holder with respect to the sale of Transfer Restricted Securities pursuant to a Registration Statement exceeds the sum of: (i) the amount paid by such Holder for such Transfer Restricted Securities plus (ii) the amount of any damages that such Holder has otherwise paid or become liable to pay by reason of any untrue or alleged untrue statement or omission or alleged omission. No Person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Act) shall be entitled to contribution from any Person who was not guilty of such fraudulent misrepresentation. The Holders' obligations to contribute pursuant to this Section 8(d) are several in proportion to the respective principal amount of Transfer Restricted Securities held by each Holder hereunder and not joint.

SECTION 9. RULE 144A AND RULE 144

The Company and each Guarantor agrees with each Holder, for so long as any Transfer Restricted Securities remain outstanding and during any period in which the Company or such Guarantor is not subject to Section 13 or 15(d) of the Exchange Act, to make available, upon request of any Holder, to such Holder or beneficial owner of Transfer Restricted Securities in connection with any sale thereof and any prospective purchaser of such Transfer Restricted Securities designated by such Holder or beneficial owner, the information required by Rule 144A(d)(4) under the Act in order to permit resales of such Transfer Restricted Securities pursuant to Rule 144A under the Act.

SECTION 10. MISCELLANEOUS

(a) Remedies. The Company and the Guarantors acknowledge and agree that any failure by the Company and/or the Guarantors to comply with their respective obligations under Sections 3 and 4 hereof may result in material irreparable injury to the Initial Purchasers or the Holders for which there is no adequate remedy at law, that it will not be possible to measure damages for such injuries precisely and that, in the event of any such failure, the Initial Purchasers or any Holder may obtain such relief as may be required to specifically enforce the Company's and the Guarantors' obligations under Sections 3 and 4 hereof. The Company and the Guarantors further agree to waive the defense in any action for specific performance that a remedy at law would be adequate.

(b) Free Writing Prospectus. The Company represents, warrants and covenants that it (including its agents and representatives) will not prepare, make, use, authorize, approve or refer to any "written communication" (as defined in Rule 405 under the Securities Act) in connection with the issuance and sale of the Initial Notes and the Exchange Notes, other than (i) any communication pursuant to Rule 134, Rule 135 or Rule 135c under the Securities Act, (ii) any document constituting an offer to sell or solicitation of an offer to buy the Initial Notes or the Exchange Notes that falls within the exception from the definition of prospectus in Section 2(a)(10)(a) of the Securities Act, or (iii) a prospectus satisfying the requirements of section 10(a) of the Securities Act or of Rule 430, Rule 430A, Rule 430B, Rule 430C or Rule 431 under the Securities Act.

(c) No Inconsistent Agreements. The Company and any Guarantor will not, on or after the date of this Agreement, enter into any agreement with respect to its securities that is inconsistent with the rights granted to the Holders in this Agreement or otherwise conflicts with

the provisions hereof. The Company and any Guarantor have not previously entered into, nor is currently a party to, any agreement granting any registration rights with respect to its securities to any Person that would require such securities to be included in any Registration Statement filed hereunder. The rights granted to the Holders hereunder do not in any way conflict with and are not inconsistent with the rights granted to the holders of the Company's and the Guarantors' securities under any agreement in effect on the date hereof.

(d) Amendments and Waivers. The provisions of this Agreement may not be amended, modified or supplemented, and waivers or consents to or departures from the provisions hereof may not be given unless (i) in the case of Section 5 hereof and this Section 10(d)(i), the Company has obtained the written consent of Holders of all outstanding Transfer Restricted Securities, and (ii) in the case of all other provisions hereof, the Company has obtained the written consent of Holders of a majority of the outstanding principal amount of Transfer Restricted Securities (excluding Transfer Restricted Securities held by the Company or its Affiliates). Notwithstanding the foregoing, a waiver or consent to departure from the provisions hereof that relates exclusively to the rights of Holders whose Transfer Restricted Securities are being tendered pursuant to the Exchange Offer, and that does not affect directly or indirectly the rights of other Holders whose Transfer Restricted Securities are not being tendered pursuant to such Exchange Offer, may be given by the Holders of a majority of the outstanding principal amount of Transfer Restricted Securities subject to such Exchange Offer.

(e) Additional Guarantors. The Company shall cause any of its Restricted Subsidiaries (as defined in the Indenture) that becomes, prior to the consummation of the Exchange Offer, a Guarantor in accordance with the terms and provisions of the Indenture to become a party to this Agreement as a Guarantor.

(f) Third Party Beneficiary. The Holders shall be third party beneficiaries to the agreements made hereunder between the Company and the Guarantors, on the one hand, and the Initial Purchasers, on the other hand, and shall have the right to enforce such agreements directly to the extent they may deem such enforcement necessary or advisable to protect its rights or the rights of Holders hereunder.

(g) Notices. All notices and other communications provided for or permitted hereunder shall be made in writing by hand-delivery, first-class mail (registered or certified, return receipt requested), telex, telecopier or air courier guaranteeing overnight delivery:

(i) if to a Holder, at the address set forth on the records of the Registrar under the Indenture, with a copy to the Registrar under the Indenture; and

(ii) if to the Company or the Guarantors:

The Hillman Group
10590 Hamilton Avenue
Cincinnati, Ohio 45231
Attention: Chief Financial Officer
Fax: 513-595-8297

With a copy to:

Paul, Weiss, Rifkind, Wharton & Garrison LLP
1285 Avenue of the Americas
New York, New York 10019
Attention: John C. Kennedy
Fax: 212-492-0025

All such notices and communications shall be deemed to have been duly given: at the time delivered by hand, if personally delivered; five Business Days after being deposited in the mail, postage prepaid, if mailed; when receipt acknowledged, if telecopied; and on the next Business Day, if timely delivered to an air courier guaranteeing overnight delivery.

Copies of all such notices, demands or other communications shall be concurrently delivered by the Person giving the same to the Trustee at the address specified in the Indenture.

(h) Successors and Assigns. This Agreement shall inure to the benefit of and be binding upon the successors and assigns of each of the parties, including without limitation and without the need for an express assignment, subsequent Holders; *provided* that nothing herein shall be deemed to permit any assignment, transfer or other disposition of Transfer Restricted Securities in violation of the terms hereof or of the Purchase Agreement or the Indenture. If any transferee of any Holder shall acquire Transfer Restricted Securities in any manner, whether by operation of law or otherwise, such Transfer Restricted Securities shall be held subject to all of the terms of this Agreement, and by taking and holding such Transfer Restricted Securities such Person shall be conclusively deemed to have agreed to be bound by and to perform all of the terms and provisions of this Agreement, including the restrictions on resale set forth in this Agreement and, if applicable, the Purchase Agreement, and such Person shall be entitled to receive the benefits hereof.

(i) Counterparts. This Agreement may be executed in any number of counterparts and by the parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement.

(j) Headings. The headings in this Agreement are for convenience of reference only and shall not limit or otherwise affect the meaning hereof.

(k) Governing Law. THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK, WITHOUT REGARD TO THE CONFLICT OF LAW RULES THEREOF.

(l) Severability. In the event that any one or more of the provisions contained herein, or the application thereof in any circumstance, is held invalid, illegal or unenforceable, the validity, legality and enforceability of any such provision in every other respect and of the remaining provisions contained herein shall not be affected or impaired thereby.

(m) Entire Agreement. This Agreement is intended by the parties as a final expression of their agreement and intended to be a complete and exclusive statement of the agreement and

understanding of the parties hereto in respect of the subject matter contained herein. There are no restrictions, promises, warranties or undertakings, other than those set forth or referred to herein with respect to the registration rights granted with respect to the Transfer Restricted Securities. This Agreement supersedes all prior agreements and understandings between the parties with respect to such subject matter.

(Signature Page Follows.)

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

THE HILLMAN GROUP, INC.

By: /s/ James P. Waters
Name: James P. Waters
Title: Chief Financial Officer

THE HILLMAN COMPANIES, INC.
HILLMAN INVESTMENT COMPANY
ALL POINTS INDUSTRIES, INC.
SUNSUB C INC.

By: /s/ James P. Waters
Name: James P. Waters
Title: Chief Financial Officer

BARCLAYS CAPITAL INC.
MORGAN STANLEY & CO. INCORPORATED

By: BARCLAYS CAPITAL INC.

By /s/ Benjamin Burton
Name: Benjamin Burton
Title: Managing Director

SCHEDULE I

Guarantors

Hillman Investment Company

The Hillman Companies, Inc.

All Points Industries, Inc.

SunSub C Inc.

ANNEX A

PLAN OF DISTRIBUTION

Each broker–dealer that receives exchange notes for its own account pursuant to the exchange offer must acknowledge that it will deliver a prospectus in connection with any resale of such exchange notes. This prospectus, as it may be amended or supplemented from time to time, may be used by a broker–dealer in connection with resales of exchange notes received in exchange for unregistered notes where such unregistered notes were acquired as a result of market–making activities or other trading activities. To the extent any such broker–dealer participates in the exchange offer, we have agreed that for a period of up to 180 days we will use commercially reasonable efforts to make this prospectus, as amended or supplemented, available to such broker–dealer for use in connection with any such resale, and will deliver as many additional copies of this prospectus and each amendment or supplement to this prospectus and any documents incorporated by reference in this prospectus as such broker–dealer may reasonably request.

We will not receive any proceeds from any sale of exchange notes by broker–dealers. Exchange notes received by broker–dealers for their own accounts pursuant to the exchange offer may be sold from time to time in one or more transactions in the over–the–counter market, in negotiated transactions, through the writing of options on the exchange notes or a combination of these methods of resale, at market prices prevailing at the time of resale, at prices related to such prevailing market prices or negotiated prices. Any such resale may be made directly to purchasers or to or through brokers or dealers who may receive compensation in the form of commissions or concessions from any such broker–dealer or the purchasers of any such exchange notes. Any broker–dealer that resells exchange notes that were received by it for its own account pursuant to the exchange offer and any broker or dealer that participates in a distribution of such exchange notes may be deemed to be an “underwriter” within the meaning of the Securities Act and any profit on any such resale of exchange notes and any commissions or concessions received by any such Persons may be deemed to be underwriting compensation under the Securities Act. The letter of transmittal states that by acknowledging that it will deliver and by delivering a prospectus, a broker–dealer will not be deemed to admit that it is an “underwriter” within the meaning of the Securities Act.

We have agreed to pay all expenses incident to the exchange offer and will indemnify the holders of outstanding notes, including any broker–dealers, against certain liabilities, including liabilities under the Securities Act.

Exhibit 10.1

EXECUTION VERSION

CREDIT AGREEMENT

dated as of May 28, 2010

among

OHCP HM ACQUISITION CORP.

OHCP HM MERGER SUB CORP.

THE HILLMAN COMPANIES, INC.

HILLMAN INVESTMENT COMPANY

THE HILLMAN GROUP, INC.

THE LENDERS FROM TIME TO TIME PARTY HERETO,

BARCLAYS BANK PLC,
as Administrative Agent, Issuing Lender and Swingline Lender,

BARCLAYS CAPITAL
and MORGAN STANLEY SENIOR FUNDING, INC.,
as Joint Lead Arrangers and Syndication Agents,

BARCLAYS CAPITAL,
MORGAN STANLEY SENIOR FUNDING, INC.
and GE CAPITAL MARKETS, INC.
as Joint Bookrunners

GENERAL ELECTRIC CAPITAL CORPORATION
as Documentation Agent

Table of Contents

ARTICLE V
REPRESENTATIONS AND WARRANTIES

ARTICLE VI
AFFIRMATIVE COVENANTS

ARTICLE VII
NEGATIVE COVENANTS

ARTICLE VIII
DEFAULTS

ARTICLE IX
AGENCY PROVISIONS

ARTICLE X
MISCELLANEOUS

CREDIT AGREEMENT

This Credit Agreement (this "Agreement") is dated as of May 28, 2010 and is among OHCP HM ACQUISITION CORP. ("OH Holdings"), OHCP HM MERGER SUB CORP. ("Merger Sub"), THE HILLMAN COMPANIES, INC. ("Holdings"), HILLMAN INVESTMENT COMPANY ("Intermediate Holdings"), THE HILLMAN GROUP, INC. ("HGI"), the banks and other financial institutions from time to time party hereto (the "Lenders"), BARCLAYS BANK PLC, as Administrative Agent, Issuing Lender and Swingline Lender, BARCLAYS CAPITAL and MORGAN STANLEY SENIOR FUNDING, INC., together as the Lead Arrangers and Syndication Agents, and BARCLAYS CAPITAL, MORGAN STANLEY SENIOR FUNDING, INC. and GE CAPITAL MARKETS, INC., together as the Joint Bookrunners and GENERAL ELECTRIC CAPITAL CORPORATION, as the Documentation Agent.

RECITALS:

WHEREAS, capitalized terms used in these Recitals have the respective meanings set forth for such terms in Section 1.01 hereof;

WHEREAS, pursuant to that certain agreement and plan of merger to be entered into among OH Holdings, Merger Sub (as defined below), HGI and the representative named therein (as the same may be amended, modified or supplemented from time to time in accordance with the provisions thereof and of this Agreement, the "Acquisition Agreement"), OH Holdings, a newly formed entity created by Oak Hill Capital Partners III, L.P. (together with its Affiliates, the "Sponsor"), intends to acquire (the "Acquisition"), through Merger Sub, a wholly-owned subsidiary of OH Holdings, all of the equity interests of Holdings;

WHEREAS, in connection with the Acquisition, the Sponsor and certain investors identified by the Sponsor reasonably acceptable to the Lead Arrangers intend to invest cash proceeds from the Investor Equity Issuance in OH Holdings;

WHEREAS, the Lenders have agreed to extend certain credit facilities to the Borrower in an aggregate principal amount not to exceed $320.0 million, consisting of $290.0 million aggregate principal amount of Term Loans and up to $30.0 million aggregate principal amount of Revolving Commitments, the proceeds of which shall be used to fund, in part, the Acquisition (including refinancing or retiring certain existing debt of HGI and its subsidiaries and redeeming certain preferred stock of Holdings and paying all Transaction Costs). On the Business Day after the Closing Date, HGI is to become a joint and several obligor and borrower under this Agreement. Amounts available under the Revolving Facility will be used to pay the Closing Fees that are attributable to the Revolving Facility, for capital expenditures and permitted acquisitions, to provide for the ongoing working capital requirements of HGI and its subsidiaries following the Acquisition and for general corporate purposes. After the Closing Date, only HGI will be entitled to borrow under the Revolving Facility;

WHEREAS, the Borrower has agreed to secure all of its Finance Obligations by granting to the Collateral Agent, for the benefit of the Secured Parties (as defined in the Security Agreement), a first priority Lien on substantially all of its assets, including a pledge of all of the Equity Interests of each of its Domestic Subsidiaries, 65.0% of all of the voting Equity Interests of each of its Foreign Subsidiaries and all of the non-voting Equity Interests of each of its Foreign Subsidiaries; and

WHEREAS, the Guarantors (including prior to it becoming a Borrower hereunder, HGI) have agreed to guarantee the Guaranty Obligations of the Borrower hereunder and to secure their respective Guaranty Obligations by granting to the Collateral Agent, for the benefit of the Secured Parties, a first priority Lien on substantially all of their respective assets, including a pledge of all of the Equity Interests

of each of their respective Domestic Subsidiaries (including the Borrower), 65.0% of all of the voting Equity Interests of each of their respective Foreign Subsidiaries and all of the non-voting Equity Interests of each of their respective Foreign Subsidiaries.

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

ARTICLE I
DEFINITIONS

Section 1.01 Defined Terms. The following terms, as used herein, have the following meanings:

"Accession Agreement" means a Credit Party Accession Agreement, substantially in the form of Exhibit I hereto, executed and delivered by an Additional Subsidiary Guarantor at any time following the Closing Date in accordance with Section 6.10(a).

"Acquisition" has the meaning set forth in the Recitals.

"Acquisition Agreement" has the meaning set forth in the Recitals.

"Acquisition Documents" means the Acquisition Agreement, including all exhibits and schedules thereto, the certificate of merger contemplated thereby and all other agreements, documents and instruments relating to the Acquisition, in each case as the same may be amended, modified or supplemented from time to time in accordance with the provisions thereof and of this Agreement.

"Additional Collateral Documents" has the meaning set forth in Section 6.10(b).

"Additional Subsidiary Guarantor" means each Person that becomes a Subsidiary Guarantor at any time following the Closing Date by execution of an Accession Agreement as provided in Section 6.10.

"Adjusted Eurodollar Rate" means, for any Interest Rate Determination Date with respect to an Interest Period for a Eurodollar Loan, the greater of (I) 1.75% per annum and (II) the rate per annum obtained by dividing (and rounding upward to the next whole multiple of 1/16 of 1.00%) (i) (a) the rate per annum (rounded to the nearest 1/100 of 1.00%) equal to the rate determined by the Administrative Agent to be the offered rate which appears on the page of the Reuters Screen which displays an average British Bankers Association Interest Settlement Rate (such page currently being the LIBOR01 page) for deposits (for delivery on the first day of such period) with a term equivalent to such period in Dollars, determined as of approximately 11:00 a.m. (London, England time) on such Interest Rate Determination Date or (b) in the event the rate referenced in the preceding clause (a) does not appear on such page or service or if such page or service shall cease to be available, the rate per annum (rounded to the nearest 1/100 of 1.00%) equal to the rate determined by the Administrative Agent to be the offered rate on such other page or other service which displays an average British Bankers Association Interest Settlement Rate for deposits (for delivery on the first day of such period) with a term equivalent to such period in Dollars, determined as of approximately 11:00 a.m. (London, England time) on such Interest Rate Determination Date or (c) in the event the rates referenced in the preceding clauses (a) and (b) are not available, the rate per annum (rounded to the nearest 1/100 of 1.00%) equal to the offered quotation rate by first class banks in the London interbank market to the Administrative Agent for deposits (for delivery on the first day of the relevant period) in Dollars of amounts in same day funds comparable to the principal amount of the applicable Loan of the Administrative Agent, in its capacity as a Lender, for

which the Adjusted Eurodollar Rate is then being determined with maturities comparable to such period as of approximately 11:00 a.m. (London, England time) on such Interest Rate Determination Date, by (ii) an amount equal to (a) one minus (b) the Applicable Reserve Requirement under review.

"Administrative Agent" means Barclays Bank PLC, in its capacity as administrative agent for the Lenders hereunder and under the other Finance Documents, and its successor or successors in such capacity.

"Administrative Agent's Office" means the Administrative Agent's office located at 745 Seventh Avenue, New York, NY 10019, or such other office as may be designated by the Administrative Agent by written notice to the Borrower and the Lenders.

"Affiliate" means, with respect to any Person, (i) any Person that directly, or indirectly through one or more intermediaries, controls such Person (a "Controlling Person") or (ii) any other Person which is controlled by or is under common control with a Controlling Person. As used herein, the term "control" means (i) with respect to any Person having voting shares or their equivalent and elected directors, managers or Persons performing similar functions, the possession, directly or indirectly, of the power to vote 10% or more of the Equity Interests having ordinary voting power of such Person or (ii) the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting shares or their equivalent, by contract or otherwise.

"Agent" means the Administrative Agent, either Syndication Agent, the Collateral Agent or the Documentation Agent and any successors and assigns in such capacity.

"Agreement" has the meaning set forth in the Preamble.

"Anti-Terrorism Laws" means any Laws relating to terrorism or money-laundering, including (i) Executive Order No. 13224 on Terrorist Financing, effective September 24, 2001 and relating to Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism, (ii) the U.S. Patriot Act, (iii) the International Emergency Economic Power Act, 50 U.S.C. §1701 et seq., (iv) the Bank Secrecy Act, (v) the Trading with the Enemy Act, 50 U.S.C. App. 1 et seq. and (vi) any related rules and regulations of the U.S. Treasury Department's Office of Foreign Assets Control or any other Governmental Authority, in each case as the same may be amended, supplemented, modified, replaced or otherwise in effect from time to time.

"Applicable Lending Office" means (i) with respect to any Lender and for each Type of Loan, the "Lending Office" of such Lender (or of an Affiliate of such Lender) designated for such Type of Loan on Schedule 1.01E hereto or in any applicable Assignment and Assumption pursuant to which such Lender became a Lender hereunder or such other office of such Lender (or of an Affiliate of such Lender) as such Lender may from time to time (so long as no additional cost to the Borrower results) specify to the Administrative Agent and the Borrower as the office by which its Loans of such Type are to be made and maintained and (ii) with respect to the Issuing Lender and for each Letter of Credit, the "Lending Office" of the Issuing Lender (or of an Affiliate of such Issuing Lender) designated on the signature pages hereto or such other office of the Issuing Lender (or of an Affiliate of the Issuing Lender) as the Issuing Lender may from time to time specify (so long as no additional cost to the Borrower results) to the Administrative Agent and the Borrower as the office by which Letters of Credit are to be issued and maintained.

"Applicable Margin" means for purposes of calculating the applicable interest rate for any day for any Loan, 3.75% *per annum* in the case of Eurodollar Loans and 2.75% *per annum* in the case of Base Rate Loans.

"Applicable Reserve Requirement" means, at any time, for any Eurodollar Loan, the maximum rate, expressed as a decimal, at which reserves (including any basic marginal, special, supplemental, emergency or other reserves) are required to be maintained with respect thereto against "Eurocurrency liabilities" (as such term is defined in Regulation D) under regulations issued from time to time by the Board of Governors or other applicable banking regulator. Without limiting the effect of the foregoing, the Applicable Reserve Requirement shall reflect any other reserves required to be maintained by such member banks with respect to (i) any category of liabilities which includes deposits by reference to which the applicable Adjusted Eurodollar Rate or any other interest rate of a Loan is to be determined, or (ii) any category of extensions of credit or other assets which include Eurodollar Loans. A Eurodollar Loan shall be deemed to constitute Eurocurrency liabilities and as such shall be deemed subject to reserve requirements without benefits of credit for proration, exceptions or offsets that may be available from time to time to the applicable Lender. The rate of interest on Eurodollar Loans shall be adjusted automatically on and as of the effective date of any change in the Applicable Reserve Requirement.

"Approved Deposit Account" means a Deposit Account that is the subject of an effective Depository Bank Agreement and that is maintained by any Credit Party with a Depositary Bank and shall include all monies on deposit in a Deposit Account and all certificates and instruments, if any, representing or evidencing such Deposit Account.

"Approved Securities Intermediary" means a "securities intermediary" or "commodity intermediary" (as such terms are defined in the UCC).

"Approved Fund" means (i) with respect to any Lender, an entity (whether a corporation, partnership, limited liability company, trust or otherwise) that is engaged in making, purchasing, holding or otherwise investing in bank loans and similar extensions of credit in the ordinary course of its business and is managed by such Lender, its parent holding company or any of their respective subsidiaries, (ii) with respect to any Lender that is a fund that invests in bank loans and similar extensions of credit, any other fund that invests in bank loans and similar extensions of credit and is managed by the same investment advisor as such Lender or by any parent company of such Lender or any of their respective Subsidiaries and (iii) any special purpose funding vehicle described in Section 10.06(h).

"Asset Disposition" means any sale (including any Sale/Leaseback Transaction, whether or not involving a Capital Lease), lease (as lessor), transfer or other disposition (including any such transaction effected by way of merger or consolidation and including any sale or other disposition of Equity Interests of a Subsidiary, but excluding any sale or other disposition by way of Casualty or Condemnation), in each case whether in a single transaction or in a series of related transactions, by any Group Company of any asset that yields gross proceeds in excess of $1,000,000.

"Assignment and Assumption" means an Assignment and Assumption, substantially in the form of Exhibit C-1 hereto, under which an interest of a Lender hereunder is transferred to an Eligible Assignee pursuant to Section 10.06(b).

"Attributable Debt" means, at any date (i) in respect of any Capital Lease of any Person, the capitalized amount thereof that would appear on a balance sheet of such Person prepared as of such date in accordance with GAAP, (ii) in respect of any Synthetic Lease Obligation of any Person, the capitalized or principal amount of the remaining lease payments under the relevant lease that would appear on a balance sheet of such Person prepared as of such date in accordance with GAAP if such lease

or other agreement were accounted for as a Capital Lease and (iii) in respect of any Sale/Leaseback Transaction described in Section 7.13, the lesser of (A) the present value, discounted in accordance with GAAP at the interest rate implicit in the related lease, of the obligations of the lessee for net rental payments over the remaining term of such lease (including any period for which such lease has been extended or may, at the option of the lessor be extended) and (B) the fair market value of the assets subject to such transaction.

"Availability Period" means the period from the Closing Date to the Revolving Loan Maturity Date.

"Bankruptcy Code" means Title 11 of the United States Code as the same may be amended, supplemented, modified, replaced or otherwise in effect from time to time.

"Bank Secrecy Act" means the Financial Recordkeeping and Reporting of Currency and Foreign Transactions Act of 1970, 31 U.S.C. 1051, et seq., as the same may be amended, supplemented, modified, replaced or otherwise in effect from time to time.

"Banking Product Obligations" means, with respect to OH Holdings or any of its Subsidiaries, up to $2,000,000 of the obligations of OH Holdings or such Subsidiary owed to any holder of Finance Obligations or any Affiliate thereof in respect of any financial accommodation extended to OH Holdings or any of its Subsidiaries by such Person (other than Finance Obligations arising pursuant to this Agreement) including: (i) credit cards, (ii) credit card processing services, (iii) debit cards or (iv) cash management or related services (including the Automated Clearing House processing of electronic fund transfers through the direct Federal Reserve Fedline system).

"Base Rate" means, for any day, a rate per annum equal to the greatest of (i) the Prime Rate in effect on such day, (ii) the Federal Funds Rate in effect on such day plus 1/2 of 1.00%, (iii) 2.75% and (iv) the Adjusted Eurodollar Rate that would be payable on such day for a Eurodollar Rate Loan with a one-month Interest Period plus 1.00%.

"Base Rate Loan" means at any date a Loan bearing interest at a rate determined by reference to the Base Rate.

"Board of Governors" means the Board of Governors of the United States Federal Reserve System, or any successor thereto.

"Bookrunners" means Barclays Capital, the investment banking division of Barclays Bank PLC, Morgan Stanley Senior Funding, Inc. and GE Capital Markets, Inc. in their capacities as joint bookrunners.

"Borrower" means (i) initially, Merger Sub, (ii) upon the consummation of the Acquisition, Holdings (as successor to Merger Sub) and (iii) from and after the execution and delivery of the Borrower Assumption Agreement by HGI, collectively, HGI and Holdings.

"Borrower Assumption Agreement" means an agreement substantially in the form of Exhibit C-2 hereto.

"Borrower Representations" means the representations made by or with respect to Holdings in the Acquisition Agreement (but only to the extent that OH Holdings or any of its Affiliates have the right to terminate its respective obligations under the Acquisition Agreement as a result of a breach of such representations in the Acquisition Agreement).

"Borrowing" has the meaning set forth in Section 1.04.

"Business Acquisition" means the acquisition by HGI or one or more of its Wholly-Owned Subsidiaries of all of the Equity Interests of, or all (or any division, line of business or substantial part for which financial statements or other financial information is available) of the assets or property of, another Person.

"Business Day" means any day except a Saturday, Sunday or other day on which commercial banks in The City of New York are authorized or required to close, except that (i) when used in Section 2.05 with respect to any action taken by or with respect to any Issuing Lender, the term "Business Day" shall not include any day on which commercial banks are authorized by law to close in the jurisdiction where such Issuing Lender's Applicable Lending Office is located; and (ii) if such day relates to a borrowing of, a payment or prepayment of principal of or interest on, or the Interest Period for, a Eurodollar Loan, or a notice by the Borrower with respect to any such borrowing, payment, prepayment or Interest Period, such day shall also be a day on which commercial banks are open for international business (including dealings in Dollar deposits) in London.

"Capital Lease" of any Person means any lease of (or other arrangement conveying the right to use) property (whether real, personal or mixed) by such Person as lessee which would, in accordance with GAAP, be required to be accounted for as a capital lease on the balance sheet of such Person.

"Capital Lease Obligations" means, with respect to any Person, all obligations of such Person as lessee under Capital Leases, in each case taken at the amount thereof accounted for as liabilities in accordance with GAAP.

"Capitalization Documents" has the meaning set forth in Section 4.01(f).

"Cash Collateralize" means to pledge and deposit with or deliver to the Collateral Agent, for the benefit of the Issuing Lender and the Revolving Lenders, as collateral for the LC Obligations, cash or deposit balances pursuant to documentation in form and substance reasonably satisfactory to the Administrative Agent and the Issuing Lender.

"Cash Equivalents" means, at any date of determination:

(i) securities issued or directly and fully guaranteed or insured by the United States or any agency or instrumentality thereof (provided that the full faith and credit of the United States is pledged in support thereof) or, with respect to any Foreign Subsidiary, an equivalent obligation of the government of the country in which such Foreign Subsidiary transacts business, in each case maturing within one year after such date;

(ii) time deposits and certificates of deposit, including Eurodollar time deposits and, with respect to any Foreign Subsidiary, time deposits in the currency of any country in which such Foreign Subsidiary transacts business, of any commercial bank organized in the United States having capital and surplus in excess of $100,000,000 or, with respect to any Foreign Subsidiary, a commercial bank organized under the laws of any other country in which such Foreign Subsidiary transacts business having total assets in excess of $100,000,000 (or its foreign currency equivalent)with a maturity date not more than one year from the date of acquisition;

(iii) repurchase obligations with a term of not more than seven days for underlying securities of the types described in clause (i) above entered into with any bank meeting the qualifications specified in clause (ii) above and organized in the United States;

(iv) direct obligations issued by any state of the United States or any political subdivision of any state or any public instrumentality thereof maturing within 90 days after the date of acquisition thereof and, at the time of acquisition, having one of the two highest ratings obtainable from either S&P or Moody's (or, if at any time neither S&P nor Moody's shall be rating such obligations, then from such other nationally recognized rating service reasonably acceptable to the Administrative Agent);

(v) commercial paper issued by the parent corporation of any commercial bank organized in the United States having capital and surplus in excess of $100,000,000, or, with respect to any Foreign Subsidiary, a commercial bank organized under the laws of any other country in which such Foreign Subsidiary transacts business having total assets in excess of $100,000,000 (or its foreign currency equivalent), and commercial paper issued by others having one of the two highest ratings obtainable from either S&P or Moody's (or, if at any time neither S&P nor Moody's shall be rating such obligations, then from such other nationally recognized rating services reasonably acceptable to the Administrative Agent) and in each case maturing within one year after the date of acquisition;

(vi) overnight bank deposits and bankers' acceptances at any commercial bank organized in the United States having capital and surplus in excess of $100,000,000 or with respect to any Foreign Subsidiary, a commercial bank organized under the laws of any other country in which such Foreign Subsidiary transacts business having total assets in excess of $100,000,000 (or its foreign currency equivalent);

(vii) deposits available for withdrawal on demand with commercial banks organized in the United States having capital and surplus in excess of $50,000,000 or, with respect to any Foreign Subsidiary, a commercial bank organized under the laws of any other country in which such Foreign Subsidiary transacts business having total assets in excess of $50,000,000 (or its foreign currency equivalent); and

(viii) investments in money market funds substantially all of whose assets comprise securities of the types described in clauses (i) through (vii).

"Casualty" means any casualty, loss, damage, destruction or other similar loss with respect to real or personal property or improvements.

"Casualty Insurance Policy" means any insurance policy maintained by any Group Company covering losses with respect to Casualties.

"Change in Law" means the occurrence, after the date of this Agreement, of any of the following: (i) the adoption or taking effect of any applicable law, rule, regulation or treaty, (ii) any change in any applicable law, rule, regulation or treaty or in the administration, interpretation or application thereof by any Governmental Authority or (iii) the making or issuance of any request, guideline or directive (whether or not having the force of law) by any Governmental Authority.

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

(i) except as otherwise permitted under Section 7.04(vii), OH Holdings shall cease to own, directly or indirectly, 100% of the Equity Interests of Holdings on a fully-diluted basis assuming the conversion and exercise of all outstanding Equity Equivalents (whether or not such securities are then currently convertible or exercisable); or

(ii) except as otherwise permitted under Section 7.04(vii), Holdings shall cease to own, directly or indirectly, 100% of the Equity Interests of Intermediate Holdings on a fully-diluted basis assuming the conversion and exercise of all outstanding Equity Equivalents (whether or not such securities are then currently convertible or exercisable); or

(iii) except as otherwise permitted under Section 7.04(vii), Intermediate Holdings shall cease to own, directly or indirectly, 100% of the Equity Interests of the Borrower on a fully-diluted basis assuming the conversion and exercise of all outstanding Equity Equivalents (whether or not such securities are then currently convertible or exercisable); or

(iv) at any time before OH Holdings', Holdings', Intermediate Holdings' or the Borrower's Equity Interests are traded on a nationally-recognized stock exchange, the Permitted Investors in the aggregate shall cease to own, directly or indirectly, at least 51% of the Equity Interests of OH Holdings (or, following any merger permitted under Section 7.04(vii), Holdings or Intermediate Holdings) on a fully-diluted basis assuming the conversion and exercise of all outstanding Equity Equivalents (whether or not such securities are then currently convertible or exercisable); or

(v) at any time after OH Holdings', Holdings', Intermediate Holdings' or the Borrower's Equity Interests are traded on a nationally-recognized stock exchange and for any reason whatsoever, (x) a majority of the Board of Directors of OH Holdings (or, following any merger permitted under Section 7.04(vii), Holdings or Intermediate Holdings) shall not be Continuing Directors or (y) the Permitted Investors shall cease to own, directly or indirectly, at least 35% of the Equity Interests of OH Holdings (or, following any merger permitted under Section 7.04(vii), Holdings or Intermediate Holdings) on a fully-diluted basis assuming the conversion and exercise of all outstanding Equity Equivalents (whether or not such securities are then currently convertible or exercisable) and any other "person" or "group" (within the meaning of Rule 13d-5 of the Exchange Act as in effect on the date hereof) shall own a greater amount of such Equity Interests than the Permitted Investors then hold (it being understood that if any such person or group includes one or more Permitted Investors, the shares of such Equity Interests of OH Holdings directly or indirectly owned by the Permitted Investors that are part of such person or group shall not be treated as being owned by such person or group for purposes of determining whether this clause (y) is triggered); or

(vi) a "change of control" or similar event (as defined in any debt instrument in excess of $10,000,000) occurs.

"Closing Date" means the date this Agreement becomes effective in accordance withSection 4.01.

"Closing Date Certificate" means a Closing Date Certificate substantially in the form ofExhibit M.

"Closing Date Stock Certificates" means Collateral consisting of stock certificates representing the Common Stock of OH Holdings and its Domestic Subsidiaries for which a security interest can be perfected by delivering or possessing such stock certificates.

"Closing Date UCC Filing Collateral" means Collateral for which a security interest can be perfected by filing a UCC financing statement.

"Closing Fees" has the meaning set forth in Section 2.11(c).

"Code" means the Internal Revenue Code of 1986, as amended, and any successor statute thereto, as interpreted by the rules and regulations issued thereunder, in each case as in effect from time to time.

"Collateral" means all of the property which is subject or is purported to be subject to the Liens granted by the Collateral Documents.

"Collateral Agent" means Barclays Bank PLC, in its capacity as collateral agent for the Finance Parties under the Collateral Documents, and its successor or successors in such capacity.

"Collateral Documents" means, collectively, the Security Agreement, the Pledge Agreement, the Depositary Bank Agreements, the Securities Account Control Agreements, each Mortgage, any Additional Collateral Documents, any additional pledges, security agreements, patent, trademark or copyright filings or mortgages required to be delivered pursuant to the Finance Documents and any instruments of assignment, control agreements, lockbox letters or other instruments or agreements executed pursuant to the foregoing.

"Commitment" means (i) with respect to each Lender, its Revolving Commitment, Term Loan Commitment and/or New Term Loan Commitment, as and to the extent applicable, (ii) with respect to each Issuing Lender, its LC Commitment and (iii) with respect to the Swingline Lender, the Swingline Commitment, in each case as set forth on Schedule 1.01A hereto, on the Register or in the applicable Assignment and Assumption as its Commitment, as any such amount may be increased or decreased from time to time pursuant to this Agreement. The Register sets forth the Commitments of the Lenders as of the Closing Date, subject to any amendment or modification of the Register after such date due to changes in Commitments thereafter.

"Commitment Fee" has the meaning set forth in Section 2.11(a).

"Commitment Parties" means, collectively, Barclays Bank PLC, Morgan Stanley Senior Funding, Inc. and General Electric Capital Corporation.

"Commodity Account" has the meaning set forth in the UCC.

"Common Stock" means the common stock of any of OH Holdings, Holdings, Intermediate Holdings, HGI or any of its Subsidiaries.

"Computer Hardware" means all computer and other electronic data processing hardware of a Credit Party, whether now or hereafter owned, licensed or leased by such Credit Party, including all integrated computer systems, central processing units, memory units, display terminals, printers, features, computer elements, card readers, tape drives, hard and soft disk drives, cables, electrical supply hardware, generators, power equalizers, accessories, peripheral devices and other related computer hardware, all documentation, flowcharts, logic diagrams, manuals, specifications, training materials, charts and pseudo codes associated with any of the foregoing and all options, warranties, services contracts, program services, test rights, maintenance rights, support rights, renewal rights and indemnifications relating to any of the foregoing.

"Condemnation" means any taking by a Governmental Authority of property or assets, or any part thereof or interest therein, for public or quasi-public use under the power of eminent domain, by reason of any public improvement or condemnation.

"Condemnation Award" means all proceeds of any Condemnation or transfer in lieu thereof.

"Consolidated Adjusted Working Capital" means at any date the excess of (i) Consolidated Current Assets (excluding (A) cash and Cash Equivalents classified as such in accordance with GAAP and (B) deferred taxes calculated in accordance with GAAP) over (ii) Consolidated Current Liabilities (excluding (A) the current portion of any Consolidated Debt, (B) the aggregate principal amount of outstanding Revolving Loans, (C) accrued and unpaid interest on any Consolidated Debt and (D) deferred taxes calculated in accordance with GAAP).

"Consolidated Capital Expenditures" means for any period the aggregate amount of all expenditures (whether paid in cash or other consideration or accrued as a liability) that would, in accordance with GAAP, be included as additions to property, plant and equipment and other capital expenditures of Holdings and its Consolidated Subsidiaries for such period, as the same are or would be set forth in a consolidated statement of cash flows of Holdings and its Consolidated Subsidiaries for such period (including the amount of assets leased under any Capital Lease), but excluding (to the extent that they would otherwise be included) (i) any such expenditures made for the replacement or restoration of assets in amounts not exceeding the aggregate amount of Insurance Proceeds or Condemnation Award with respect to the asset or assets being replaced or restored, (ii) for purposes of the definition of "Excess Cash Flow" only, capital expenditures for Permitted Business Acquisitions, (iii) any such expenditures to the extent OH Holdings or any of its Consolidated Subsidiaries has received reimbursement in cash from a third party other than OH Holdings or one or more of its Consolidated Subsidiaries and (iv) capitalized interest.

"Consolidated Cash Interest Expense" means for any period Consolidated Interest Expense that has been paid in cash for such period, or any cash interest that is paid in such period for which the interest expense was accrued in a prior period in accordance with GAAP, other than (to the extent, but only to the extent, included in the determination of Consolidated Interest Expense for such period in accordance with GAAP and paid in cash for such period), (i) amortization of debt discount and debt issuance fees, (ii) any fees (including underwriting fees and expenses) paid in connection with the consummation of the Transaction or Permitted Business Acquisitions, (iii) any payments made to obtain Derivatives Agreements, (iv) any agent or collateral monitoring fees paid or required to be paid pursuant to any Finance Document, (v) the actual or implied interest component of any consulting payments and (vi) annual agency fees, unused line fees and letter of credit fees and expenses paid hereunder.

"Consolidated Cash Tax Expense" means for any period the aggregate Federal, state, local and foreign income, franchise, state single business unitary and similar taxes that have been paid in cash by Holdings and its Consolidated Subsidiaries in respect of such period.

"Consolidated Current Assets" means at any date the consolidated current assets of OH Holdings and its Consolidated Subsidiaries determined as of such date.

"Consolidated Current Liabilities" means at any date the consolidated current liabilities of OH Holdings and its Consolidated Subsidiaries determined as of such date.

"Consolidated Debt" means at any date the Debt of OH Holdings and its Consolidated Subsidiaries, determined on a consolidated basis as of such date.

"Consolidated EBITDA" means for any period the sum of (i) Consolidated Net Income for such period (excluding therefrom (x) any extraordinary, or non-cash unusual or non recurring items of gain or loss, (y) any gain or loss from discontinued operations and (z) any gain or loss attributable to Asset Dispositions made other than in the ordinary course of business) plus (ii) to the extent not otherwise included in the determination of Consolidated Net Income for such period, all proceeds of business interruption insurance policies, if any, received during such period plus (iii) (without duplication) an amount which, in the determination of Consolidated Net Income for such period, has been deducted for (A) Consolidated Interest Expense, (B) provisions for Federal, state, local and foreign income, franchise, state single business unitary and similar taxes, (C) depreciation, amortization (including amortization of goodwill and other intangible assets), impairment of goodwill and other non-cash charges or expenses (excluding any such non-cash charge to the extent that it represents amortization of a prepaid cash expense that was paid in a prior period), (D) non-cash compensation expense, or other non-cash expenses or charges, arising from the sale of stock, the granting of stock options, the granting of stock appreciation rights and similar arrangements (including any repricing, amendment, modification, substitution or change of any such stock, stock option, stock appreciation rights or similar arrangements), (E) non-cash rent expense, (F) up to $30,000,000 in Transaction Costs of the Borrower, determined in accordance with GAAP, eliminating any increase or decrease in income resulting from non-cash accounting adjustments made in connection with the Acquisition, (G) expenses incurred by OH Holdings or any Consolidated Subsidiary to the extent reimbursed in cash by a third party other than OH Holdings or one or more of its Consolidated Subsidiaries, (H) unrealized losses on Derivatives Agreements, (I) losses from foreign currency adjustments, (J) losses in respect of pension or other post-retirement benefits or pension assets, (K) write-offs of deferred financing costs, (L) expenses in respect of earn-out obligations, (M) any financial advisory fees, accounting fees, legal fees and similar advisory and consulting fees and related out-of-pocket expenses of the Borrower and its Consolidated Subsidiaries incurred as a result of actual or potential Permitted Business Acquisitions, all determined in accordance with GAAP and in each case eliminating any increase or decrease in income resulting from non-cash accounting adjustments made in connection with the related Permitted Business Acquisition and (N) expenses relating to the granting and exercising of management options on or prior to the Closing Date minus (iv) any amount which, in the determination of Consolidated Net Income for such period, has been added for any non-cash income or non-cash gains, all as determined in accordance with GAAP minus (v) the aggregate amount of cash payments made during such period in respect of any non-cash accrual, reserve or other non-cash charge or expense accounted for in a prior period and not otherwise reducing Consolidated Net Income for such period.

For purposes of determining Consolidated EBITDA for any period that includes the quarterly periods ending December 31, 2009, or March 31, 2010, the Consolidated EBITDA for each such quarterly period shall be deemed to be $16,057,000 and $17,752,000, respectively, without limiting any *pro forma* adjustments otherwise permitted to be made pursuant to this definition.

For purposes of calculating Consolidated EBITDA for any period of four consecutive fiscal quarters (each, a 'Reference Period") pursuant to any determination of the Leverage Ratio, the Interest Coverage Ratio and the Secured Leverage Ratio, if during such Reference Period (or in the case of pro-forma calculations, during the period from the last day of such Reference Period to and including the date as of which such calculation is made) any Group Company shall have made an Asset Disposition or a series of Asset Dispositions involving assets comprising all or substantially all of an operating unit of a business or constituting all or substantially all of the common stock of a Subsidiary or made a Permitted Business Acquisition, Consolidated EBITDA for such Reference Period shall be calculated after giving effect thereto on a Pro-Forma Basis, giving effect to projected or anticipated cost savings permitted or required by regulations S-X or S-K under the Securities Act and Other Pro Forma Adjustments.

"Consolidated Funded Debt" means at any date the Funded Debt of OH Holdings and its Consolidated Subsidiaries, as of such date, determined on a consolidated basis in accordance with GAAP.

"Consolidated Interest Expense" means, for any period, the total interest expense, whether paid or accrued in such period and whether or not capitalized in such period, (including amortization of debt issuance costs and original issue discount, non-cash interest payments, the interest component of any deferred payment obligations, the interest component of all payments under Capital Leases (regardless of whether accounted for as interest expense under GAAP), all commissions, discounts and other fees and charges owed with respect to letters of credit and bankers' acceptances and net costs in respect of Derivatives Obligations constituting interest rate swaps, collars, caps or other arrangements requiring payments contingent upon interest rates of Holdings and its Consolidated Subsidiaries), net of interest income, in each case determined on a consolidated basis for such period.

"Consolidated Net Income" means, for any period, the net income (or net loss) after taxes of Holdings and its Consolidated Subsidiaries for such period, determined on a consolidated basis in accordance with GAAP; provided that there shall be excluded from the calculation of Consolidated Net Income for any period (i) the income (or loss) of any Person (other than a Credit Party) in which any other Person (other than OH Holdings or any of its Wholly-Owned Consolidated Subsidiaries) has an ownership interest, except to the extent that any such income is actually received in cash by Holdings or such Wholly-Owned Consolidated Subsidiary in the form of Restricted Payments during such period, (ii) the income (or loss) of any Person accrued prior to the date it becomes a Consolidated Subsidiary of Holdings or is merged with or into or consolidated with Holdings or any of its Consolidated Subsidiaries or that Person's assets are acquired by Holdings or any of its Consolidated Subsidiaries, except as provided in the definitions of Consolidated EBITDA and "Pro-Forma Basis" herein and (iii) the income of any Subsidiary of Holdings to the extent that the declaration or payment of Restricted Payments or similar distributions by that Subsidiary of that income is not at the time permitted by operation of the terms of its charter or any agreement, instrument, judgment, decree, order, statute, rule or governmental regulation applicable to that Subsidiary.

"Consolidated Scheduled Debt Payments" means, for any period, the sum of all scheduled payments of principal on the Loans and all other Consolidated Debt (including the principal component of Capital Lease Obligations and Purchase Money Debt) paid or payable during such period, but excluding payments due on Revolving Loans and Swingline Loans during such period and Principal Amortization Payments on account of Term Loans; provided that Consolidated Scheduled Debt Payments for any period shall not include voluntary prepayments of Consolidated Debt, mandatory prepayments of the Term Loans pursuant to Section 2.09(b) or other mandatory prepayments (other than by virtue of scheduled amortization) of Consolidated Debt (but Consolidated Scheduled Debt Payments for a period shall be adjusted to reflect the effect on scheduled payments of principal for such period of the application of any prepayments of Consolidated Debt during or preceding such period).

"Consolidated Subsidiary" means with respect to any Person at any date any Subsidiary of such Person or other entity the accounts of which would be consolidated with those of such Person in its consolidated financial statements if such statements were prepared as of such date in accordance with GAAP.

"Consolidated Total Assets" means at any date the total consolidated assets of Holdings and its Consolidated Subsidiaries determined as of such date.

"Consolidated Total Debt" means as at any date of determination, the aggregate stated balance sheet amount of all Debt of Holdings and its Consolidated Subsidiaries (or, if higher, the par value or stated face amount of all such Debt (other than zero coupon Debt) determined on a consolidated basis in accordance with GAAP.

"Continuing Directors" means the directors of OH Holdings on the Closing Date and each other director of OH Holdings, if, in each case, such other director's nomination for election to the Board of Directors of OH Holdings is recommended by at least a majority of the then Continuing Directors or such other director receives the vote of the Sponsor and/or its Affiliates (excluding any operating portfolio companies of the Sponsor) or any other Permitted Investor in his or her nomination or election by the shareholders of OH Holdings.

"Contractual Obligation" means, as applied to any Person, any provision of any Security issued by that Person or of any indenture, mortgage, deed of trust, contract, undertaking, agreement or other instrument to which that Person is a party or by which it or any of its properties is bound or to which it or any of its properties is subject.

"Control Account" means a Securities Account or Commodity Account that is the subject of an effective Securities Account Control Agreement and that is maintained by any Credit Party with an Approved Securities Intermediary. "Control Account" includes all Financial Assets held in a Securities Account or a Commodity Account and all certificates and instruments, if any, representing or evidencing the Financial Assets contained therein.

"Controlling Person" has the meaning set forth in the definition of Affiliate.

"Copyright" means any of the following, whether now existing or hereafter arising, created or acquired: (i) all common law and/or statutory rights in all copyrightable subject matter under the laws of the United States or any other country (whether or not the underlying works of authorship have been published); (ii) all registrations and applications for registration of any such copyright in the United States or any other country, including registrations, recordings, supplemental, derivative or collective work registrations and pending applications for registrations in the United States Copyright Office or any other country; (iii) all copyrights in computer programs, web pages, computer data bases and computer program flow diagrams, including all source codes and object codes related to any or all of the foregoing; (iv) all claims for, and rights to sue for, past, present and future infringement of any of the foregoing; (v) all rights to income, royalties, damages and payments now or hereafter due or payable with respect to any of the foregoing, including damages and payments for past, present or future infringements thereof and payments and damages under all Copyright Licenses in connection therewith; (vi) all rights in any of the foregoing, whether arising under the laws of the United States or any foreign country or otherwise, to copy, record, synchronize, broadcast, transmit, perform and/or display any of the foregoing or any matter which is the subject of any of the foregoing in any manner and by any process now known or hereafter devised; and (vii) all other rights of any kind accruing thereunder or pertaining thereto throughout the world.

"Copyright License" means any agreement now or hereafter in existence granting to any Credit Party any rights, whether exclusive or non-exclusive, to use another Person's Copyrights or Copyright applications, or pursuant to which any Credit Party has granted to any other Person, any right, whether exclusive or non-exclusive, with respect to any Copyright, whether or not registered.

"Credit Exposure" has the meaning set forth in the definition of "Required Lenders" in this Section 1.01.

"Credit Extension" means a Borrowing or the issuance, renewal or extension of a Letter of Credit.

"Credit Party" means each of OH Holdings, Holdings, Intermediate Holdings, HGI and each Subsidiary Guarantor, and "Credit Parties" means any combination of the foregoing.

"Debt" of any Person means at any date, without duplication, (i) all obligations of such Person for borrowed money, (ii) all obligations of such Person evidenced by bonds, debentures, notes or other similar instruments, (iii) all obligations of such Person under conditional sale or other title retention agreements relating to property purchased by such Person to the extent of the value of such property (other than customary reservations or retentions of title under agreements with suppliers entered into in the ordinary course of business), (iv) all obligations, other than intercompany items, of such Person to pay the deferred purchase price of property or services (other than trade accounts and accrued expenses arising in the ordinary course of business), (v) the Attributable Debt of such Person in respect of Capital Lease Obligations, (vi) all obligations of such Person to purchase securities or other property which arise out of or in connection with the sale of the same or substantially similar securities or property and which mature or otherwise become non-contingent on or prior to the date that is 90 days after the Term Loan Maturity Date, (vii) all non-contingent obligations (and, solely for purposes of Section 7.01 and Section 8.01(e), all contingent obligations) of such Person to reimburse any bank or other Person in respect of amounts paid under a letter of credit, bankers' acceptance or similar instrument, (viii) all obligations of others secured by (or for which the holder of such obligations has an existing right, contingent or otherwise, to be secured by) a Lien on, or payable out of the proceeds of production from, any property or asset of such Person, whether or not such obligation is assumed by such Person; provided that the amount of any Debt of others that constitutes Debt of such Person solely by reason of this clause (viii) shall not for purposes of this Agreement exceed the greater of the book value or the fair market value of the properties or assets subject to such Lien, (ix) all Guaranty Obligations of such Person in respect of Debt of another Person, (x) all Debt Equivalents of such Person, (xi) all Derivatives Obligations of such Person (determined at their then respective Derivatives Termination Values) and (xii) the Debt of any other Person (including any partnership in which such Person is a general partner and any unincorporated joint venture in which such Person is a joint venturer) to the extent such Person would be liable therefor under applicable law or any agreement or instrument by virtue of such Person's ownership interest in or other relationship with such entity, except to the extent the terms of such Debt provide that such person shall not be liable therefore; provided (i) Debt shall not include (x) earn out obligations until matured or earned or employee consulting agreements and (y) for the purposes only of Section 7.16, the Derivatives Termination Value, and (ii) that the amount of any Limited Recourse Debt of any Person shall be equal to the lesser of (A) the aggregate principal amount of such Limited Recourse Debt for which such Person provides credit support of any kind (including any undertaking agreement or instrument that would constitute Debt), is directly or indirectly liable as a guarantor or otherwise or is the lender and (B) the fair market value of any assets securing such Debt or to which such Debt is otherwise recourse.

"Debt Equivalents" of any Person means any Equity Interest of such Person which by its terms (or by the terms of any security for which it is convertible or for which it is exchangeable or exercisable), or upon the happening of any event or otherwise (including an event which would constitute a Change of Control or an Asset Disposition but only to the extent such an event occurs), (A) matures or is mandatorily redeemable or subject to any mandatory repurchase requirement at the option of the holders thereof (other than solely for Equity Interests), in each case in whole or in part and whether upon the occurrence of any event, pursuant to a sinking fund obligation on a fixed date or otherwise (including as the result of a failure to maintain or achieve any financial performance standards), (B) is convertible into or exchangeable, automatically or at the option of any holder thereof, into Debt or Debt Equivalents or other assets other than Equity Interests, in the case of clauses (A), (B), (C) and (D), prior to the date that is 91 days after the final scheduled maturity date of the Loans (other than (i) upon payment in full of the Obligations (other than indemnification and other contingent obligations not yet due and owing) and termination of the Commitments or (ii) upon a "change in control" of such Person or a sale of all or substantially all of the assets of such Person; provided that any payment required pursuant to this clause

(ii) is subject to the prior repayment in full of the Obligations (other than indemnification and other contingent obligations not yet due and owing) that are accrued and payable and the termination of the Commitments); provided further, however, that if such Equity Interests are issued to any employee or to any plan for the benefit of employees of the Borrower or the Subsidiaries or by any such plan to such employees, such Equity Interests shall not constitute Debt Equivalents solely because it may be required to be repurchased by the Borrower in order to satisfy applicable statutory or regulatory obligations or as a result of such employee's termination, death or disability, (C) is redeemable or subject to any repurchase requirement arising at the option of the holder thereof, in each case, in whole or in part, on or prior to the first anniversary of the Term Loan Maturity Date and (D) requires the payment of any dividends (other than dividends payable solely in shares of Equity Interests).

"Debt Issuance" means the issuance by any Group Company of any Debt.

"Default" means any condition or event which constitutes an Event of Default or which with the giving of notice or lapse of time or both would, unless cured or waived, become an Event of Default.

"Defaulting Lender" means any Lender that has (a) failed to fund any portion of its Revolving Commitment within one Business Day of the date required to be funded by it hereunder, unless the subject of a good faith dispute, (b) notified the Borrower, the Administrative Agent or any Lender in writing, or has otherwise indicated through a public statement, that it does not intend to comply with its funding obligations under this Agreement or generally under other agreements in which it commits to extend credit, (c) failed, within three Business Days after receipt of a written request from the Administrative Agent, to confirm that it will comply with the terms of this Agreement relating to its obligations to fund prospective Revolving Commitments, (d) otherwise failed to pay over to the Administrative Agent or any other Lender any other amount required to be paid by it hereunder within three Business Days of the date when due, unless the subject of a good faith dispute or (e) become the subject of a bankruptcy or insolvency proceeding, or has had a receiver, conservator, trustee, custodian, administrator, assignee for the benefit of creditors or similar Person charged with reorganization or liquidation of its business appointed for it, or has taken any action in furtherance of, or indicating its consent to, approval of or acquiescence in any such proceeding or appointment or has a parent company that has become the subject of a bankruptcy or insolvency proceeding, or has had a receiver, conservator, trustee, custodian, administrator, assignee for the benefit of creditors or similar Person charged with reorganization or liquidation of its business appointed for it, or has taken any action in furtherance of, or indicating its consent to, approval of or acquiescence in any such proceeding or appointment; provided that (i) the Administrative Agent and the Borrower may declare (A) by joint notice to the Lenders that a Defaulting Lender is no longer a "Defaulting Lender" or (B) that a Lender is not a Defaulting Lender if in the case of both clauses (A) and (B) the Administrative Agent and the Borrower each determines, in its sole respective discretion, that (x) the circumstances that resulted in such Lender becoming a "Defaulting Lender" no longer apply or (y) it is satisfied that such Lender will continue to perform its funding obligations hereunder and (ii) a Lender shall not be a Defaulting Lender solely by virtue of the ownership or acquisition of voting stock or any other equity interest in such Lender or a parent company thereof by a Governmental Authority or an instrumentality thereof.

"Defaulting Revolving Lender" has the meaning set forth in Section 2.16.

"Deposit Account" shall have the meaning set forth in the Security Agreement.

"Depositary Bank" shall have the meaning set forth in the Security Agreement.

"Depositary Bank Agreement" shall have the meaning set forth in the Security Agreement.

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

"Derivatives Creditor" means any Lender or any Affiliate of any Lender from time to time party to one or more Derivatives Agreements permitted hereunder with a Credit Party (even if any such Lender for any reason ceases after the execution of such agreement to be a Lender hereunder), and its successors and assigns.

"Derivatives Obligations" of any Person means all obligations (including any amounts which accrue after the commencement of any bankruptcy or insolvency proceeding with respect to such Person, whether or not allowed or allowable as a claim under any bankruptcy or insolvency proceeding) of such Person in respect of any Derivatives Agreement, excluding any amounts which such Person is entitled to set-off against its obligations under applicable law.

"Derivatives Termination Value" means, at any date and in respect of any one or more Derivatives Agreements, after taking into account the effect of any legally enforceable netting agreements relating to such Derivatives Agreements, (i) for any date on or after the date such Derivatives Agreements have been closed out and termination value(s) determined in accordance therewith, such termination value(s), and (ii) for any date prior to the date referenced in clause (i), the amount(s) determined as the mark-to-market value(s) for such Derivatives Agreements, as determined based upon one or more mid-market or other readily available quotations provided by any recognized dealer in such Derivatives Agreements (which may include any Lender).

"Documentation Agent" means General Electric Capital Corporation in its capacity as documentation agent.

"Dollars" and the sign "$" means lawful money of the United States of America.

"Domestic Subsidiary" means with respect to any Person each Subsidiary of such Person which is incorporated under the laws of the United States or any state thereof, and the District of Columbia, and "Domestic Subsidiaries" means any two or more of them.

"Eligible Assignee" means (i) in the case of an assignment of Revolving Commitments or Revolving Loans, any Revolving Lender, and in the case of any other assignment, any Lender, (ii) in the case of an assignment of Revolving Commitments or Revolving Loans, any Affiliate of a Revolving Lender, and in the case of any other assignment, any Affiliate of any Lender (iii) in the case of an assignment of Revolving Commitments or Revolving Loans, any Approved Fund of any Revolving Lender, and in the case of any other assignment, any Approved Fund of any Lender, (iv) any other

commercial bank, finance company, insurance company or other financial institution or fund (other than a natural Person) approved by (A) the Administrative Agent, (B) in the case of any assignment of a Revolving Commitment, the Issuing Lenders and the Swingline Lender and (C) unless an Event of Default has occurred and is continuing at the time any assignment is effected pursuant to Section 10.06(b), the Borrower (each such approval not to be unreasonably withheld, conditioned or delayed and any such approval required of the Borrower to be deemed given by the Borrower if no objection from the Borrower is received by the assigning Lender and the Administrative Agent within five Business Days after notice of such proposed assignment has been provided by the assigning Lender to the Borrower) and (v) subject to the restrictions set forth in Section 10.06(b)(i), any Sponsor Affiliated Lender; provided, however, that no Person shall be an Eligible Assignee if such Person appears on the list of Specially Designated Nationals and Blocked Persons prepared by the U.S. Treasury Department's Office of Foreign Assets Control or the purchase by such Person of an assignment or the performance by any Agent of its duties under the Finance Documents with respect to such Person violates or would violate any Anti-Terrorism Law.

"Employee Benefit Arrangements" means, in any jurisdiction, the benefit schemes or arrangements in respect of any employees or past employees operated by any Group Company or in which any Group Company participates and which provide benefits on retirement, ill-health, injury, death or voluntary withdrawal from or termination of employment, including termination indemnity payments and life assurance and post-retirement medical benefits.

"Environmental Laws" means all Laws relating in any way to the protection of the environment, the preservation or reclamation of natural resources, the management, release or threatened release of, or exposure to, any Hazardous Material or health and safety matters.

"Environmental Liability" means any liability, contingent or otherwise (including any liability for damages, costs of remediation, fines, penalties or indemnities), of any Group Company directly or indirectly resulting from or based on (i) violation of or claim pursuant to any Environmental Law, (ii) the generation, use, handling, transportation, storage, treatment or disposal of any Hazardous Material, (iii) exposure to any Hazardous Material, (iv) the release or threatened release of any Hazardous Material into the environment or (v) any contract, agreement or other consensual arrangement pursuant to which liability is assumed or imposed with respect to any of the foregoing.

"Equity Equivalents" means with respect to any Person any rights, warrants, options, convertible securities, exchangeable securities, indebtedness or other rights, in each case exercisable for or convertible or exchangeable into, directly or indirectly, Equity Interests of such Person or securities exercisable for or convertible or exchangeable into Equity Interests of such Person, whether at the time of issuance or upon the passage of time or the occurrence of some future event.

"Equity Interests" means all shares of capital stock, partnership interests (whether general or limited), limited liability company membership interests, beneficial interests in a trust and any other interest or participation that confers on a Person the right to receive a share of profits or losses, or distributions of assets, of an issuing Person, but excluding any debt securities convertible into such Equity Interests.

"Equity Issuance" means (i) any sale or issuance by any Group Company to any Person other than OH Holdings or a Subsidiary of OH Holdings of any Equity Interests or any Equity Equivalents (other than any such Equity Equivalents that constitute Debt) and (ii) the receipt by any Group Company of any cash capital contributions, whether or not paid in connection with any issuance of Equity Interests of any Group Company, from any Person other than OH Holdings or a Subsidiary of OH Holdings.

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended, and any rule or regulation issued thereunder.

"ERISA Affiliate" means each business or entity which is or was a member of a "controlled group of corporations", under "common control" or a member of an "Affiliated service group" with a Group Company within the meaning of Section 414(b), (c) or (m) of the Code, or required or was required to be aggregated with a Group Company under Section 414(o) of the Code or is or was under "common control" with a Group Company, within the meaning of Section 4001(a)(14) of ERISA.

"ERISA Event" means:

(i) a reportable event as defined in Section 4043 of ERISA and the regulations issued under such Section with respect to a Plan, excluding, however, such events as to which the PBGC by regulation has waived the requirement of Section 4043(a) of ERISA that it be notified within 30 days of the occurrence of such event;

(ii) the requirements of Section 4043(b) of ERISA apply with respect to a contributing sponsor, as defined in Section 4001(a)(13) of ERISA, of any Plan, and an event described in paragraph (9), (10), (11), (12) or (13) of Section 4043(c) of ERISA is reasonably expected to occur with respect to such Plan within the following 30 days;

(iii) (x) the failure to meet the minimum funding standard of Sections 412 or 430 of the Code with respect to any Plan (whether or not waived in accordance with Section 412(c) of the Code), the application for a minimum funding waiver under Sections 302 or 303 of ERISA with respect to any Plan, or the failure to make by its due date a required contribution under Section 430(j) of the Code with respect to any Plan; or (y) the failure to make any required contribution to a Multiemployer Plan;

(iv) the incurrence of any material liability by a Group Company or any ERISA Affiliate pursuant to Title I or IV of ERISA or the penalty or excise tax provisions of the Code relating to employee benefit plans (as defined in Section 3 of ERISA), or the occurrence or existence of any event, transaction or condition that could reasonably be expected to result in the incurrence of any such material liability by a Group Company or any ERISA Affiliate, or in the imposition of any lien on any of the rights, properties or assets of a Group Company or any ERISA Affiliate, in either case pursuant to Title I or IV of ERISA or to such penalty or excise tax provisions of the Code or to Sections 436(f) or 412 of the Code, or a determination that any Plan is, or is expected to be, in "at risk" status (as defined in Section 430 of the Code or Section 303 of ERISA);

(v) the provision by the administrator of any Plan pursuant to Section 4041(a)(2) of ERISA of a notice (or the reasonable expectation of such provision of notice) of intent to terminate such Plan in a distress termination described in Section 4041(c) of ERISA, the institution by the PBGC of proceedings to terminate any Plan or the occurrence of any event or condition which could reasonably be expected to constitute grounds under ERISA for the termination of, or the appointment of a trustee by the PBGC to administer, any Plan;

(vi) the withdrawal of a Group Company or ERISA Affiliate in a complete or partial withdrawal (within the meaning of Sections 4203 and 4205 of ERISA) from any Multiemployer Plan if there is any material liability therefor, or the receipt by a Group Company or ERISA Affiliate of notice from any Multiemployer Plan that it is in reorganization or insolvency pursuant to Section 4241 or 4245 of ERISA, or that it intends to terminate or has

terminated under Section 4041A or 4042 of ERISA, or a determination that any Multiemployer Plan is, or is expected to be, in "critical" or "endangered" status under Section 432 of the Code or Section 305 of ERISA;

(vii) the imposition of material liability (or the reasonable expectation thereof) on a Group Company or ERISA Affiliate pursuant to Section 4062, 4063, 4064 or 4069 of ERISA or by reason of the application of Section 4212(c) of ERISA;

(viii) the assertion of a material claim (other than routine claims for benefits) against any Plan or the assets thereof, or against a Group Company in connection with any Plan;

(ix) the receipt from the United States Internal Revenue Service of notice of the failure of any Plan (or any Employee Benefit Arrangement intended to be qualified under Section 401(a) of the Code) to qualify under Section 401(a) of the Code, or the failure of any trust forming part of any Plan to qualify for exemption from taxation under Section 501(a) of the Code, and, with respect to Multiemployer Plans, notice thereof to any Group Company;

(x) the establishment or amendment by a Group Company of any Welfare Plan that provides post-employment welfare benefits in a manner that would increase the liability of a Group Company;

(xi) the occurrence of a "prohibited transaction" with respect to which a Group Company is a "disqualified person" (within the meaning of Section 4975 of the Code) or a "party in interest" (within the meaning of Section 406 of ERISA); or

(xii) any other event or condition with respect to a Plan or Multiemployer Plan that could result in liability to a Group Company.

"Eurodollar Loan" means at any date a Loan which bears interest at a rate determined by reference to the Adjusted Eurodollar Rate.

"Event of Default" has the meaning set forth in Section 8.01.

"Evergreen Letter of Credit" has the meaning set forth in Section 2.05(c).

"Excess Cash Flow" means for any period an amount equal to (i) Consolidated EBITDA for such period plus (ii) all cash extraordinary, unusual or non recurring gains, if any, during such period, other than from Asset Dispositions, plus (iii) the decrease, if any, in Consolidated Adjusted Working Capital from the first day to the last day of such period, minus (iv) the amount, if any, which, in the determination of Consolidated Net Income for such period, has been included in respect of income or gain from Asset Dispositions of Holdings and its Consolidated Subsidiaries, minus (v) the aggregate amount (without duplication and in each case except to the extent paid, directly or indirectly, with proceeds of any Equity Issuance or Debt Issuance (other than Revolving Loans) by any Group Company) of (A) cash payments during such period in respect of Consolidated Capital Expenditures, (B) cash payments during such period in respect of Permitted Business Acquisitions allowed under Section 7.06(a)(xiii), other permitted Investments allowed under Section 7.06(a)(xxi) and Permitted Joint Ventures allowed under Section 7.06(a)(xvii), (C) permitted optional prepayments of Debt (other than Loans) during such period, (D) earn-out payments paid in cash during such period, (E) the aggregate amount of all Restricted Payments actually paid in cash in accordance with this Agreement by Holdings during such period, (F) up to $5,000,000 in financial advisory fees, accounting fees, legal fees and other similar advisory and consulting fees and related out-of-pocket expenses of the Borrower incurred as a result of any actual or

proposed Permitted Business Acquisition and actually paid in cash by Holdings and its Consolidated Subsidiaries during such period, in each case to the extent added to Consolidated Net Income in the determination of Consolidated EBITDA for such period, (G) Consolidated Cash Interest Expense and, without duplication and only to the extent included in Consolidated Interest Expense for such period, any expenses identified in clauses (i) through (vi) of the definition of Consolidated Cash Interest Expense actually paid in cash by Holdings and its Consolidated Subsidiaries during such period, (H) Consolidated Cash Tax Expense actually paid by Holdings and its Consolidated Subsidiaries during such period in respect of any period ending on or after the Closing Date and (I) Consolidated Scheduled Debt Payments actually paid by Holdings and its Consolidated Subsidiaries during such period minus (vi) all cash extraordinary, unusual or non-recurring losses, if any, during such period (whether or not accrued in such period), minus (vii) the increase, if any, in Consolidated Adjusted Working Capital from the first day to the last day of such period, minus (viii) to the extent included in the determination of Consolidated EBITDA for such period, amounts (whether positive or negative) derived from changes in foreign currency exchange rates during such period.

"Exchange Act" means the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

"Excluded Asset Disposition" means an Asset Disposition permitted pursuant to Section 7.05 other than Asset Dispositions pursuant to Sections 7.05 (iv), (vii), (xii) and (xvi).

"Excluded Taxes" means with respect to any Agent, any Lender or any other recipient of any payment to be made by or on account of any obligation of the Borrower hereunder, (i) income or franchise taxes imposed on (or measured by) its net income and any United States backup withholding taxes, in each case as a result of a present or former connection between such Agent or Lender and the jurisdiction of the Governmental Authority imposing such tax or any political subdivision or taxing authority thereof or therein (other than any such connection arising solely from such Agent's or Lender's having executed, delivered or performed its obligations or received a payment under, or enforced, this Agreement or any other Finance Document), (ii) any branch profits taxes imposed by the United States or any similar tax imposed by any other jurisdiction in which the Borrower is located, and (iii) in the case of any Borrowing with respect to any Lender (other than an Eligible Assignee pursuant to a request by a Borrower under Section 2.10(d)), any withholding tax imposed by the United States or any political subdivision therein or thereof that is (A) imposed on amounts payable to such Lender at the time such Lender becomes a party to this Agreement except to the extent that such Lender (or its assignor, if any) was entitled, at the time of designation of a new lending office (or assignment), to receive additional amounts from the Borrower with respect to such withholding tax pursuant to Section 3.01(a) or (B) attributable to such Lender's failure to comply (other than as a result of a Change in Law) with Section 3.01(d) and the second to last sentence of Section 10.06(c), or such Lender's failure to comply with Sections 1471 through 1474 of the Code or any regulations promulgated thereunder (the "FATCA") to establish an exemption from withholding thereunder.

"Existing Letters of Credit" means the letters of credit that were issued before the Closing Date and described by the date of issuance, letter of credit number, undrawn amount, names of beneficiary and date of expiry on Schedule 2.05, and "Existing Letter of Credit" means any one of them.

"Federal Funds Rate" means for any day the rate per annum equal to the weighted average of the rates on overnight Federal funds transactions with members of the Federal Reserve System arranged by Federal funds brokers on such day, as published by the Federal Reserve Bank of New York on the Business Day next succeeding such day; provided that (i) if such day is not a Business Day, the Federal Funds Rate for such day shall be such rate on such transactions on the next preceding Business Day as so published on the next succeeding Business Day, and (ii) if no such rate is so published on such next succeeding Business Day, the Federal Funds Rate for such day shall be the average rate quoted to Administrative Agent on such day on such transactions as determined by the Administrative Agent.

"Finance Documents" means this Agreement, the Notes, the Guaranty, the Collateral Documents, each Perfection Certificate, the Intercompany Notes, the Borrower Assumption Agreement, each Accession Agreement and each LC Document, collectively, and all other related agreements and documents issued or delivered hereunder or thereunder or pursuant hereto or thereto, in each case as the same may be amended, modified or supplemented from time to time.

"Finance Parties" means each Lender, each Derivatives Creditor, each Agent and each Indemnitee and their respective successors and assigns.

"Finance Obligations" means, at any date, (i) all Senior Obligations (ii) all Derivatives Obligations of a Credit Party permitted hereunder owed or owing to any Derivatives Creditor and (iii) all Banking Product Obligations permitted hereunder.

"Financial Asset" has the meaning set forth in Article 8 of the UCC.

"Flood Certificate" means a "Standard Flood Hazard Determination Form" of the Federal Emergency Management Agency and any successor Governmental Authority performing a similar function.

"Flood Program" means the National Flood Insurance Program created by the U.S. Congress pursuant to the National Flood Insurance Act of 1968, the Flood Disaster Protection Act of 1973, the National Flood Insurance Reform Act of 1994 and the Flood Insurance Reform Act of 2004, in each case as amended from time to time, and any successor statutes.

"Flood Zone" means areas having special flood hazards as described in the National Flood Insurance Act of 1968, as amended from time to time, and any successor statute.

"Foreign Pension Plan" means any plan, fund (including any superannuation fund) or other similar program established or maintained or formerly established or maintained outside the United States by any Group Company primarily for the benefit of employees of any Group Company residing outside the United States, which plan, fund or other similar program provides or provided, or results or resulted in, retirement income, a deferral of income in contemplation of retirement or payments to be made upon termination of employment, and which plan is not subject to ERISA or the Code.

"Foreign Subsidiary" means with respect to any Person any Subsidiary of such Person that is not a Domestic Subsidiary of such Person.

"Funded Debt" means, with respect to any Person, all Debt (including current maturities) of such Person (including, in respect of the Credit Parties, the Senior Obligations) that by its terms matures more than one year after the date of its creation or matures within one year from such date but is renewable or extendible, at the option of such Person, to a date more than one year after such date or arises under a revolving credit or similar agreement that obligates the lender or lenders to extend credit during a period of more than one year after such date.

"GAAP" means at any time generally accepted accounting principles as then in effect in the United States, applied on a basis consistent (except for changes with which Holdings' independent public accountants have concurred) with the most recent audited consolidated financial statements of Holdings and its Consolidated Subsidiaries previously delivered to the Lenders.

"Government Acts" has the meaning set forth in Section 2.05(k)(i).

"Governmental Authority" means any federal, state, local, provincial or foreign government, authority, agency, central bank, quasi-governmental or regulatory authority, court or other body or entity, and any arbitrator with authority to bind a party at law.

"Group Company" means any of OH Holdings, Holdings, Intermediate Holdings, HGI or their respective Subsidiaries (regardless of whether or not consolidated with OH Holdings or the Borrower for purposes of GAAP), and "Group Companies" means all of them, collectively.

"Guarantor" means each of OH Holdings and each Subsidiary Guarantor.

"Guaranty" means the Guaranty dated as of the Closing Date by OH Holdings, Holdings, Intermediate Holdings, HGI and the Subsidiary Guarantors in favor of the Administrative Agent, as amended, modified or supplemented from time to time.

"Guaranty Obligation" means, with respect to any Person, without duplication, any obligation (other than endorsements in the ordinary course of business of negotiable instruments for deposit or collection) guarantying, intended to guaranty, or having the economic effect of guarantying, any Debt or other obligation of any other Person in any manner, whether direct or indirect, and including any obligation, whether or not contingent, (i) to purchase any such Debt or other obligation or any property constituting security therefor, (ii) to advance or provide funds or other support for the payment or purchase of such indebtedness or obligation or to maintain working capital, solvency or other balance sheet condition of such other Person (including maintenance agreements, comfort letters, take or pay arrangements, put agreements or similar agreements or arrangements) for the benefit of the holder of Debt or other obligation of such other Person, (iii) to lease or purchase property, securities or services primarily for the purpose of assuring the owner of such Debt or other obligation or (iv) to otherwise assure or hold harmless the owner of such Debt or obligation against loss in respect thereof, it being understood and agreed that indemnification and similar reimbursement obligations entered into in the ordinary course of business in favor of the obligor on any such Debt or other obligation which are not enforceable by any holder of such Debt or other obligation and which do not otherwise constitute Debt hereunder shall not be deemed to constitute Guaranty Obligations for purposes of this Agreement and the other Finance Documents. The amount of any Guaranty Obligation hereunder shall (subject to any limitations set forth therein) be deemed to be an amount equal to the lesser of the outstanding principal amount or maximum principal amount of the Debt or other obligation in respect of which such Guaranty Obligation is made.

"Hazardous Materials" means all explosive or radioactive substances or wastes and all hazardous or toxic materials, substances, wastes or other pollutants, or environmental contaminants, including petroleum or petroleum distillates, asbestos or asbestos-containing materials, polychlorinated biphenyls, radon gas, infectious or medical wastes and all other materials, substances or wastes of any nature regulated pursuant to any Environment Law.

"HGI" has the meaning set forth in the Preamble.

"Holdings" has the meaning set forth in the Preamble.

"Increased Amount Date" has the meaning set forth in Section 2.15(a).

"Indemnified Liabilities" has the meaning set forth in Section 10.05.

"Indemnitee" has the meaning set forth in Section 10.05.

"Insignificant Subsidiaries" means (i) as of the Closing Date, the Subsidiaries of Holdings listed on Schedule 1.01F hereto and, thereafter, (ii) any Subsidiary of OH Holdings which is formed or acquired after the Closing Date and designated as such by the Borrower; provided, however, that no Subsidiary of OH Holdings may (including those listed on Schedule 1.01F hereto) remain, or be designated, as an Insignificant Subsidiary if the assets of such Subsidiary, when taken together with all assets of all other Insignificant Subsidiaries at such time, exceed the lesser of (i) 3% of Consolidated Total Assets or (ii) $7,500,000 in asset value.

"Insurance Proceeds" means all insurance proceeds (other than business interruption insurance proceeds), damages, awards, claims and rights of action with respect to any Casualty.

"Intellectual Property" means (i) all Patents, Trademarks, Copyrights, Software, Licenses, rights in intellectual property, goodwill, trade secrets, confidential or proprietary technical and business information, know-how, show-how, domain names, mask works, customer lists, vendor lists, subscription lists, data bases and related documentation, registrations, franchises and all other intellectual property rights, (ii) all rights to income, royalties, damages and payments now or hereafter due or payable with respect to any of the foregoing, including damages and payments for past, present or future infringements, dilutions, misappropriations, or other violations thereof, and (iii) all other rights of any kind accruing thereunder or pertaining thereto throughout the world.

"Intercompany Note" means a promissory note contemplated by Section 7.06(a)(ix), substantially in the form of Exhibit G hereto, and "Intercompany Notes" means any two or more of them.

"Interest Coverage Ratio" means for any period the ratio of (i) Consolidated EBITDA to (ii) Consolidated Cash Interest Expense for such period, provided however, that all cash interest payments that were paid under the Junior Debentures during any such period (including cash payments of interest accruing in prior periods) shall be excluded from Consolidated Cash Interest Expense for the purpose of calculating the Interest Coverage Ratio.

"Interest Payment Date" means (i) as to Base Rate Loans, the last day of each March, June, September and December and the Maturity Date for such Loans and (ii) as to Eurodollar Loans, the last day of each applicable Interest Period and the Maturity Date for such Loans, and in addition where the applicable Interest Period for a Eurodollar Loan is greater than three months, then also the date three months from the beginning of the Interest Period and each three months thereafter unless a Default or Event of Default is then in existence, in which case, such dates shall be the date one month from the beginning of the Interest Period and each month thereafter.

"Interest Period" means with respect to each Eurodollar Loan, a period commencing on the date of borrowing specified in the applicable Notice of Borrowing or on the date specified in the applicable Notice of Extension/Conversion and ending one, two, three, six or, if available to all of the Lenders, and such Lenders give their prior written consent, nine or twelve months thereafter, as the Borrower may elect in the applicable notice; provided that:

(i) any Interest Period which would otherwise end on a day which is not a Business Day shall, subject to clause (v) below, be extended to the next succeeding Business Day unless such Business Day falls in another calendar month, in which case such Interest Period shall end on the next preceding Business Day;

(ii) any Interest Period which begins on the last Business Day of a calendar month (or on a day for which there is no numerically corresponding day in the calendar month at the end of such Interest Period) shall end on the last Business Day of a calendar month;

(iii) no Interest Period in respect of Term Loans may be selected which extends beyond a Principal Amortization Payment Date for such Loans unless, after giving effect to the selection of such Interest Period, the aggregate principal amount of Term Loans which are comprised of Base Rate Loans together with such Term Loans comprised of Eurodollar Loans with Interest Periods expiring on or prior to such Principal Amortization Payment Date are at least equal to the aggregate principal amount of Term Loans due on such date;

(iv) with respect to Revolving Loans and Term Loans, no Interest Period in excess of one month may be elected at any time when a Default or an Event of Default is then in existence; and

(v) no Interest Period shall be elected which would end after the Maturity Date for such Loans.

"Interest Rate Determination Date" means, with respect to any Interest Period, the date that is two (2) Business Days prior to the first day of such Interest Period.

"Intermediate Holdings" has the meaning set forth in the Preamble.

"Investment" in any Person means (i) the acquisition (whether for cash, property, services, assumption of Debt, securities or otherwise) of assets, shares of Capital Stock, bonds, notes, debentures, time deposits or other securities of such Person, (ii) any deposit with, or advance, loan or other extension of credit to or for the benefit of such Person (other than deposits made in connection with the purchase of equipment or inventory in the ordinary course of business), (iii) any other capital contribution to or investment in such Person, including by way of Guaranty Obligations of any Debt or other obligation of such Person, any support for a letter of credit issued on behalf of such Person incurred for the benefit of such Person or any release, cancellation, compromise or forgiveness in whole or in part of any Debt owing by such Person or (iv) any Business Acquisition. The outstanding amount of any Investment shall be deemed to equal the difference of (a) the aggregate initial amount of such Investment less (b) all returns of principal thereof or capital with respect thereto and all dividends and other distributions of income received in respect thereof and all liabilities expressly assumed by another Person (and with respect to which Holdings and its Subsidiaries, as applicable, shall have received a novation) in connection with the sale of such Investment.

"Issuing Lender" means (i) Barclays Bank PLC and PNC Bank, National Association, each as an issuer of Letters of Credit (other than Existing Letters of Credit) and their respective successors in such capacity and (ii) PNC Bank, National Association, as issuer of each Existing Letter of Credit.

"Joinder Agreement" means an agreement substantially in the form of Exhibit O hereto.

"Junior Debentures" mean the junior subordinated debentures issued by Holdings to The Hillman Group Capital Trust (the "Junior Debentures Holders") pursuant to the Junior Debentures Indenture, as such Junior Debentures may be amended, modified or supplemented from time to time in accordance with the provisions thereof and the limitations set forth herein.

"Junior Debentures Documents" means the Junior Debentures Indenture, in each case including all exhibits and schedules thereto, and all other agreements, documents and instruments relating to the Junior Debentures, in each case as the same may be amended, modified or supplemented from time to time in accordance with the provisions thereof and of this Agreement.

"Junior Debentures Indenture" means the indenture dated September 5, 1997 between Holdings (as successor to the original issuer thereunder) and The Bank of New York as the trustee, as such Junior Debentures Indenture may be amended, modified or supplemented from time to time.

"Law" means any international, foreign, Federal, state or local statute, treaty, rule, guideline, regulation, ordinance, code, or administrative or judicial precedent or authority, including the interpretation or administration thereof by any Governmental Authority charged with the enforcement, interpretation or administration thereof, and all applicable administrative orders, directed duties, requests, licenses, authorizations and permits of, and agreements with, any Governmental Authority, in each case whether or not having the force of law.

"LC Cash Collateral Account" has the meaning set forth in the Security Agreement.

"LC Commitment" means the commitment of the Issuing Lender to issue Letters of Credit in an aggregate face amount at any one time outstanding (together with the amounts of any unreimbursed drawings thereon) of up to the LC Committed Amount.

"LC Committed Amount" has the meaning set forth in Section 2.05(b).

"LC Disbursements" means a payment or disbursement made by the Issuing Lender pursuant to a Letter of Credit in accordance with this Agreement.

"LC Documents" means, with respect to any Letter of Credit, such Letter of Credit, any amendments thereto, any documents delivered in connection therewith, any application therefor and any agreements, instruments, guaranties or other documents (whether general in application or applicable only to such Letter of Credit) governing or providing for (i) the rights and obligations of the parties concerned or at risk or (ii) any collateral security for such obligations.

"LC Exposure" means, at any time, the sum of (i) the aggregate undrawn amount of all outstanding Letters of Credit at such time plus (ii) the aggregate amount of all LC disbursements relating to Letters of Credit that have not yet been reimbursed by or on behalf of the Borrower at such time. The LC Exposure of any Revolving Lender at any time shall be its pro rata percentage of the total LC Exposure at such time.

"LC Obligations" means at any time the maximum amount which is, or at any time thereafter may become, available to be drawn under Letters of Credit assuming compliance with all requirements for drawings referred to in such Letters of Credit plus, without duplication the aggregate amount of all LC Disbursements not yet reimbursed by the Borrower in respect of drawings under Letters of Credit, including any portion of any such obligation to which a Lender has become subrogated pursuant to Section 2.05.

"Lead Arrangers" means Barclays Capital, the investment banking division of Barclays Bank PLC and Morgan Stanley Senior Funding, Inc., in their capacities as joint lead arrangers.

"Leaseholds" means with respect to any Person all of the right, title and interest of such Person as lessee or licensee in, to and under leases or licenses of land, improvements and/or fixtures.

"Lender" means each bank or other lending institution listed in the Register, each Eligible Assignee that becomes a Lender pursuant to Section 10.06(b) and their respective successors and shall include, as the context may require, the Swingline Lender in such capacity and the Issuing Lender in such capacity.

"Letter of Credit" means any Existing Letter of Credit and any letter of credit issued hereunder by the Issuing Lender at any time on or after the Closing Date.

"Letter of Credit Fee" means the fees charged under Section 2.11(b)(i).

"Letter of Credit Request" has the meaning set forth in Section 2.05(c).

"License" means any Patent License, Trademark License, Copyright License Software License or other license or sub-license of rights in Intellectual Property, or any other agreement providing for a covenant not to sue for infringement, misappropriation, dilution or other violation of any Intellectual Property.

"Lien" means, with respect to any asset, any mortgage, pledge, hypothecation, assignment, deposit arrangement, lien (statutory or other) or other security interest or preferential arrangement of any kind or nature whatsoever (including any conditional sale or other title retention agreement, any financing lease having substantially the same economic effect as any of the foregoing, and the filing of any financing statement under the Uniform Commercial Code or comparable Laws of any jurisdiction). Solely for the avoidance of doubt, neither the filing of a Uniform Commercial Code financing statement that is a protective lease filing in respect of an operating lease that does not constitute a security interest in the leased property or otherwise give rise to a Lien nor the filing of a Uniform Commercial Code financing statement in respect of consigned goods that does not constitute a security interest in the consigned goods or otherwise give rise to a Lien shall constitute a Lien solely on account of being filed in a public office.

"Limited Recourse Debt" means with respect to any Person, Debt to the extent: (i) such Person (A) provides no credit support of any kind (including any undertaking, agreement or instrument that would constitute Debt), (B) is not directly or indirectly liable as a guarantor or otherwise or (C) does not constitute the lender; and (ii) no default with respect thereto would permit upon notice, lapse of time or both any holder of any other Debt (other than the Loans or the Notes) of such Person to declare a default on such other Debt or cause the payment thereof to be accelerated or payable prior to its stated maturity.

"Loan" means a Revolving Loan, a Term Loan, a New Term Loan or a Swingline Loan (or a portion of any Revolving Loan, Term Loan, New Term Loan or Swingline Loan), individually or collectively as appropriate; provided that, if any such loan or loans (or portions thereof) are combined or subdivided pursuant to a Notice of Extension/Conversion, the term "Loan" shall refer to the combined principal amount resulting from such combination or to each of the separate principal amounts resulting from such subdivision, as the case may be.

"Management Group" means the Persons identified on Schedule 1.01D.

"Margin Stock" means "margin stock" as such term is defined in Regulation U.

"Material Adverse Effect" means (A) for purposes of the condition precedent in Section 4.01(q) and the representation and warranty in Section 5.08 (but only to the extent such representation and warranty is made on the Closing Date), any event, occurrence, circumstance, development, condition, fact, change or effect has had, or would reasonably be expected to have, either individually or in the aggregate, a material adverse effect on the assets, liabilities, financial condition or results of operations of Holdings and its subsidiaries, taken as a whole, or that materially impairs the ability of Holdings to consummate the transactions contemplated by the Acquisition Agreement, but shall exclude any event, occurrence, circumstance, development, condition, fact, change or effect resulting or arising from: (i) any

change in any Laws or GAAP (each as defined in the Acquisition Agreement) or any interpretation thereof, to the extent Holdings is not disproportionately affected thereby relative to other Persons (as defined in the Acquisition Agreement) in the business in which Holdings operates; (ii) any change in U.S. or global general economic conditions or economic, financial, market or political conditions, including interest rates, exchange rates, securities or commodity prices, in each case, to the extent Holdings is not disproportionately affected thereby relative to other Persons in the business in which Holdings operates; (iii) any change in the industries or markets in which Holdings or any of its subsidiaries operates, but only (a) if such changes are not specifically related to Holdings or any subsidiary and (b) to the extent Holdings is not disproportionately affected thereby relative to other Persons in the business in which Holdings operates; (iv) the entry into, announcement or consummation of the Acquisition Agreement and/or the transactions contemplated thereby; (v) the effect of any natural disaster, war, act of terrorism, civil unrest or similar event that does not disproportionately impact Holdings relative to other Persons in the business in which Holdings operates; (vi) any action taken or any omission to act by Holdings or any of its subsidiaries, in each case, with the consent of Holdings and (B) for all other purposes of this Agreement, (i) any material adverse effect upon the business, operations, assets, condition (financial or otherwise) or liabilities (contingent or otherwise) of Holdings and its Consolidated Subsidiaries, taken as a whole, (ii) a material adverse effect on the ability of a Credit Party to consummate the transactions contemplated hereby to occur on the Closing Date or (iii) a material impairment of the rights and remedies of the Lenders in the aggregate under any Finance Document.

"Maturity Date" means the Revolving Loan Maturity Date or the Term Loan Maturity Date, as applicable.

"Merger Sub" has the meaning set forth in the Preamble.

"Moody's" means Moody's Investors Service, Inc., a Delaware corporation, and its successors or, absent any such successor, such nationally recognized statistical rating organization as the Borrower and the Administrative Agent may select.

"Mortgage" means in the case of owned real property interests, a mortgage or deed of trust, substantially in the form of, or otherwise substantially identical in substance to the provisions of, Exhibit F hereto (with such changes as may be reasonably satisfactory to the Collateral Agent to account for local law matters), among any Credit Party, the Collateral Agent and one or more trustees, as the same may be amended, modified or supplemented from time to time.

"Mortgage Policies" has the meaning set forth in Section 4.01(k) hereto.

"Mortgaged Properties" means the real property interests of Holdings and its Subsidiaries described in Schedule 4.01(k) hereto.

"Multiemployer Plan" means a "multiemployer plan" as defined in Section 3(37) or 4001(a)(3) of ERISA.

"Net Cash Proceeds" means:

(i) with respect to any Asset Disposition, (other than an Asset Disposition consisting of a lease where one or more Group Companies is acting as lessor, entered into in the ordinary course of business), Casualty or Condemnation, (A) the gross amount of all cash proceeds (including Insurance Proceeds and Condemnation Awards in the case of any Casualty or Condemnation, except to the extent and for so long as such Insurance Proceeds or Condemnation Awards constitute Reinvestment Funds or unless such Insurance Proceeds or Condemnation

Awards are to be used for repair, restoration or replacement pursuant to plans approved by the Required Lenders) actually paid to or actually received by any Group Company in respect of such Asset Disposition, Casualty or Condemnation (including any cash proceeds received as income or other proceeds of any noncash proceeds of any Asset Disposition, Casualty or Condemnation as and when received), less (B) the sum of (w) the amount, if any, of all taxes (other than income taxes) and all income taxes (as estimated in good faith by the applicable financial or accounting officer of Holdings giving effect to the overall tax position of Holdings and its Subsidiaries), and customary fees, brokerage fees, legal fees, commissions, costs and other expenses (other than those payable to any Group Company or to Affiliates of any Group Company) that are incurred in connection with such Asset Disposition, Casualty or Condemnation and are payable by any Group Company, but only to the extent not already deducted in arriving at the amount referred to in clause (i)(A) above, (x) all appropriate amounts that must be set aside as a reserve in accordance with GAAP against any liabilities associated with such Asset Disposition, Casualty or Condemnation, (y) if applicable, the amount of any Debt secured by a Permitted Lien that has been repaid or refinanced in accordance with its terms with the proceeds of such Asset Disposition, Casualty or Condemnation; and (z) any payments to be made by any Group Company as agreed between such Group Company and the purchaser of any assets subject to an Asset Disposition, Casualty or Condemnation in connection therewith; and

(ii) with respect to any Equity Issuance or Debt Issuance, the gross amount of cash proceeds paid to or received by any Group Company in respect of such Equity Issuance or Debt Issuance as the case may be (including cash proceeds subsequently as and when received at any time in respect of such Equity Issuance or Debt Issuance from non-cash consideration initially received or otherwise), net of underwriting discounts and commissions or placement fees, investment banking fees, legal fees, consulting fees, accounting fees and other customary fees and expenses incurred by any Group Company in connection therewith (other than those payable to any Group Company or to any Affiliate of any Group Company).

"New Lender" has the meaning set forth in Section 2.15(b).

"New Term Loan Commitment" has the meaning set forth in Section 2.15(a).

"New Term Loans" has the meaning set forth in Section 2.15(a).

"New Term Loan Commitment Percentage" means, for each New Lender, the percentage obtained by taking the outstanding principal balance of the New Term Loans held by such New Lender and dividing same by the aggregate outstanding principal balance of the New Term Loans of all Lenders, as such percentage is identified for each Lender as its New Term Commitment Percentage in the Register, or in the Applicable Assignment and Assumption, as such percentage may be modified in connection with any assignment made in accordance with the provisions of Section 10.06(b).

"Non-Renewal Notice Date" has the meaning set forth in Section 2.05(c).

"Note" means a Revolving Note, a Term Note or a Swingline Note, and "Notes" means any combination of the foregoing.

"Notice of Borrowing" means a request by the Borrower for a Borrowing, substantially in the form of Exhibit A-1 hereto.

"Notice of Extension/Conversion" has the meaning set forth in Section 2.07(a).

"OH Holdings" has the meaning set forth in the Preamble.

"Operating Lease" means, as applied to any Person, a lease (including leases which may be terminated by the lessee at any time) of any property (whether real, personal or mixed) by such Person as lessee which is not a Capital Lease.

"Other Pro Forma Adjustments" means, with respect to Consolidated EBITDA, additional good faith pro forma adjustments (as certified by the chief financial officer or treasurer of the Borrower) arising out of cost savings initiatives attributable to the applicable transaction and additional cost savings associated with the combination of the operations of the applicable acquired or disposed Person or assets with the operations of the Borrower and its Subsidiaries, in each case, being given pro forma effect in accordance with the definition of "Pro Forma Basis", including (w) reduction in personnel expenses, (x) reduction of costs related to administrative functions, (y) reductions of costs related to leased or owned properties and (z) reduction of costs from the consolidation of operations and streamlining of corporate overhead (taking into account, for purposes of determining such compliance, the historical financial statements of the acquired or disposed Person or assets and the consolidated financial statements of the Borrower and its Subsidiaries, assuming the applicable transaction, and all other transactions that have been occurred during the applicable period and any Debt or other liabilities repaid or incurred in connection therewith had been consummated and incurred or repaid at the beginning of such period (and assuming that such Debt to be incurred bears interest during any portion of the applicable measurement period prior to the relevant acquisition at the interest rate which is or would be in effect with respect to such Debt as at the relevant date of determination); provided, that such Other Pro Forma Adjustments shall at no time exceed 5.00% of total Consolidated EBITDA for the last four consecutive fiscal quarters of Holdings and its Consolidated Subsidiaries for which financial statements have been delivered pursuant to Section 6.01(a) and (b).

"Other Taxes" has the meaning set forth in Section 3.01(b).

"Owned Mortgaged Property" and "Owned Mortgaged Properties" have the respective meanings set forth in Section 4.01(k).

"Participation Interest" means a Credit Extension by a Lender by way of a purchase of a participation interest in LC Obligations as provided in Section 2.05(e), in Swingline Loans as provided in Section 2.01(c)(vi) or in any Loans as provided in Section 2.13.

"Patent" means any of the following: (i) all letters patent and design letters patent of the United States or any other country; (ii) all applications filed or in preparation for filing for letters patent and design letters patent of the United States or any other country including applications in the United States Patent and Trademark Office or in any similar office or agency of the United States or any other country or political subdivision thereof; (iii) all reissues, divisions, continuations, continuations-in-part, revisions, renewals or extensions thereof; (iv) all claims for, and rights to sue for, past, present or future infringement of any of the foregoing; (v) all rights to income, royalties, damages and payments now or hereafter due or payable with respect to any of the foregoing, including damages and payments for past, present or future infringements thereof and payments and damages under all Patent Licenses in connection therewith; and (vi) all rights corresponding to any of the foregoing whether arising under the laws of the United States or any foreign country or otherwise.

"Patent License" means any agreement now or hereafter in existence granting to any Credit Party any right, whether exclusive or non-exclusive, with respect to any Person's patent or any invention now or hereafter in existence, whether or not patentable, or pursuant to which any Credit Party has granted to any other Person, any right, whether exclusive or non-exclusive, with respect to any Patent or any invention now or hereafter in existence, whether or not patentable and whether or not a Patent or application for Patent is in or hereafter comes into existence on such invention.

"PBGC" means the Pension Benefit Guaranty Corporation established pursuant to Subtitle A of Title IV of ERISA or any entity succeeding to any or all of its functions under ERISA.

"Perfection Certificate" means a certificate, substantially in the form of Exhibit E to this Agreement, completed and supplemented with the schedules and attachments contemplated thereby and duly executed by a Responsible Officer of such Credit Party.

"Permit" means any license, permit, franchise, right or privilege, certificate of authority or order, or any waiver of the foregoing, issued or issuable by any Governmental Authority.

"Permitted Business Acquisition" means a Business Acquisition; provided that:

(i) the Equity Interests or property or assets acquired in such acquisition relate to a line of business similar to the business of the Borrower or any of its Subsidiaries engaged in on the Closing Date or reasonably related or ancillary or complimentary thereto;

(ii) the representations and warranties made by the Credit Parties in each Finance Document shall be true and correct in all material respects at and as of the date of such acquisition (as if made on such date after giving effect to such acquisition), except to the extent such representations and warranties expressly relate to an earlier date (in which case such representations and warranties shall be true and correct in all material respects at and as of such earlier date);

(iii) the Administrative Agent or the Collateral Agent, as applicable, shall have received all items in respect of the Equity Interests or property or assets acquired in such acquisition (and/or the seller thereof) required to be delivered by Section 6.10;

(iv) in the case of an acquisition of the Equity Interests of another Person, (A) except in the case of the incorporation of a new Subsidiary, the board of directors (or other comparable governing body) of such other Person shall have duly approved such acquisition and (B) the Equity Interests so acquired shall constitute 100% of the total Equity Interests of the issuer thereof (it being understood that, subject to the limitations set forth in Section 7.06(a)(x) and other provisions of this Agreement, the foregoing restriction shall not prohibit the acquisition of a Person which itself has non-Wholly-Owned Subsidiaries);

(v) no Default or Event of Default shall have occurred and be continuing immediately before or immediately after giving effect to such acquisition, and Holdings shall have delivered to the Administrative Agent a Pro-Forma Compliance Certificate demonstrating that, upon giving effect to such acquisition on a Pro-Forma Basis, (A) Holdings shall be in compliance with all of the financial covenants set forth in Section 7.16 hereof as of the last day of the most recent period of four consecutive fiscal quarters of Holdings which precedes or ends on the date of such acquisition and with respect to which the Administrative Agent has received the consolidated financial information required under Section 6.01(a) and (b) and the certificate required by Section 6.01(c), (B) the following tests shall be met:

(1) Total Leverage Ratio. The Total Leverage Ratio as of the last day of the most recently ended fiscal quarter of Holdings and its Consolidated Subsidiaries ending on the last day of any calendar quarter ending during any period

described below, in each case for the period of four consecutive fiscal quarters of Holdings and its Consolidated Subsidiaries then ended, taken as a single accounting period, may not be greater than the ratio set forth below opposite the period during which such fiscal quarter ends:

Fiscal Quarters Ended During	**Ratio**
7/1/10 through 12/31/10	6.50:1.00
1/1/11 through 3/31/11	6.25:1.00
4/1/11 through 12/31/11	6.00:1.00
1/1/12 through 3/31/12	5.75:1.00
4/1/12 through 12/31/12	5.50:1.00
1/1/13 through 3/31/13	5.25:1.00
4/1/13 through 6/30/13	5.00:1.00
7/1/13 through 12/31/13	4.75:1.00
Thereafter	4.25:1.00

(2) *Interest Coverage Ratio*. The Interest Coverage Ratio as of the last day of the most recently ended fiscal quarter of Holdings and its Consolidated Subsidiaries ending on the last day of any calendar quarter ending during any period described below, in each case for the period of four consecutive fiscal quarters of Holdings and its Consolidated Subsidiaries then ended, taken as a single accounting period, may not be less than the ratio set forth below opposite the period during which such fiscal quarter ends:

Fiscal Quarters Ended During	**Ratio**
7/1/10 through 12/31/12	2.25:1.00
1/1/13 through 3/31/14	2.50:1.00
Thereafter	2.75:1.00

(3) *Secured Leverage Ratio*. The Secured Leverage Ratio as of the last day of the most recently ended fiscal quarter of Holdings and its Consolidated Subsidiaries ending on the last day of any calendar quarter ending during any period described below, in each case for the period of four consecutive fiscal quarters of Holdings and its Consolidated Subsidiaries then ended, taken as a single accounting period, may not be greater than the ratio set forth below opposite the period during which such fiscal quarter ends:

Fiscal Quarters Ended During	**Ratio**
7/1/10 through 9/30/10	4.25:1.00
10/1/10 through 3/31/11	4.00:1.00
4/1/11 through 9/30/11	3.75:1.00
10/1/11 through 6/30/12	3.50:1.00
7/1/12 through 12/31/12	3.25:1.00
1/1/13 through 3/31/13	3.00:1.00
Thereafter	2.75:1.00

(vi) after giving effect to such acquisition, the Revolving Committed Amount plus the aggregate amount of all cash and Cash Equivalents of the Credit Parties not subject to Liens (other than Liens in favor of the Collateral Agent and Liens permitted under Section 7.02(xv)) shall be at least $7,500,000 greater than the aggregate Revolving Outstandings; and

(vii) the aggregate consideration (including cash, earn-out payments (to the extent required to be reserved for under GAAP), assumption and/or incurrence of Debt, Debt Equivalents and non-cash consideration for all such Business Acquisitions occurring after the Closing Date but excluding Qualified Equity Interests) shall not exceed $150,000,000; provided that any incurrence of Debt in connection with such acquisitions shall be permitted under Section 7.01(iv), (xi) or (xvii) and any assumption of Debt in connection with such acquisitions shall be permitted under Section 7.01(iv).

"Permitted Encumbrances" means (i) those liens, encumbrances and other matters affecting title to any Mortgaged Property listed as exceptions in the Mortgage Policies in respect thereof (or under which the Collateral Agent has received affirmative coverage with respect thereto), (ii) zoning restrictions, building codes, land use and other similar laws and municipal ordinances, (iii) such other items to which the Collateral Agent may consent (such consent not to be unreasonably withheld) and (iv) encumbrances, easements, rights of way, licenses, reservations, covenants, conditions, waivers, restrictions, encroachments and other survey defects and other matters affecting title to any Mortgaged Property that would not result in a Material Adverse Effect.

"Permitted Joint Venture" means a joint venture, in the form of a corporation, limited liability company, business trust, joint venture, association, company or partnership, entered into by the Borrower or any of its Subsidiaries which (i) is engaged in a line of business related, ancillary or complementary to those engaged in by the Borrower and its Subsidiaries and (ii) is formed or organized in a manner that limits the exposure of the Borrower and its Subsidiaries for the liabilities thereof to (A) the Investments of the Borrower and its Subsidiaries therein permitted under Section 7.06(a)(xvii) and (B) any Debt of any Permitted Joint Venture or any Guaranty Obligations by the Borrower or any of its Subsidiaries in respect of such Debt, which Debt or Guaranty Obligations are permitted at the time under Section 7.01.

"Permitted Investors" means the collective reference to the Sponsor and the Management Group.

"Permitted Liens" has the meaning set forth in Section 7.02.

"Person" means an individual, a corporation, a partnership, an association, a limited liability company, a trust or an unincorporated association or any other entity or organization, including a government or political subdivision or an agency or instrumentality thereof.

"Plan" means an employee pension benefit plan which is covered by Title IV of ERISA or subject to the minimum funding standards under Sections 412 or 430 of the Code maintained or formerly maintained by or contributed or formerly contributed to by any Group Company or any ERISA Affiliate, including a Multiemployer Plan.

"Pledge Agreement" means the Pledge Agreement dated as of the Closing Date among OH Holdings, Holdings, Intermediate Holdings, the Borrower, the Subsidiary Guarantors and the Collateral Agent, as amended, supplemented or modified from time to time.

"Pledged Collateral" means the "Collateral" as defined in the Pledge Agreement.

"Preferred Stock" means, as applied to the Equity Interests of a Person, Equity Interests of any class or classes (however designated) which is preferred as to the payment of dividends or distributions, or as to the distribution of assets upon any voluntary or involuntary liquidation or dissolution of such Person, over the Equity Interests of any other class of such Person.

"Prepayment Account" has the meaning set forth in Section 2.09(b)(vii).

"Prime Rate" means, for any day, a rate per annum equal to the rate last quoted by The Wall Street Journal as the "Prime Rate" in the United States or, if The Wall Street Journal ceases to quote such rate, the highest per annum interest rate published by the Federal Reserve Board in Federal Reserve Statistical Release H.15 (519) (Selected Interest Rates) as the "bank prime loan" rate or, if such rate is no longer quoted therein, any similar rate quoted therein or any similar release by the Federal Reserve Board.

"Principal Amortization Payment" means a scheduled principal payment on the Term Loan pursuant to Section 2.08(b).

"Principal Amortization Payment Date" means the last Business Day of each calendar quarter, commencing with the first such date occurring at least three months after the Closing Date and ending on the Term Loan Maturity Date.

"Pro-Forma Basis" means, for purposes of calculating compliance of any transaction with any provision hereof, that the transaction in question shall be deemed to have occurred as of the first day of the most recent period of four consecutive fiscal quarters of Holdings which precedes or ends on the date of such transaction and with respect to which the Administrative Agent has received the financial information for Holdings and its Consolidated Subsidiaries required under Section 6.01(a) and (b), as applicable, and the certificate required by Section 6.01(c) for such period. As used in this definition, "transaction" means (i) any incurrence or assumption by a Group Company of Attributable Debt in respect of a Sale/Leaseback Transaction under Section 7.13, (ii) any Permitted Business Acquisition referred to in Section 7.06(a)(xiii) or in clause (v) of the definition of "Permitted Business Acquisition" set forth in Section 1.01, (iii) any Asset Disposition referred to in Section 7.05(xiv), or (iv) any computation of Consolidated EBITDA under the circumstances contemplated by the second sentence of the definition thereof. In connection with any calculation of the financial covenants set forth in Section 7.16 upon giving effect to a transaction on a "Pro-Forma Basis", (i) any Debt incurred or any Equity Interests issued, and any related repayment of Debt, by OH Holdings or any of its Subsidiaries in connection with such transaction (or any other transaction which occurred during the relevant four fiscal quarter period) shall be deemed to have been incurred as of the first day of the relevant four fiscal-quarter period, (ii) if such Debt has a floating or formula rate, then the rate of interest for such Debt for the applicable period for purposes of the calculations contemplated by this definition shall be determined by utilizing the rate which is or would be in effect with respect to such Debt as at the relevant date of such calculations, (iii) income statement items (whether positive or negative) attributable to all property acquired in such transaction or to the Investment comprising such transaction, as applicable, shall be included as if such transaction has occurred as of the first day of the relevant four-fiscal-quarter period, (iv) such other pro forma adjustments which would be permitted or required by Regulation S-X or S-K under the Securities Act shall be taken into account, and (v) Other Pro Forma Adjustments.

"Pro-Forma Compliance Certificate" means a certificate of the chief financial officer or chief accounting officer of Holdings delivered to the Administrative Agent in connection with any "transaction" as defined in the definition of "Pro-Forma Basis" and containing reasonably detailed calculations, upon giving effect to the applicable transaction on a Pro-Forma Basis, of the Interest Coverage Ratio, Secured Leverage Ratio and the Total Leverage Ratio as of the last day of the most recent period of four consecutive fiscal quarters of Holdings which precedes or ends on the date of the

applicable transaction and with respect to which the Administrative Agent shall have received the consolidated financial information for Holdings and its Consolidated Subsidiaries required under Section 6.01(a) or (b), as applicable, and the certificate required by Section 6.01(c) for such period.

"Purchase Money Debt" means Debt of OH Holdings or any of its Subsidiaries incurred for the purpose of financing all or any part of the purchase price or cost of construction or improvement of property used in the business of OH Holdings or such Subsidiary; provided that such Debt is incurred within 365 days after such property is acquired or, in the case of improvements, constructed.

"Qualified Equity Interests" any Equity Interest that is not a Debt Equivalent.

"Qualifying Equity Issuance" means (i) any Equity Issuance by OH Holdings, to, or any receipt by OH Holdings of a capital contribution from Permitted Investors and any other Person holding Equity Interests, directly or indirectly, of OH Holdings, on the Closing Date and any subsequent holders of preemptive rights in respect of Equity Interests of OH Holdings, the Net Cash Proceeds of which are contributed immediately, directly or indirectly, to the common equity of the Borrower, (ii) grants of stock of OH Holdings or options to acquire stock of OH Holdings to the management of Holdings and its Subsidiaries and (iii) the issuance by OH Holdings, for cash of its common Equity Interests to the Sponsor or any other Person if: (A) 100% of the proceeds of such issuance shall be immediately contributed, directly or indirectly, by OH Holdings, to the Borrower; (B) after giving effect thereto, no Change of Control shall have occurred; (C) such stock shall be issued in a private placement exempt from registration under the Securities Act; (D) the proceeds thereof shall be used (without duplication) only (w) to make Consolidated Capital Expenditures, (x) to make Investments in Foreign Subsidiaries and non-Wholly-Owned Domestic Subsidiaries pursuant to Section 7.06(a)(x), Permitted Business Acquisitions pursuant to Section 7.06(a)(xiv), Investments in Permitted Joint Ventures pursuant to Section 7.06(a)(xviii) and other Investments pursuant to Section 7.06(a)(xxii), (y) to repay Debt of the Borrower and its Subsidiaries or (z) to make Restricted Payments pursuant to Section 7.07(viii), and in any event the proceeds thereof shall not be used to repay any Subordinated Debt or to make any Restricted Payment other than Restricted Payments expressly permitted pursuant to Section 7.07(viii); (E) within five Business Days after such issuance, OH Holdings shall have delivered to the Administrative Agent a certificate of the chief financial officer or chief accounting officer of OH Holdings (in each case) attesting to the satisfaction of the foregoing conditions, describing the uses of the proceeds of such issuance and attesting that such use shall not constitute a Default or an Event of Default; and (F) such proceeds shall be used within 30 days after such issuance as described in such certificate.

"Real Property" means, with respect to any Person, all of the right, title and interest of such Person in and to land, improvements and fixtures, including Leaseholds.

"Refinanced Agreements" means those instruments, documents and agreements listed on Schedule 1.01C.

"Refunded Swingline Loan" has the meaning set forth in Section 2.01(c).

"Register" has the meaning set forth in Section 10.06(d).

"Regulation D, T, U or X" means Regulation D, T, U or X, respectively, of the Board of Governors of the Federal Reserve System as amended, or any successor regulation.

"Regulation S-X" means Regulation S-X under the Securities Act, as amended, or any successor regulation.

"Reinvestment Funds" means, with respect to any Insurance Proceeds or any Condemnation Award, that portion of such funds as shall, according to a certificate of a Responsible Officer of Holdings delivered to the Administrative Agent within 30 days after an executive officer of Holdings becoming aware of the occurrence of the Casualty or Condemnation giving rise thereto, be reinvested or contractually committed to be reinvested within one year after the date of receipt of such Insurance Proceeds or Condemnation Award in the repair, restoration or replacement of the properties that were the subject of such Casualty or Condemnation or in other tangible assets of a like nature used or useful in the ordinary course of business of the Borrower and its Subsidiaries; provided that such certificate shall be accompanied by evidence reasonably satisfactory to the Administrative Agent that any property subject to such Casualty or Condemnation has been or will be repaired, restored or replaced to, or better than, its condition immediately prior to such Casualty or Condemnation, or that such Insurance Proceeds or Condemnation Awards have otherwise been reinvested in tangible assets of a like nature used or useful in the ordinary course of business of Holdings and its Subsidiaries, (iii) at the request of the Collateral Agent or the Administrative Agent, pending such reinvestment in the case of Insurance Proceeds or Condemnation Awards in excess of $5,000,000, the entire amount of such proceeds shall either be used to repay Revolving Loans or be deposited in an Approved Deposit Account and (iv) from and after the date of delivery of such certificate, Holdings or one or more of its Subsidiaries shall diligently proceed, in a commercially reasonable manner, to complete the repair, restoration or replacement of the properties that were the subject of such Casualty or Condemnation or otherwise reinvest such Insurance Proceeds or Condemnation Awards as described in such certificate; and provided, further, that, if any of the foregoing conditions shall cease to be satisfied at any time, such funds shall no longer be deemed Reinvestment Funds and such funds shall immediately be applied to prepayment of the Loans in accordance with Section 2.09(b); and provided, further, that any funds not so reinvested within such one year period shall immediately be applied to the payment of the Loans in accordance with Section 2.09(b).

"Replacement Date" has the meaning set forth in Section 2.10(d).

"Required Lenders" means Lenders (other than Sponsor Affiliated Lenders) whose aggregate Credit Exposure (as hereinafter defined) constitutes more than 50% of the Credit Exposure of all Lenders (other than Sponsor Affiliated Lenders) at such time; provided, however, that if any Lender shall be a Defaulting Lender at such time then there shall be excluded from the determination of Required Lenders such Lender and the aggregate principal amount of Credit Exposure of such Lender at such time. For purposes of the preceding sentence, the term "Credit Exposure" as applied to each Lender shall mean (i) at any time prior to the termination of the Commitments, the sum of (A) the Revolving Commitment Percentage of such Lender multiplied by the Revolving Committed Amount plus (B) the Term Commitment Percentage of such Lender multiplied by the aggregate principal amount of the Term Loans outstanding at such time (other than Term Loans held by Sponsor Affiliated Lenders) plus (C) the New Term Loan Commitment Percentage of such Lender multiplied by the aggregate principal amount of the New Term Loans (other than New Term Loans held by Sponsor Affiliated Lenders), and (ii) at any time after the termination of the Commitments, the sum of (A) the aggregate amount of the outstanding Loans of such Lender plus (B) such Lender's Participation Interests in all LC Obligations and Swingline Loans.

"Required Revolving Lenders" means Lenders whose aggregate Revolving Credit Exposure (as hereinafter defined) constitutes more than 50% of the Revolving Credit Exposure of all Lenders at such time; provided, however, that if any Lender shall be a Defaulting Lender at such time then there shall be excluded from the determination of Required Revolving Lenders such Lender and the aggregate principal amount of Revolving Credit Exposure of such Lender at such time. For purposes of the preceding sentence, the term "Revolving Credit Exposure" as applied to each Lender shall mean (i) at any time prior to the termination of the Revolving Commitments, the Revolving Commitment Percentage of such Lender multiplied by the Revolving Committed Amount, and (ii) at any time after the termination of the Revolving Commitments, the sum of (A) the principal balance of the outstanding Revolving Loans of such Lender plus (B) such Lender's Participation Interests in all LC Obligations.

"Responsible Officer" means the chief executive officer, president, senior vice president, vice president, chief financial officer, treasurer or assistant treasurer, secretary or assistant secretary of a Credit Party. Any document delivered hereunder that is signed by a Responsible Officer of a Credit Party shall be conclusively presumed to have been authorized by all necessary corporate, partnership and/or other action on the part of such Credit Party and such Responsible Officer shall be conclusively presumed to have acted on behalf of such Credit Party.

"Restricted Payment" means (i) any dividend or other distribution, direct or indirect, on account of any class of Equity Interests or Equity Equivalents of any Group Company, now or hereafter outstanding, (ii) any redemption, retirement, sinking fund or similar payment, purchase or other acquisition for value, direct or indirect, of any class of Equity Interests or Equity Equivalents of any Group Company, now or hereafter outstanding, (iii) any payment made to retire, or to obtain the surrender of, any outstanding warrants, options or other rights to acquire any class of Equity Interests or Equity Equivalents of any Group Company, now or hereafter outstanding, (iv) management or similar fees payable by any Group Company to the Sponsor or any of its Affiliates and (v) any payment or prepayment of principal of, premium, if any, or interest on, or redemption, purchase, retirement, defeasance (including in substance or legal defeasance) sinking fund or similar payment with respect to, any Subordinated Debt.

"Revolving Borrowing" means a Borrowing comprised of Revolving Loans and identified as such in the Notice of Borrowing with respect thereto.

"Revolving Commitment" means, with respect to any Lender, the commitment of such Lender, in an aggregate principal amount at any time outstanding of up to such Lender's Revolving Commitment Percentage of the Revolving Committed Amount, (i) to make Revolving Loans in accordance with the provisions of Section 2.01(a), (ii) to purchase Participation Interests in Swingline Loans in accordance with the provisions of Section 2.01(c) and (iii) to purchase Participation Interests in Letters of Credit in accordance with the provisions of Section 2.05(e). Notwithstanding anything herein to the contrary, Revolving Loans shall be made (and, where applicable hereunder, deemed made), and Participation Interests in Swingline Loans and Letters of Credit purchased (and, where applicable hereunder, deemed purchased), under Revolving Commitments on a pro rata basis based on the then aggregate amounts thereof, it being agreed to and understood that neither Borrower nor any Revolving Lender shall have the right to specifically allocate Revolving Loans or purchases of Participation Interests in Swingline Loans and Letters of Credit to a particular subdivision of the Revolving Commitment.

"Revolving Commitment Percentage" means, for each Lender, the percentage identified as its Revolving Commitment Percentage in the Register, as such percentage may be modified in connection with any assignment made in accordance with the provisions of Section 10.06(b).

"Revolving Committed Amount" means $30,000,000 or such lesser amount to which the Revolving Committed Amount may be reduced pursuant toSection 2.10.

"Revolving Credit Exposure" has the meaning set forth in the definition of "Required Revolving Lenders" contained in this Section 1.01.

"Revolving Lender" means each Lender identified in the Register as having a Revolving Commitment and each Eligible Assignee which acquires a Revolving Commitment or Revolving Loan pursuant to Section 10.06(b) and their respective successors.

"Revolving Loan" means a Loan made under Section 2.01(a).

"Revolving Loan Maturity Date" means the earlier of (i) the fifth anniversary of the Closing Date or (ii) the date upon which the Revolving Commitments shall have been terminated in their entirety in accordance with this Agreement.

"Revolving Note" means a promissory note substantially in the form ofExhibit B-1 hereto evidencing the obligation of the Borrower to repay outstanding Revolving Loans, as such note may be amended, supplemented, extended, renewed or replaced from time to time.

"Revolving Outstandings" means at any date the aggregate outstanding principal amount of all Revolving Loans and Swingline Loans plus the aggregate outstanding amount of all LC Obligations.

"S&P" means Standard & Poor's Ratings Group, a division of McGraw Hill, Inc., a New York corporation, and its successor or, absent any such successor, such nationally recognized statistical rating organization as the Borrower and the Administrative Agent may select.

"Sale/Leaseback Transaction" means any direct or indirect arrangement with any Person or to which any such Person is a party providing for the leasing to OH Holdings or any of its Subsidiaries of any property, whether owned by OH Holdings or any of its Subsidiaries as of the Closing Date or later acquired, which has been or is to be sold or transferred by OH Holdings or any of its Subsidiaries to such Person or to any other Person from whom funds have been, or are to be, advanced by such Person on the security of such property.

"Secured Leverage Ratio" means for any period the ratio of (a) the Consolidated Total Debt of Holdings and its Subsidiaries on the date of determination that is secured by a Lien on any property of Holdings and/or any of its Subsidiaries to (b) Consolidated EBITDA of Holdings and its Consolidated Subsidiaries for the most recently ended four fiscal quarters ending immediately prior to such date for which financial statements have been delivered pursuant to Section 6.01.

"Securities Account" has the meaning set forth in the Security Agreement.

"Securities Account Control Agreement" has the meaning set forth in the Security Agreement.

"Securities Act" means the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

"Security Agreement" means the Guarantee and Collateral Agreement dated as of the Closing Date among OH Holdings, Holdings, Intermediate Holdings, the Borrower, the other Subsidiary Guarantors and the Collateral Agent, as amended, modified or supplemented from time to time.

"Senior Note Documents" means the Senior Notes, the Senior Notes Indenture, the Senior Notes Purchase Agreement and all other instruments, agreements and other documents evidencing or governing the Senior Notes or providing for any guarantee or other right in respect thereof.

"Senior Notes" means the 10.875% senior notes of HGI due 2018.

"Senior Notes Indenture" means the Indenture dated as of May 28, 2010 among HGI, the guarantors party thereto and Wells Fargo Bank N.A., as trustee.

"Senior Notes Purchase Agreement" means the Purchase Agreement dated as of May 18, 2010 among OHCP HM Merger Sub Corp., HGI, the guarantors party thereto, Barclays Capital Inc. and Morgan Stanley & Co. Incorporated.

"Senior Obligations" means with respect to each Credit Party, without duplication:

(i) in the case of Borrower, all principal of and interest (including any interest which accrues after the commencement of any bankruptcy or insolvency proceeding with respect to the Borrower, whether or not allowed or allowable as a claim under any bankruptcy or insolvency proceeding) on any Loan made or LC Obligation issued under, or any Note issued pursuant to, this Agreement or any other Finance Document;

(ii) all fees, expenses, indemnification obligations, foreign currency exchange obligations and other amounts of whatever nature now or hereafter payable by such Credit Party (including all amounts that accrue after the commencement of any bankruptcy or insolvency proceeding with respect to such Credit Party, whether or not allowed or allowable as a claim under any bankruptcy or insolvency proceeding) pursuant to this Agreement or any other Finance Document;

(iii) all expenses of the Agents as to which one or more of the Agents have a right to reimbursement by such Credit Party under Section 10.04 of this Agreement or under any other similar provision of any other Finance Document, including any and all sums advanced by the Collateral Agent to preserve the Collateral or preserve its security interests in the Collateral to the extent permitted hereunder or under any Finance Document;

(iv) all amounts paid by any Indemnitee as to which such Indemnitee has the right to reimbursement by such Credit Party under Section 10.05 of this Agreement or under any other similar provision of any other Finance Document; and

(v) in the case of each Subsidiary Guarantor, all amounts now or hereafter payable by such Subsidiary Guarantor and all other obligations or liabilities now existing or hereafter arising or incurred (including all amounts that accrue after the commencement of any bankruptcy or insolvency proceeding with respect to the Borrower, OH Holdings or such Subsidiary Guarantor, whether or not allowed or allowable as a claim under any bankruptcy or insolvency proceeding) on the part of such Subsidiary Guarantor pursuant to this Agreement, the Guaranty or any other Finance Document;

together in each case with all renewals, modifications, consolidations or extensions thereof.

"Software" means all "software" (as defined in the UCC), and also means and includes all software programs, whether now or hereafter owned, licensed or leased by a Credit Party, designed for use on Computer Hardware, including all operating system software, utilities and application programs in whatever form and whether or not embedded in goods, all source code and object code in magnetic tape, disk or hard copy format or any other listings whatsoever, all firmware associated with any of the foregoing all documentation, flowcharts, logic diagrams, manuals, specifications, training materials, charts and pseudo codes associated with any of the foregoing, and all options, warranties, services contracts, program services, test rights, maintenance rights, support rights, renewal rights and indemnifications relating to any of the foregoing.

"Software License" means any agreement (including any agreement constituting a Copyright License, Patent License and/or Trademark License) now or hereafter in existence granting to

any Credit Party any right, whether exclusive or non-exclusive, to use another Person's Software, or pursuant to which any Credit Party has granted to any other Person, any right, whether exclusive or non-exclusive, to use any Software, whether or not subject to any registration.

"Solvent" means, with respect to any Person as of a particular date, that on such date (i) such Person is able generally to pay its debts and other liabilities, contingent obligations and other commitments as they mature in the normal course of business, (ii) such Person does not intend to, and does not believe that it will, incur debts beyond such Person's ability to pay as such debts mature, (iii) such Person is not engaged in a business or a transaction, and is not about to engage in a business or a transaction, for which such Person's assets would constitute unreasonably small capital after giving due consideration to the prevailing practice in the industry in which such Person is engaged or is to engage, (iv) the fair value (determined in accordance with the United States Bankruptcy Code) of the assets of such Person is greater than the total amount of liabilities, including probable liabilities, of such Person and (v) the present fair value (i.e., the amount that may be realized within a commercially reasonable time either through collection or sale at the regular market value, conceiving the latter as the amount that could be obtained for the assets in question within such period by a capable and diligent businessman from a buyer who is willing to purchase under ordinary selling conditions) of the assets of such Person will exceed the amount that will be required to pay the probable liability on such Person's existing debts as they become absolute and matured. For purposes of this definition, "debt" means any legal liability, whether matured, unmatured, liquidated or unliquidated, absolute, fixed or contingent, or (ii) a right to an equitable remedy for breach of performance if such breach gives rise to a payment, whether or not such right is an equitable remedy, is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, secured or unsecured.

"Specified Representations" means the representations and warranties set forth in Sections 5.01 (with respect to jurisdiction of formation only), 5.02, 5.04 (i) and (ii), 5.13, 5.14, 5.17, 5.22 and 5.24.

"Sponsor" means, together with its Affiliates, Oak Hill Capital Partners III, L.P.

"Sponsor Affiliated Lender" means Sponsor, any Affiliate of Sponsor, and any investment fund or managed account with respect to which Sponsor or an Affiliate of Sponsor is an advisor or manager in the ordinary course of business and pursuant to written agreements.

"Subordinated Debt" of any Person means (i) the Junior Debentures, and (ii) all other Debt (A) the principal of which by its terms is not required to be repaid, in whole or in part, before the first anniversary of the Term Loan Maturity Date, (B) is contractually or structurally subordinated in right of payment to such Person's indebtedness, obligations and liabilities to the Finance Parties under the Finance Documents pursuant to payment and subordination provisions reasonably satisfactory in form and substance to the Administrative Agent and (C) is issued pursuant to credit documents having covenants, subordination provisions and events of default that in no event are less favorable, including with respect to rights of acceleration, to such Person than the terms hereof or are otherwise reasonably satisfactory in form and substance to the Administrative Agent.

"Subsidiary" means with respect to any Person any corporation, partnership, limited liability company, association or other business entity of which (i) if a corporation, more than 50% of the total voting power of stock entitled (without regard to the occurrence of any contingency) to vote in the election of directors, managers or trustees thereof is at the time owned or controlled, directly or indirectly, by that Person or one or more of the other Subsidiaries of that Person or a combination thereof, or (ii) if a partnership, limited liability company, association or business entity other than a corporation, more than 50% of the partnership or other similar ownership interests thereof is at the time owned or controlled,

directly or indirectly, by that Person or one or more Subsidiaries of that Person or a combination thereof. For purposes hereof, a Person or Persons shall be deemed to have more than 50% ownership interest in a partnership, limited liability company, association or other business entity if such Person or Persons shall be allocated more than 50% of partnership, association or other business entity gains or losses or shall be or control the managing director, manager or a general partner of such partnership, association or other business entity.

"Subsidiary Guarantor" means each Subsidiary of OH Holdings existing on the Closing Date (other than a Foreign Subsidiary) and each Subsidiary of OH Holdings (other than a Foreign Subsidiary), except to the extent otherwise provided in Section 6.10(d), that becomes a party to the Guaranty after the Closing Date by execution of an Accession Agreement referring to the Guaranty or otherwise, and "Subsidiary Guarantors" means any two or more of them.

"Swingline Commitment" means the agreement of the Swingline Lender to make Swingline Loans pursuant to Section 2.01(c).

"Swingline Committed Amount" means $5,000,000, as such Swingline Committed Amount may be reduced pursuant to Section 2.10.

"Swingline Exposure" means, at any time, the aggregate amount of all outstanding Swingline Loans at such time. The Swingline Exposure of any Revolving Lender at any time shall be its pro rata percentage of the total Swingline Exposure at such time.

"Swingline Lender" means Barclays Bank PLC, in its capacity as the Swingline Lender under Section 2.01(c), and its successor or successors in such capacity.

"Swingline Loan" means a Base Rate Loan made by the Swingline Lender pursuant to Section 2.01(c), and "Swingline Loans" means any two or more of such Base Rate Loans.

"Swingline Loan Request" has the meaning set forth in Section 2.02(b).

"Swingline Note" means a promissory note substantially in the form of Exhibit B-3 hereto evidencing the obligation of the Borrower to repay outstanding Swingline Loans, as such note may be amended, modified, supplemented, extended, renewed or replaced from time to time.

"Swingline Termination Date" means the earlier of (i) the Revolving Loan Maturity Date or (ii) the date on which the Swingline Commitment is terminated in its entirety in accordance with this Agreement.

"Synthetic Lease Obligation" means the monetary obligation of a Person under (i) a so-called synthetic, off-balance sheet or tax retention lease or (ii) an agreement for the use or possession of property creating obligations that do not appear on the balance sheet of such Person but which, upon the insolvency or bankruptcy of such Person, would be characterized as the indebtedness of such person (without regard to accounting treatment).

"Taxes" has the meaning set forth in Section 3.01.

"Term Commitment Percentage" means, for each Term Lender, the percentage obtained by taking the outstanding principal balance of the Term Loans held by such Lender and dividing same by the aggregate outstanding principal balance of the Term Loans of all Lenders, as such percentage is identified for each Lender as its Term Commitment Percentage in the Register, or in the applicable Assignment and Assumption, as such percentage may be modified in connection with any assignment made in accordance with the provisions of Section 10.06(b).

"Term Lender" means each Lender holding all or any portion of the Term Loan.

"Term Loan" has the meaning set forth in Section 2.01(b).

"Term Loan Commitment" means the commitment of a Lender to make or otherwise fund a Term Loan and "Term Loan Commitments" means such commitments of all Lenders in the aggregate.

"Term Loan Commitment Amount" means $290,000,000.

"Term Loan Maturity Date" means the earlier of (i) the sixth anniversary of the Closing Date or (ii) the date on which all Term Loans shall become due and payable in full hereunder, whether by acceleration or otherwise.

"Term Note" means a promissory note substantially in the form of Exhibit B-2 hereto evidencing the obligation of the Borrower to repay outstanding Term Loans, as such note may be amended, modified or supplemented from time to time.

"Title Insurance Company" has the meaning set forth in Section 4.01(k).

"Total Leverage Ratio" means for any period the ratio of (i) the Consolidated Total Debt of Holdings and its Subsidiaries on the date of determination, less the aggregate principal amount outstanding under the Junior Debentures on such date to (ii) Consolidated EBITDA of Holdings and its Consolidated Subsidiaries for the most recently ended four fiscal quarters ending immediately prior to such date for which financial statements have been delivered pursuant to Section 6.01.

"Trademark" means any of the following: (i) all trademarks, trade names, corporate names, company names, business names, fictitious business names, trade styles, service marks, logos, certification marks, collective marks, brand names and trade dress which are or have been used in the United States or in any state, territory or possession thereof, or in any other place, nation or jurisdiction, along with all trademark rights in prints and labels on which any of the foregoing have appeared or appear, package and other designs, and any other source or business identifiers, and general intangibles of like nature, and the rights in any of the foregoing which arise under applicable law; (ii) the goodwill of the business symbolized thereby or associated with each of the foregoing; (iii) all registrations and applications in connection therewith, including registrations and applications in the United States Patent and Trademark Office or in any similar office or agency of the United States, any state thereof or any other country or any political subdivision thereof, (iv) all reissues, extensions and renewals thereof; (v) all claims for, and rights to sue for, past, present or future infringements or dilutions of any of the foregoing; (vi) all rights to income, royalties, damages and payments now or hereafter due or payable with respect to any of the foregoing, including damages and payments for past, present or future infringements or dilutions thereof and payments and damages under all Trademark Licenses in connection therewith; and (vii) all rights corresponding to any of the foregoing whether arising under the laws of the United States or any foreign country or otherwise.

"Trademark License" means any agreement now or hereafter in existence granting to any Credit Party any right, whether exclusive or non-exclusive, to use another Person's trademarks or trademark applications, or pursuant to which any Credit Party has granted to any other Person, any right, whether exclusive or non-exclusive, to use any Trademark, whether or not registered, and the rights to prepare for sale, sell and advertise for sale, all of the inventory now or hereafter owned by any Credit Party and now or hereafter covered by such license agreements.

"Transactions" means the events contemplated by the Transaction Documents to occur on the Closing Date.

"Transaction Costs" means the fees, costs and expenses payable by the Credit Parties in connection with the transactions contemplated by the Transaction Documents.

"Transaction Documents" means the Acquisition Documents, the Capitalization Documents, the Senior Note Documents and the Finance Documents.

"Trust Common Securities" means the 11.6% trust common securities of The Hillman Group Capital Trust held by Holdings.

"Trust Preferred Securities" means the 11.6% trust preferred securities issued by The Hillman Group Capital Trust pursuant to an amended and restated declaration of trust dated September 5, 1997 as amended, revised or modified.

"Type" has the meaning set forth in Section 1.04.

"UCC" means the Uniform Commercial Code as in effect from time to time in the State of New York; provided that if by reason of mandatory provisions of law, the perfection, the effect of perfection or non-perfection or the priority of the security interests of the Collateral Agent in any Collateral is governed by the Uniform Commercial Code as in effect in a jurisdiction other than New York, "UCC" means the Uniform Commercial Code as in effect in such other jurisdiction for purposes of the provisions hereof relating to such perfection, effect of perfection or non-perfection or priority.

"Unfunded Liabilities" means with respect to each Plan, the amount (if any) by which the present value of all nonforfeitable benefits under each Plan exceeds the current value of such Plan's assets allocable to such benefits, all determined in accordance with the respective most recent valuations for such Plan using applicable PBGC plan termination actuarial assumptions (the terms "present value" and "current value" shall have the same meanings specified in Section 3 of ERISA).

"United States" means the United States of America, including each of the States and the District of Columbia, but excluding its territories and possessions.

"Unused Revolving Committed Amount" means, for any period, the amount by which (i) the then applicable aggregate Revolving Committed Amount of all non-Defaulting Lenders exceeds (ii) the daily average sum for such period of (A) the aggregate amount of all outstanding Revolving Loans plus (B) the aggregate amount of all outstanding LC Obligations.

"U.S. Patriot Act" means the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 (Title III of Pub. L. 107-56 (signed into law October 26, 2001)), as the same may be amended, supplemented, modified, replaced or otherwise in effect from time to time.

"Welfare Plan" means a "welfare plan" as such term is defined in Section 3(1) of ERISA.

"Wholly-Owned Subsidiary" means, with respect to any Person at any date, any Subsidiary of such Person all of the shares of capital stock or other ownership interests of which (except directors' qualifying shares are at the time directly or indirectly owned by such Person.

Section 1.02 Computation of Time Periods and Other Definitional Provisions. (a) Unless otherwise specified therein, all terms defined in this Agreement shall have the defined meanings ascribed thereto herein when used in the other Finance Documents or any certificate or other document made or delivered pursuant hereto or thereto.

(b) For purposes of computation of periods of time hereunder, the word "from" means "from and including" and the words "to" and "until" each mean "to but excluding". All references to time herein shall be references to Eastern Standard time or Eastern Daylight time, as the case may be, unless specified otherwise. References in this Agreement to Articles, Sections, Schedules, Appendices or Exhibits shall be to Articles, Sections, Schedules, Appendices or Exhibits of or to this Agreement unless otherwise specifically provided. The definitions in Section 1.01 shall apply equally to both the singular and plural forms of the terms defined.

(c) As used herein and in the other Finance Documents, and any certificate or other document made or delivered pursuant hereto or thereto, (i) the words "include", "includes" and "including" shall be deemed to be followed by the phrase "without limitation" and (ii) references to agreements or other Contractual Obligations shall, unless otherwise specified, be deemed to refer to such agreements or Contractual Obligations as amended, supplemented, restated or otherwise modified from time to time (to the extent such amendments, supplements, restatements or other modifications are not restricted by this Agreement).

(d) The words "hereof", "herein" and "hereunder" and words of similar import, when used in this Agreement, shall refer to this Agreement as a whole and not to any particular provision of this Agreement, and Annex, Section, Schedule and Exhibit references are to this Agreement unless otherwise specified.

(e) The term "license" shall include sub-license. The term "documents" includes any and all documents whether in physical or electronic form.

Section 1.03 Accounting Terms and Determinations. Except as otherwise expressly provided herein, all accounting terms used herein shall be interpreted, and all financial statements and certificates and reports as to financial matters required to be delivered to the Lenders hereunder shall be prepared, in accordance with GAAP applied on a consistent basis. All financial statements delivered to the Lenders hereunder shall be accompanied by a statement from Holdings that GAAP has not changed since the most recent financial statements delivered by Holdings to the Lenders or if GAAP has changed describing such changes in detail and explaining how such changes affect the financial statements. All calculations made for the purposes of determining compliance with this Agreement shall (except as otherwise expressly provided herein) be made by application of GAAP applied on a basis consistent with the most recent annual or quarterly financial statements delivered pursuant to Section 6.01 (or, prior to the delivery of the first financial statements pursuant to Section 6.01, consistent with the financial statements described in Section 5.05(a)); provided, however, if (i) Holdings shall object to determining such compliance on such basis at the time of delivery of such financial statements due to any change in GAAP or the rules promulgated with respect thereto or (ii) either the Administrative Agent or the Required Lenders shall so object in writing within 60 days after delivery of such financial statements (or after the Lenders have been informed of the change in GAAP affecting such financial statements, if later), then such calculations shall be made on a basis consistent with the most recent financial statements delivered by Holdings to the Lenders as to which no such objection shall have been made. Any financial ratios

required to be maintained by any Group Company pursuant to this Agreement shall be calculated by dividing the appropriate component by the other component, carrying the result to one place more than the number of places by which such ratio is expressed herein and rounding the result up or down to the nearest number (with a rounding-up if there is no nearest number). Notwithstanding any other provision contained herein, all terms of an accounting or financial nature used herein shall be construed, and all computations of amounts and ratios referred to herein shall be made, without giving effect to any election made under Statement of Financial Accounting Standards 159 (or any other Financial Accounting Standard having a similar result or effect) to value any Debt or other liabilities of any Credit Party or any of its Subsidiaries at "fair value", as defined therein.

Section 1.04 Types of Borrowings. The term "Borrowing" denotes the aggregation of Loans of one or more Lenders made to the Borrower pursuant to Article II on the same date, all of which Loans are of the same Type (subject to Article III) and, except in the case of Base Rate Loans, have the same initial Interest Period. Loans hereunder are distinguished by "Type". The "Type" of a Loan refers to whether such Loan is a Eurodollar Loan or a Base Rate Loan.

ARTICLE II
THE CREDIT FACILITIES

Section 2.01 Commitments to Lend.

(a) *Revolving Loans*. Each Revolving Lender severally agrees, on the terms and conditions set forth in this Agreement, to make Revolving Loans to the Borrower pursuant to this Section 2.01(a), on the Closing Date, solely to pay the Closing Fees attributable to the Revolving Facility pursuant to Section 2.11(c) and, after the Closing Date, during the Availability Period in amounts such that its Revolving Outstandings shall not exceed (after giving effect to all Revolving Loans repaid, all reimbursements of LC Obligations made, and all Refunded Swingline Loans paid concurrently with the making of any Revolving Loans) its Revolving Commitment; provided that immediately after giving effect to each such Revolving Loan (i) the aggregate Revolving Outstandings shall not exceed the Revolving Committed Amount and (ii) with respect to each Revolving Lender individually, such Lender's outstanding Revolving Loans plus its (other than the Swingline Lender's in its capacity as such) Participation Interests in outstanding Swingline Loans plus its Participation Interests in outstanding LC Obligations shall not exceed such Lender's Revolving Commitment Percentage of the Revolving Committed Amount; provided further, that only HGI may borrow Revolving Loans after the Closing Date. Each Revolving Borrowing shall be in an aggregate principal amount of $1,000,000 or any larger multiple of $100,000 (except that any such Borrowing may be in the aggregate amount of the unused Revolving Commitments) and shall be made from the several Revolving Lenders ratably in proportion to their respective Revolving Commitments. Within the foregoing limits, the Borrower may borrow under this Section 2.01(a), repay, or, to the extent permitted by Section 2.09, prepay, Revolving Loans and reborrow under this Section 2.01(a).

(b) *Term Loans*. Subject to the terms and conditions set forth in this Agreement, each Lender severally agrees to make, on the Closing Date, a Term Loan to the Borrower in an amount equal to such Lender's Term Loan Commitment. The Borrower may make only one borrowing under the Term Loan Commitments which shall be on the Closing Date. Any amount borrowed under this Section 2.01(b) and subsequently repaid or prepaid may not be reborrowed. Subject to Section 2.09, all amounts owed hereunder with respect to the Term Loans shall be paid in full no later than the Term Loan Maturity Date. Each Lender's Term Loan Commitment shall terminate immediately and without further action on the Closing Date after giving effect to the funding of such Lender's Term Loan Commitment on such date.

(c) *Swingline Loans*.

(i) The Swingline Lender agrees, on the terms and subject to the conditions set forth herein and in the other Finance Documents, to make a portion of the Revolving Commitments available to HGI from time to time prior to the expiration or termination of the Revolving Commitments in full by making Swingline Loans to HGI in Dollars (each such loan, a "Swingline Loan" and, collectively, the "Swingline Loans"); provided that (A) the aggregate principal amount of the Swingline Loans outstanding at any one time shall not exceed the Swingline Committed Amount, (B) with regard to each Lender individually (other than the Swingline Lender in its capacity as such), such Lender's outstanding Revolving Loans plus its Participation Interests in outstanding Swingline Loans plus its Participation Interests in outstanding LC Obligations shall not at any time exceed such Lender's Revolving Commitment Percentage of the Revolving Committed Amount, (C) with regard to the Revolving Lenders collectively, the sum of the aggregate principal amount of Swingline Loans outstanding plus the aggregate amount of Revolving Loans outstanding plus the aggregate amount of LC Obligations outstanding shall not exceed the Revolving Committed Amount and (D) the Swingline Committed Amount shall not exceed the aggregate of the Revolving Commitments then in effect. Swingline Loans shall be made and maintained as Base Rate Loans and may be repaid and reborrowed in accordance with the provisions hereof prior to the Swingline Termination Date. Swingline Loans may be made notwithstanding the fact that such Swingline Loans, when aggregated with the Swingline Lender's other Revolving Outstandings, exceeds its Revolving Commitment. The proceeds of a Swingline Borrowing may not be used, in whole or in part, to refund any prior Swingline Borrowing. The Swingline Lender shall not be obligated to make Swingline Loans if (A) it has elected not to do so after the occurrence and during the continuation of a Default or Event of Default or (B) any of the Revolving Lenders is a Defaulting Lender.

(ii) The principal amount of all Swingline Loans shall be due and payable on the earliest of (A) the Swingline Termination Date, (B) the occurrence of a bankruptcy or similar proceeding with respect to the Borrower, (C) the acceleration of any Loan or the termination of the Revolving Commitments pursuant to Section 8.02 and (D) the date that is fourteen (14) days after the date on which the Swingline Lender made such Swingline Loan.

(iii) With respect to any Swingline Loans that have not been voluntarily prepaid by the Borrower or paid by the Borrower when due underclause (ii) above, the Swingline Lender (by request to the Administrative Agent) or the Administrative Agent shall, on one Business Day's notice, require each Revolving Lender, including the Swingline Lender, and each such Lender hereby agrees, subject to the provisions of this Section 2.01(c), to make a Revolving Loan (which shall be initially funded as a Base Rate Loan) in an amount equal to such Lender's Revolving Commitment Percentage of the amount of the Swingline Loans (the "Refunded Swingline Loans") outstanding on the date notice is given.

(iv) In the case of Revolving Loans made by Lenders other than the Swingline Lender underclause (iii) above, each such Revolving Lender shall make the amount of its Revolving Loan available to the Administrative Agent, in same day funds, at the Administrative Agent's Office, not later than 1:00 P.M. on the Business Day next succeeding the date such notice is given. The proceeds of such Revolving Loans shall be immediately delivered to the Swingline Lender (and not to the Borrower) and applied to repay the Refunded Swingline Loans. On the day such Revolving Loans are made, the Swingline Lender's Revolving

Commitment Percentage of the Refunded Swingline Loans shall be deemed to be paid with the proceeds of a Revolving Loan made by the Swingline Lender and such portion of the Swingline Loans deemed to be so paid shall no longer be outstanding as Swingline Loans and shall instead be outstanding as Revolving Loans. The Borrower authorizes the Administrative Agent and the Swingline Lender to charge the Borrower's account with the Administrative Agent (up to the amount available in such account) in order to pay immediately to the Swingline Lender the amount of such Refunded Swingline Loans to the extent amounts received from the Revolving Lenders, including amounts deemed to be received from the Swingline Lender, are not sufficient to repay in full such Refunded Swingline Loans. If any portion of any such amount paid (or deemed to be paid) to the Swingline Lender should be recovered by or on behalf of the Borrower from the Swingline Lender in bankruptcy, by assignment for the benefit of creditors or otherwise, the loss of the amount so recovered shall be ratably shared among all Revolving Lenders in the manner contemplated by Section 2.13.

(v) A copy of each notice given by the Swingline Lender pursuant to this Section 2.01(c) shall be promptly delivered by the Swingline Lender to the Administrative Agent and the Borrower. Upon the making of a Revolving Loan by a Revolving Lender pursuant to this Section 2.01(c), the amount so funded shall no longer be owed in respect of its Participation Interest in the related Refunded Swingline Loans.

(vi) If for any reason Revolving Loans are not made pursuant to this Section 2.01(c) sufficient to repay any amounts owed to the Swingline Lender as a result of a nonpayment of outstanding Swingline Loans, each Revolving Lender agrees to purchase, and shall be deemed to have purchased, a participation in such outstanding Swingline Loans in an amount equal to its Revolving Commitment Percentage of the unpaid amount together with accrued interest thereon. Upon one Business Day's notice from the Swingline Lender, each Revolving Lender shall deliver to the Swingline Lender an amount equal to its respective Participation Interest in such Swingline Loans in same day funds at the office of the Swingline Lender specified or referred to in Section 10.01. In order to evidence such Participation Interest each Revolving Lender agrees to enter into a participation agreement at the request of the Swingline Lender in form and substance reasonably satisfactory to all parties. In the event any Revolving Lender fails to make available to the Swingline Lender the amount of such Revolving Lender's Participation Interest as provided in this Section 2.01(c)(vi), the Swingline Lender shall be entitled to recover such amount on demand from such Revolving Lender together with interest at the customary rate set by the Swingline Lender for correction of errors among banks in New York City for one Business Day and thereafter at the Base Rate plus the Applicable Margin for Base Rate Loans.

(vii) Each Revolving Lender's obligation to make Revolving Loans pursuant to clause (iv) above and to purchase Participation Interests in outstanding Swingline Loans pursuant to clause (vi) above shall be absolute and unconditional and shall not be affected by any circumstance, including (i) any set-off, counterclaim, recoupment, defense or other right which such Revolving Lender or any other Person may have against the Swingline Lender, any Credit Party or any other Person, (ii) the occurrence or continuance of a Default or an Event of Default or the termination or reduction in the amount of the Revolving Commitments after any such Swingline Loans were made, (iii) any adverse change in the condition (financial or otherwise) of any Credit Party or any other Person, (iv) any breach of this Agreement or any other Finance Document by the Borrower or any other Lender, (v) whether any condition specified in Article IV is then satisfied or (vi) any other circumstance, happening or event whatsoever, whether or not similar to any of the forgoing. If such Lender does not pay such amount forthwith upon the Swingline Lender's demand therefor, and until such time as such Lender makes the required payment, the Swingline Lender shall be deemed to continue to have outstanding Swingline Loans

in the amount of such unpaid Participation Interest for all purposes of the Finance Documents other than those provisions requiring the other Lenders to purchase a participation therein. Further, such Lender shall be deemed to have assigned any and all payments made of principal and interest on its Loans, and any other amounts due to it hereunder to the Swingline Lender to fund Swingline Loans in the amount of the Participation Interest in Swingline Loans that such Lender failed to purchase pursuant to this Section 2.01(c)(vii) until such amount has been purchased (as a result of such assignment or otherwise).

Section 2.02 Notice of Borrowings.

(a) *Borrowings Other Than Swingline Loans.* Except in the case of Swingline Loans, the Borrower shall give the Administrative Agent a Notice of Borrowing (or telephone notice promptly confirmed by a Notice of Borrowing) not later than 12 noon on (i) the Business Day of each Base Rate Borrowing and (ii) the third Business Day before each Eurodollar Borrowing. Each such Notice of Borrowing shall be irrevocable and shall specify:

(A) the date of such Borrowing, which shall be a Business Day;

(B) the aggregate principal amount of such Borrowing;

(C) the initial Type of the Loans comprising such Borrowing;

(D) in the case of a Eurodollar Borrowing, the duration of the initial Interest Period applicable thereto, subject to the provisions of the definition of Interest Period and to Section 2.06(a); and

(E) the location and number of the Borrower's account to which funds are to be disbursed, which shall comply with the requirements of Section 2.03.

If the duration of the initial Interest Period is not specified with respect to any requested Eurodollar Borrowing, then the Borrower shall be deemed to have selected an initial Interest Period of one month, subject to the provisions of the definition of Interest Period and to Section 2.06(a).

(b) *Swingline Borrowings.* The Borrower shall request a Swingline Loan by written notice (or telephone notice promptly confirmed in writing) substantially in the form of Exhibit A-4 hereto (a "Swingline Loan Request") to the Swingline Lender and the Administrative Agent not later than 12 Noon on the Business Day of the requested Swingline Loan. Each such notice shall be irrevocable and shall specify (i) that a Swingline Loan is requested, (ii) the date of the requested Swingline Loan (which shall be a Business Day) and (iii) the principal amount of the Swingline Loan requested and (iv) the location and number of the Borrower's account to which funds are to be disbursed, which shall comply with the requirements of Section 2.03. Each Swingline Loan shall be made as a Base Rate Loan.

Section 2.03 Notice to Lenders; Funding of Loans.

(a) *Notice to Lenders.* Upon receipt of a Notice of Borrowing, the Administrative Agent shall promptly notify each Lender of such Lender's ratable share (if any) of the Borrowing referred to therein.

(b) *Funding of Loans*.

(i) On the date of each Borrowing (other than a Swingline Borrowing), each Lender participating therein shall make available its share of such Borrowing, in Federal or other immediately available funds, to the Administrative Agent at the Administrative Agent's Office. Unless the Administrative Agent reasonably determines that any applicable condition specified in Article IV has not been satisfied, the Administrative Agent shall promptly distribute the proceeds to an account designated by the Borrower from time to time in the Applicable Notice of Borrowing (provided such account is an Approved Deposit Account) and is in full force and effect at the date thereof), or if not so identified, credit the amounts so received to the general deposit account of the Borrower with the Administrative Agent or, if a Borrowing shall not occur on such date because any condition precedent herein shall not have been met, promptly return the amounts received from the Lenders in like funds.

(ii) Not later than 3:00 P.M. on the date of each Swingline Borrowing, the Swingline Lender shall, unless the Administrative Agent shall have notified the Swingline Lender that any applicable condition specified in Article IV has not been satisfied, make available the amount of such Swingline Borrowing, in Dollars in Federal or other immediately available funds, to the Borrower at an account designated by the Borrower from time to time in the Swingline Loan Request (provided such account is an Approved Deposit Account) and is in full force and effect at the date thereof), or if not so identified, to the Borrower at the Swingline Lender's address referred to in Section 10.01.

(c) *Funding by the Administrative Agent in Anticipation of Amounts Due from the Lenders*. Unless the Administrative Agent shall have received notice from a Lender prior to the date of any Borrowing that such Lender will not make available to the Administrative Agent such Lender's share of such Borrowing, the Administrative Agent may assume that such Lender has made such share available to the Administrative Agent on the date of such Borrowing in accordance with subsection (b) of this Section 2.03, and the Administrative Agent may, in reliance upon such assumption, make available to the Borrower on such date a corresponding amount. If and to the extent that such Lender shall not have so made such share available to the Administrative Agent, such Lender and the Borrower severally agree to repay to the Administrative Agent forthwith within two Business Days of such corresponding amount, together with interest thereon for each day from the date such amount is made available to the Borrower until the date such amount is repaid to the Administrative Agent at (i) a rate per annum equal to the higher of the Federal Funds Rate and the interest rate applicable thereto pursuant to Section 2.06, in the case of the Borrower and (ii) the Federal Funds Rate, in the case of such Lender. If such Lender shall repay to the Administrative Agent such corresponding amount, such amount so repaid shall constitute such Lender's Loan included in such Borrowing for purposes of this Agreement.

(d) *Obligations of Lenders Several*. The failure of any Lender to make a Loan required to be made by it as part of any Borrowing hereunder shall not relieve any other Lender of its obligation, if any, hereunder to make any Loan on the date of such Borrowing, but no Lender shall be responsible for the failure of any other Lender to make the Loan to be made by such other Lender on such date of Borrowing.

Section 2.04 Evidence of Loans.

(a) *Lender Accounts*. Each Lender shall maintain in accordance with its usual practice an account or accounts evidencing the indebtedness to such Lender resulting from each Loan made by such Lender from time to time, including the amounts of principal and interest payable and paid to such Lender from time to time under this Agreement.

(b) *Administrative Agent Records*. The Administrative Agent shall maintain accounts in which it will record (i) the amount of each Loan made hereunder, the Type of each Loan made and the Interest Period, if any, applicable thereto, (ii) the amount of any principal or interest due and payable or to become due and payable from the Borrower to each Lender hereunder and (iii) the amount of any sum received by the Administrative Agent hereunder from the Borrower and each Lender's share thereof.

(c) *Evidence of Debt*. The entries made in the accounts maintained pursuant tosubsections (a) and (b) of this Section 2.04 shall be prima facie evidence of the existence and amounts of the obligations therein recorded; provided, however, that the failure of any Lender or the Administrative Agent to maintain such accounts or any error therein shall not in any manner affect the obligations of the Borrower to repay the Loans made to it in accordance with their terms.

(d) *Notes*. Notwithstanding any other provision of this Agreement, if any Lender shall request and receive a Note or Notes as provided inSection 10.06 or otherwise at any time after the Closing Date, then the Loans of such Lender shall be evidenced by one or more Revolving Notes or Term Notes, as applicable, in each case, substantially in the form of Exhibit B-1 or B-2 as applicable, payable to the order of such Lender for the account of its Applicable Lending Office in an amount equal to the aggregate unpaid principal amount of such Lender's Revolving Loan or Term Loan, as applicable. If requested by the Swingline Lender, the Swingline Loans shall be evidenced by a single Swingline Note, substantially in the form of Exhibit B-3, payable to the order of the Swingline Lender in an amount equal to the aggregate unpaid principal amount of the Swingline Loans.

(e) *Note Endorsements*. Each Lender having one or more Notes issued by the Borrower shall record the date, amount, Type of each Loan made by it to the Borrower evidenced by such Note and the date and amount of each payment of principal made by the Borrower with respect thereto, and may, if such Lender so elects in connection with any transfer or enforcement of any Note, endorse on the reverse side or on the schedule, if any, forming a part thereof appropriate notations to evidence the foregoing information with respect to each outstanding Loan evidenced thereby; provided that the failure of any Lender to make any such recordation or endorsement shall not affect the obligations of the Borrower hereunder or under any such Note. Each Lender is hereby irrevocably authorized by the Borrower so to endorse each of its Notes and to attach to and make a part of each of its Notes a continuation of any such schedule as and when required.

Section 2.05 Letters of Credit.

(a) *Existing Letters of Credit*. On the Closing Date, the Issuing Lender that had issued the Existing Letters of Credit will be deemed, without further action by any party hereto, to have sold to each Revolving Lender, and each such Revolving Lender will be deemed, without further action by any party hereto, to have purchased from such Issuing Lender, without recourse or warranty, an undivided participation interest in such Existing Letter of Credit and the related LC Obligations in the proportion its Revolving Commitment Percentage bears to the Revolving Committed Amount as in effect on the Closing Date (although any fronting fee payable under Section 2.11 shall be payable directly to the Administrative Agent for the account of such Issuing Lender, and the Lenders (other than such Issuing Lender) shall have no right to receive any portion of such fronting fee) and any security therefor or guaranty pertaining thereto. On and after the Closing Date, each Existing Letter of Credit shall be deemed to constitute a Letter of Credit for all purposes hereof.

(b) *Letters of Credit*. Each Issuing Lender agrees, on the terms and conditions set forth in this Agreement, to issue Letters of Credit denominated in Dollars from time to time before the 5th

day prior to the Revolving Loan Maturity Date for the account, and upon the request, of the Borrower; provided that the Borrower shall cash collateralize any Letter of Credit issued after the 30th day prior to the Revolving Loan Maturity Date in accordance with subsection (l) below; provided further that immediately after each Letter of Credit is issued (i) the aggregate LC Obligations shall not exceed $15,000,000 (the "LC Committed Amount"), (ii) the Revolving Outstandings shall not exceed the Revolving Committed Amount and (iii) with respect to each individual Revolving Lender, the aggregate outstanding principal amount of the Revolving Lender's Revolving Loans plus its Participation Interests in outstanding LC Obligations plus its (other than the Swingline Lender's) Participation Interests in outstanding Swingline Loans shall not exceed such Revolving Lender's Revolving Commitment Percentage of the Revolving Committed Amount.

(c) *Method of Issuance of Letters of Credit* The Borrower shall give the applicable Issuing Lender notice substantially in the form ofExhibit A-3 hereto (a "Letter of Credit Request") of the requested issuance or amendment of a Letter of Credit prior to 1:00 P.M. (New York time) on the proposed date of the issuance or amendment of a Letter of Credit (which shall be a Business Day) (or such shorter period as may be agreed by the Issuing Lender in any particular instance). In the case of a request for an initial issuance of a Letter of Credit, such Letter of Credit Request shall specify in form and detail reasonably satisfactory to the Issuing Lender: (i) the proposed issuance date of the requested Letter of Credit (which shall be a Business Day); (ii) the amount thereof; (iii) the expiry date thereof; (iv) the name and address of the beneficiary thereof; (v) the documents to be presented by such beneficiary in case of any drawing thereunder; (vi) the full text of any certificate to be presented by such beneficiary in case of any drawing thereunder; and (vii) such other matters as the Issuing Lender may require. In the case of a request for an amendment of any outstanding Letter of Credit, such Letter of Credit Request shall specify in form and detail reasonably satisfactory to the Issuing Lender: (i) the Letter of Credit to be amended; (ii) the proposed date of amendment thereof (which shall be a Business Day); (iii) the nature of the proposed amendment; and (iv) such other matters as the Issuing Lender may reasonably require. The Borrower shall also submit a Letter of Credit application on the Issuing Lender's standard form in connection with any request for a letter of credit. The extension or renewal of any Letter of Credit shall be deemed to be an issuance of such Letter of Credit. Subject to the provisions of the following paragraph with respect to Evergreen Letters of Credit, no Letter of Credit shall have a term of more than one year or shall have a term extending or be extendible beyond the fifth Business Day prior to the Revolving Loan Maturity Date.

If the Borrower so requests in any applicable Letter of Credit Request, the Issuing Lender may, in its discretion reasonably exercised, agree to issue a Letter of Credit that has automatic renewal provisions (each, an "Evergreen Letter of Credit"); provided that any such Evergreen Letter of Credit must permit the Issuing Lender to prevent any such renewal at least once in each twelve-month period (commencing with the date of issuance of such Letter of Credit) by giving prior notice to the beneficiary thereof not later than a day (the "Nonrenewal Notice Date") in each such twelve-month period to be agreed upon at the time such Letter of Credit is issued. Unless otherwise directed by the Issuing Lender, the Borrower shall not be required to make a specific request to the Issuing Lender for any such renewal. Once an Evergreen Letter of Credit has been issued, the Revolving Lenders shall be deemed to have authorized (but may not require) the Issuing Lender to permit the renewal of such Letter of Credit at any time to a date not later than the fifth Business Day prior to the Revolving Loan Maturity Date; provided, however, that the Issuing Lender shall not permit any such renewal if (i) the Issuing Lender would have no obligation at such time to issue such Letter of Credit in its renewed form under the terms hereof or (ii) it has received notice (which may be by telephone or in writing) on or before the Business Day immediately preceding the Nonrenewal Notice Date (A) that the Required Revolving Lenders have elected not to permit such renewal or (B) from any Revolving Lender or the Borrower that one or more of the applicable conditions specified in Section 4.02 is not then satisfied. Notwithstanding anything to the contrary contained herein, the Issuing Lender shall have no obligation to permit the renewal of any Evergreen Letter of Credit at any time.

Promptly after its delivery of any Letter of Credit or any amendment to a Letter of Credit to an advising bank with respect thereto or to the beneficiary thereof, the Issuing Lender will also deliver to the Borrower and a true and complete copy of such Letter of Credit or amendment.

(d) *Conditions to Issuance of Letters of Credit*. The issuance by the Issuing Lender of each Letter of Credit shall, in addition to the conditions precedent set forth in Section 4.02, be subject to the conditions precedent that (i) such Letter of Credit shall be reasonably satisfactory in form and substance to the Issuing Lender, (ii) the Borrower shall have executed and delivered such other instruments and agreements relating to such Letter of Credit as the Issuing Lender shall have reasonably requested, (iii) on the date of (and after giving effect to) such issuance (A) the aggregate amount of all LC Obligations will not exceed the LC Committed Amount and (B) the aggregate Revolving Outstandings will not exceed the Revolving Commitments and (iv) the Issuing Lender shall not have been notified by any Lender that any condition specified in Section 4.02(b) or (c) is not satisfied on the date such Letter of Credit is to be issued. Notwithstanding any other provision of this Section 2.05, the Issuing Lender shall not be under any obligation hereunder to issue any Letter of Credit if: (i) any order, judgment or decree of any Governmental Authority shall by its terms purport to enjoin or restrain the Issuing Lender from issuing such Letter of Credit, or any requirement of Law applicable to the Issuing Lender or any request or directive (whether or not having a force of Law) from any Governmental Authority with jurisdiction over the Issuing Lender shall prohibit, or request that the Issuing Lender refrain from, the issuance of letters of credit generally or such Letter of Credit in particular or shall impose upon the Issuing Lender with respect to such Letter of Credit any restriction, reserve or capital requirement (for which the Issuing Lender is not otherwise compensated hereunder) not in effect on the Closing Date, or shall impose upon the Administrative Agent any unreimbursed loss, cost or expense which was not applicable on the Closing Date and which the Issuing Lender in good faith deems material to it; or (ii) the issuance of such Letter of Credit shall violate any applicable general policies of the Issuing Lender.

(e) *Purchase and Sale of Letter of Credit Participations*. Upon the issuance of a Letter of Credit, the Issuing Lender shall be deemed, without further action by any party hereto, to have sold to each Revolving Lender, and each Revolving Lender shall be deemed, without further action by any party hereto, to have purchased from the Issuing Lender, without recourse or warranty, an undivided Participation Interest in the obligations in respect of such Letter of Credit and the related LC Obligations in the proportion its Revolving Commitment Percentage bears to the Revolving Committed Amount (although any fronting fee payable under Section 2.11 shall be payable directly to the Administrative Agent for the account of the Issuing Lender, and the Lenders (other than the Issuing Lender) shall have no right to receive any portion of any such fronting fee) and any security therefor or guaranty pertaining thereto. Upon any change in the Revolving Commitments pursuant to Section 10.06 there shall be an automatic adjustment to the Participation Interests in all outstanding Letters of Credit to reflect the adjusted Revolving Commitments of the assigning and assignee Lenders or of all Lenders having Revolving Commitments, as the case may be.

(f) *Duties of Issuing Lender to Revolving Lenders; Reliance*. In determining whether to pay under any Letter of Credit, the Issuing Lender shall not have any obligation relative to the Revolving Lenders participating in such Letter of Credit other than to determine that any document or documents required to be delivered under a Letter of Credit have been delivered and that they substantially comply on their face with the requirements of such Letter of Credit. Any action taken or omitted to be taken by the Issuing Lender or in connection with any Letter of Credit shall not create for the Issuing Lender any resulting liability if taken or omitted in the absence of gross negligence or willful misconduct. The Issuing Lender shall be entitled (but not obligated) to rely, and shall be fully protected

in relying, on the representation and warranty by the Borrower set forth in the last sentence of Section 4.02 to establish whether the conditions specified in paragraphs (b) and (c) of Section 4.02 are met in connection with any issuance or extension of a Letter of Credit. The Issuing Lender shall be entitled to rely, and shall be fully protected in relying, upon advice and statements of legal counsel, independent accountants and other experts selected by the Issuing Lender and upon any Letter of Credit, writing, resolution, notice, consent, certificate, affidavit, letter, cablegram, telegram, telecopier, telex or teletype message, statement, order or other document believed by it in good faith to be genuine and correct and to have been signed, sent or made by the proper Person or Persons, and may accept documents that appear on their face to be in order, without responsibility for further investigation, regardless of any notice or information to the contrary unless the beneficiary and the Borrower shall have notified the Issuing Lender that such documents do not comply with the terms and conditions of the Letter of Credit. The Issuing Lender shall be fully justified in refusing to take any action requested of it under this Section 2.05 in respect of any Letter of Credit unless it shall first have received such advice or concurrence of the Required Revolving Lenders as it reasonably deems appropriate or it shall first be indemnified to its reasonable satisfaction by the Revolving Lenders against any and all liability and expense which may be incurred by it by reason of taking or continuing to take, or omitting or continuing to omit, any such action. Notwithstanding any other provision of this Section 2.05, the Issuing Lender shall in all cases be fully protected in acting, or in refraining from acting, under this Section 2.05 in respect of any Letter of Credit or in accordance with a request of the Required Revolving Lenders, and such request and any action taken or failure to act pursuant hereto shall be binding upon all Revolving Lenders and all future holders of participations in such Letter of Credit.

(g) *Designation of Subsidiaries as Account Parties*. Notwithstanding anything to the contrary set forth in this Agreement, any Letter of Credit issued hereunder may contain a statement to the effect that such Letter of Credit is issued for the account of OH Holdings or any of its Subsidiaries; provided that notwithstanding such statement, the Borrower shall be the actual account party for all purposes of this Agreement for such Letter of Credit and such statement shall not affect the Borrower's reimbursement obligations hereunder with respect to such Letter of Credit.

(h) *Modification and Extension*. The issuance of any supplement, restatement, modification, amendment, renewal, or extension to any Letter of Credit shall, for purposes hereof, be treated in all respects the same as a Credit Extension hereunder.

(i) *Responsibility of Issuing Lenders*. It is expressly understood and agreed that the obligations of the Issuing Lenders hereunder to the Revolving Lenders are only those expressly set forth in this Agreement and that each Issuing Lender shall be entitled to assume that the conditions precedent set forth in Section 4.02 have been satisfied unless it shall have acquired actual knowledge that any such condition precedent has not been satisfied; provided, however, that nothing set forth in this Section 2.05 shall be deemed to prejudice the right of any Revolving Lender to recover from Issuing Lender any amounts made available by such Revolving Lender to the Issuing Lender pursuant to this Section 2.05 in the event that it is determined by a court of competent jurisdiction that the payment with respect to a Letter of Credit constituted gross negligence or willful misconduct on the part of the Issuing Lender.

(j) *Conflict with LC Documents*. In the event of any conflict between this Agreement and any LC Document, this Agreement shall govern.

(k) *Indemnification of Issuing Lenders*.

(i) In addition to its other obligations under this Agreement, the Borrower hereby agrees to protect, indemnify, pay and save each Issuing Lender harmless from and against any and all claims, demands, liabilities, damages, losses, costs, charges and expenses (including

reasonable attorneys' fees) that such Issuing Lender may incur or be subject to as a consequence, direct or indirect, of (A) the issuance of any Letter of Credit as applicable or (B) the failure of such Issuing Lender to honor a drawing under a Letter of Credit as a result of any act or omission, whether rightful or wrongful, of any present or future de jure or de facto government or Governmental Authority (all such acts or omissions, herein called "Government Acts").

(ii) As between the Borrower and the Issuing Lenders, the Borrower shall assume all risks of the acts or omissions of or the misuse of any Letter of Credit by the beneficiary thereof. Neither Issuing Lender shall be responsible for: (A) the form, validity, sufficiency, accuracy, genuineness or legal effect of any document submitted by any party in connection with the application for and issuance of any Letter of Credit, even if it should in fact prove to be in any or all respects invalid, insufficient, inaccurate, fraudulent or forged; (B) the validity or sufficiency of any instrument transferring or assigning or purporting to transfer or assign any Letter of Credit or the rights or benefits thereunder or proceeds thereof, in whole or in part, that may prove to be invalid or ineffective for any reason; (C) failure of the beneficiary of a Letter of Credit to comply fully with conditions required in order to draw upon a Letter of Credit; (D) errors, omissions, interruptions or delays in transmission or delivery of any messages, by mail, cable, telegraph, telex or otherwise, whether or not they be in cipher; (E) errors in interpretation of technical terms; (F) any loss or delay in the transmission or otherwise of any documents required in order to make a drawing under a Letter of Credit or of the proceeds thereof; and (G) any consequences arising from causes beyond the control of the Issuing Lender, including any Government Acts. Notwithstanding the foregoing, the Borrower shall retain all rights it may have against the Issuing Lenders for any liability arising solely out of the gross negligence, bad faith or willful misconduct of an Issuing Lender to the extent determined by a court of competent jurisdiction in a final and nonappealable judgment. None of the above shall affect, impair, or prevent the vesting of the Issuing Lenders' rights or powers hereunder.

(iii) In furtherance and extension and not in limitation of the specific provisions hereinabove set forth, no action taken or omitted by the Issuing Lender under or in connection with any Letter of Credit or the related certificates, if taken or omitted in good faith, shall put the Administrative Agent or either Issuing Lender under any resulting liability to the Borrower or any other Credit Party other than for gross negligence, bad faith or willful misconduct. It is the intention of the parties that this Agreement shall be construed and applied to protect and indemnify the Issuing Lenders against any and all risks involved in the issuance of Letters of Credit, all of which risks are hereby assumed by the Credit Parties, including any and all risks, whether rightful or wrongful, of any present or future Government Acts. Neither Issuing Lender shall in any way be liable for any failure by such Issuing Lender or anyone else to pay any drawing under any Letter of Credit as a result of any Government Acts or any other cause beyond the control of such Issuing Lender.

(iv) Nothing in this subsection (k) is intended to limit the reimbursement obligation of the Borrower contained in this Section 2.05. The obligations of the Borrower under this subsection (k) shall survive the termination of this Agreement. No act or omission of any current or prior beneficiary of a Letter of Credit shall in any way affect or impair the rights of the Issuing Lender to enforce any right, power or benefit under this Agreement.

(v) Notwithstanding anything to the contrary contained in this subsection (k), the Borrower shall not have any obligation to indemnify an Issuing Lender in respect of any liability to the extent, incurred by such Issuing Lender arising solely out of the gross negligence, bad faith or willful misconduct of such Issuing Lender, as finally determined by a court of competent jurisdiction. Nothing in this Agreement shall relieve an Issuing Lender of any liability

to the Borrower in respect of any action taken by such Issuing Lender which action constitutes gross negligence, bad faith or willful misconduct of such Issuing Lender or a violation of the Uniform Commercial Code, as applicable, as finally determined by a court of competent jurisdiction.

(l) *Cash Collateral*. If the Borrower elects or is required pursuant to the terms of this Agreement to Cash Collateralize any LC Obligations, the Borrower shall deposit in an account (which may be an LC Cash Collateral Account under the Security Agreement) with the Collateral Agent an amount in Dollars in cash equal to 102% of such LC Obligations. Such deposit shall be held by the Collateral Agent as collateral for the payment and performance of the LC Obligations. The Collateral Agent shall have exclusive control, including the exclusive right of withdrawal, over each collateral account referred to in this subsection (l). The Collateral Agent will, at the request of the Borrower, invest amounts deposited in such account in Cash Equivalents; provided, however, that (i) the Collateral Agent shall not be required to make any investment that, in its sole judgment, would require or cause the Collateral Agent to be in, or would result in any, violation of any Law, (ii) such Cash Equivalents shall be subjected to a first priority perfected security interest in favor of the Collateral Agent and (iii) if an Event of Default shall have occurred and be continuing, the selection of such Cash Equivalents shall be in the sole discretion of the Collateral Agent. The Borrower shall indemnify the Collateral Agent for any losses relating to such investments in Cash Equivalents. Other than any interest or profits earned on such investments, such deposits shall not bear interest. Interest or profits, if any, on such investments shall accumulate in such account. Moneys in such account shall be applied by the Collateral Agent to reimburse the applicable Issuing Lender immediately for drawings under the Letters of Credit and, if the maturity of the Loans has been accelerated, to satisfy the LC Obligations of the Borrower. If the Borrower is required to provide an amount of cash collateral hereunder as a result of an Event of Default, such amount together with any interest or profits earned thereon (to the extent not applied as aforesaid) shall be returned to the Borrower within three Business Days after all Events of Default have been cured or waived. If the Borrower is required to provide an amount of cash collateral hereunder pursuant to Section 2.08(a) or 2.09(b)(i), such amount together with any interest or profits earned thereon (to the extent not applied as aforesaid) shall be returned to the Borrower upon demand; provided that, after giving effect to the return, (i) the aggregate Revolving Outstandings would not exceed the Revolving Committed Amount and (ii) no Default or Event of Default shall have occurred and be continuing. If the Borrower is required to deposit an amount of cash collateral hereunder pursuant to Section 2.09(b) (iii), (iv), (v), (vi), or (vii), interest or profits thereon (to the extent not applied as aforesaid) shall be returned to the Borrower after the full amount of such deposit has been applied by the Collateral Agent to reimburse the applicable Issuing Lender for drawings under Letters of Credit. The Borrower hereby pledges and assigns to the Collateral Agent, for its benefit and the benefit of the Finance Parties, each cash collateral account established by it hereunder (and all monies and investments held therein) to secure its Finance Obligations.

(m) *Resignation or Removal of Issuing Lender*. Either Issuing Lender may resign at any time by giving 60 days' notice to the Revolving Lenders and the Borrower; provided, however, that such resignation shall not affect the status of any outstanding Letters of Credit issued by such resigning Issuing Lender as set forth in subsection (n) below. Upon any such resignation, the Borrower shall (within 60 days after such notice of resignation) either appoint a successor, or terminate the unutilized LC Commitment of such Issuing Lender; provided, however, that, if the Borrower elects to terminate such unutilized LC Commitment, the Borrower may at any time thereafter that the Revolving Commitments are in effect reinstate such LC Commitment in connection with the appointment of another Issuing Lender. Subject to subsection (n) below, upon the acceptance of any appointment as an Issuing Lender hereunder by a successor Issuing Lender, such successor shall succeed to and become vested with all the interests, rights and obligations of the retiring Issuing Lender and the retiring Issuing Lender shall be discharged from its obligations to issue Letters of Credit hereunder. The acceptance of any appointment

as Issuing Lender hereunder by a successor Issuing Lender shall be evidenced by an agreement entered into by such successor, in a form reasonably satisfactory to the Borrower and the Administrative Agent, and, from and after the effective date of such agreement, (i) such successor shall be a party hereto and have all the rights and obligations of an Issuing Lender under this Agreement and the other Finance Documents and (ii) references herein and in the other Finance Documents to the "Issuing Lender" shall be deemed to refer to such successor or to any previous Issuing Lender, or to such successor and all previous Issuing Lenders, as the context shall require.

(n) *Rights with Respect to Outstanding Letters of Credit* After the resignation of an Issuing Lender hereunder the retiring Issuing Lender shall remain a party hereto and shall continue to have all the rights and obligations of an Issuing Lender under this Agreement and the other Finance Documents with respect to Letters of Credit issued by it prior to such resignation, but shall not be required to issue Letters of Credit.

(o) *Reimbursement Obligations*. The Borrower shall be irrevocably and unconditionally obligated forthwith to reimburse the Issuing Lender for any amounts paid by the Issuing Lender upon any drawing under a Letter of Credit, together with any and all reasonable charges and expenses which such Issuing Lender may pay or incur relative to such drawing or payment and interest on the amount drawn or paid at the rate applicable to Base Rate Loans for each day from and including the date such amount is drawn or paid to but excluding the date such reimbursement payment is due and payable. Such reimbursement payment shall be due and payable (i) at or before 2:00 P.M. (New York time or the relevant local time, as applicable) on the third Business Day after the date the Issuing Lender notifies the Borrower of such drawing or payment; provided that no payment otherwise required by this sentence to be made by the Borrower at or before 2:00 P.M. (New York time or the relevant local time, as applicable) on any day shall be overdue hereunder if arrangements for such payment satisfactory to the Issuing Lender, in its reasonable discretion, shall have been made by the Borrower at or before 2:00 P.M. (New York time or the relevant local time, as applicable) on such day and such payment is actually made at or before 3:00 P.M. (New York time or the relevant local time, as applicable) on such day. In addition to the foregoing, the Borrower agrees to pay to the Issuing Lenders interest, payable on demand, on any and all amounts not paid by the Borrower to the Issuing Lenders when due under this subsection (o), for each day from and including the date when such amount becomes due to but excluding the date such amount is paid in full, whether before or after judgment, at a rate per annum equal to the sum of 2.00% plus the rate applicable to Base Rate Loans for such day. Subject to the satisfaction of all applicable conditions set forth in Article IV, the Borrower may, at its option, utilize the Swingline Commitment or the Revolving Commitments, or make other arrangements for payment satisfactory to the Issuing Lenders, for the reimbursement of all LC Disbursements as required by this subsection (o). Each reimbursement payment to be made by the Borrower pursuant to this subsection (o) shall be made to the Issuing Lenders in Federal or other funds immediately available to it at its address referred to in Section 10.01.

(p) *Obligations of Revolving Lenders to Reimburse Issuing Lender for Unpaid LC Disbursements*. If the Borrower shall not have reimbursed the Issuing Lender or the Administrative Agent (as the case may be) in full for any LC Disbursement as required pursuant to subsection (o) of this Section 2.05, the Issuing Lender shall promptly notify the Administrative Agent, and the Administrative Agent shall promptly notify each Revolving Lender (other than the Issuing Lender) and each Revolving Lender shall promptly and unconditionally pay to the Administrative Agent, for the account of such Issuing Lender or for itself as the case may be such Revolving Lender's pro-rata share of such unreimbursed LC Disbursement (each such Lender's pro rata share of such LC Disbursement determined by the proportion its Revolving Commitment Percentage bears to the aggregate Revolving Committed

Amount) in Dollars in Federal or other immediately available funds. Such payment from the Revolving Lender shall be due (i) at or before 1:00 P.M. (New York time) on the date the Administrative Agent so notifies a Revolving Lender, if such notice is given at or before 10:00 A.M. (New York time) on such date or (ii) at or before 10:00 A.M. (New York time) on the next succeeding Business Day, together with interest on such amount for each day from and including the date of such drawing to but excluding the day such payment is due from such Revolving Lender at the Federal Funds Rate for such day (which funds, in the case of a failure to reimburse the Issuing Lender under a Letter of Credit, the Administrative Agent shall promptly remit to the applicable Issuing Lender). The failure of any Revolving Lender to make available to the Administrative Agent its pro-rata share of any unreimbursed LC Disbursement shall not relieve any other Revolving Lender of its obligation hereunder to make available to the Administrative Agent its pro-rata share of any payment made under any Letter of Credit on the date required, as specified above, but no such Lender shall be responsible for the failure of any other Lender to make available to the Administrative Agent such other Lender's pro-rata share of any such payment. Upon payment in full of all amounts payable by a Lender under this subsection (p), such Lender shall be subrogated to the rights of the Issuing Lender against the Borrower to the extent of such Lender's pro-rata share of the related LC Obligation so paid (including interest accrued thereon). If any Revolving Lender fails to pay any amount required to be paid by it pursuant to this subsection (p) on the date on which such payment is due, interest shall accrue on such Lender's obligation to make such payment, for each day from and including the date such payment became due to but excluding the date such Lender makes such payment, whether before or after judgment, at a rate per annum equal to (i) for each day from the date such payment is due to the third succeeding Business Day, inclusive, the Federal Funds Rate for such day as determined by the relevant Issuing Lender and (ii) for each day thereafter, the sum of 2.00% plus the rate applicable to Base Rate Loans for such day. Any payment made by any Lender after 3:00 P.M. on any Business Day shall be deemed for purposes of the preceding sentence to have been made on the next succeeding Business Day.

(q) *Obligations in Respect of Letters of Credit Unconditional* The obligations of the Borrower under Section 2.05(o) above shall be absolute, unconditional and irrevocable, and shall be performed strictly in accordance with the terms of this Agreement under all circumstances whatsoever, including the following circumstances:

(i) any lack of validity or enforceability of this Agreement or any Letter of Credit or any document related hereto or thereto;

(ii) any amendment or waiver of or any consent to departure from all or any of the provisions of this Agreement or any Letter of Credit or any document related hereto or thereto, in each case consented to by the Borrower;

(iii) the use which may be made of the Letter of Credit by, or any acts or omission of, a beneficiary of a Letter of Credit (or any Person for whom the beneficiary may be acting);

(iv) the existence of any claim, set-off, defense or other rights that the Borrower may have at any time against a beneficiary of a Letter of Credit (or any Person for whom the beneficiary may be acting), the Administrative Agent, the Issuing Lender or any other Person, whether in connection with this Agreement or any Letter of Credit or any document related hereto or thereto or any unrelated transaction;

(v) any statement or any other document presented under a Letter of Credit proving to be forged, fraudulent or invalid in any respect or any statement therein being untrue or inaccurate in any respect whatsoever;

(vi) payment under a Letter of Credit against presentation to the Issuing Lender of a draft or certificate that does not comply with the terms of such Letter of Credit; provided that the Issuing Lender's determination that documents presented under such Letter of Credit comply with the terms thereof shall not have constituted gross negligence, bad faith or willful misconduct of either Issuing Lender (as finally determined by a court of competent jurisdiction); or

(vii) any other act or omission to act or delay of any kind by the Administrative Agent, any Issuing Lender or any other Person or any other event or circumstance whatsoever that might, but for the provisions of this subsection (vii), constitute a legal or equitable discharge of the Borrower's obligations hereunder.

Section 2.06 Interest.

(a) *Rate Options Applicable to Loans*. Each Borrowing shall be comprised of Base Rate Loans or (except in the case of Swingline Loans, which shall be made and maintained as Base Rate Loans only) Eurodollar Loans, as the Borrower may request pursuant to Section 2.02; provided, however, that the Borrower may not request a Eurodollar Loan until after the one month anniversary of the Closing Date unless the Administrative Agent agrees. Borrowings of more than one Type may be outstanding at the same time; provided, however, that the Borrower may not request any Borrowing that, if made, would result in an aggregate of more than 10 separate groups of Eurodollar Loans having the same Interest Period being outstanding hereunder at any one time. For this purpose, Loans having different Interest Periods, regardless of whether commencing on the same date, shall be considered separate groups.

(b) *Base Rate Loans*. Each Loan which is made as, or converted into, a Base Rate Loan shall bear interest on the outstanding principal amount thereof, for each day from the date such Loan is made as, or converted into, a Base Rate Loan until it becomes due or is converted into a Loan of any other Type, at a rate per annum equal to the Base Rate for such day plus the then Applicable Margin. Such interest shall be payable in arrears on each Interest Payment Date and, with respect to the principal amount of any Base Rate Loan converted to a Eurodollar Loan, on the date such Base Rate Loan is so converted.

(c) *Eurodollar Loans*. Each Eurodollar Loan shall bear interest on the outstanding principal amount thereof, for each day during the Interest Period applicable thereto, at a rate per annum equal to the sum of the applicable Adjusted Eurodollar Rate for such Interest Period plus the then Applicable Margin. Such interest shall be payable for each Interest Period on each Interest Payment Date.

(d) *Determination and Notice of Interest Rates*. The Administrative Agent shall determine each interest rate applicable to the Loans hereunder in accordance with the terms hereof. The Administrative Agent shall give prompt notice to the Borrower and the participating Lenders of each rate of interest so determined, and its determination thereof shall be conclusive in the absence of manifest error. Any such notice shall, without the necessity of the Administrative Agent so stating in such notice, be subject to the provisions of the definition of "Applicable Margin" providing for adjustments in the Applicable Margin from time to time. When during an Interest Period any event occurs that causes an adjustment in the Applicable Margin applicable to Loans to which such Interest Period is applicable, the Administrative Agent shall give prompt notice to the Borrower and the applicable Lenders affected thereby of such event and the adjusted rate of interest so determined for such Loans, and its determination thereof shall be conclusive in the absence of manifest error.

(e) *Default Interest*. Upon the occurrence and during the continuance of an Event of Default, the overdue principal of and, to the extent permitted by law, overdue interest on the Loans and any other overdue amounts owing herein or under the other Finance Documents shall bear interest, payable on demand, at a per annum rate equal to (i) in the case of principal of any Loan, the rate otherwise applicable to such Loan during such period pursuant to this Section 2.06 plus 2.00% and (ii) in the case of any other amount, if expressly provided for herein, at the rate so provided and otherwise at the Base Rate plus the Applicable Margin for Base Rate Loans plus 2.00%.

Section 2.07 Extension and Conversion.

(a) *Continuation and Conversion Options*. The Loans included in each Borrowing shall bear interest initially at the Type of rate allowed by Section 2.06 and as specified by the Borrower in the applicable Notice of Borrowing. Thereafter, the Borrower shall have the option to elect to change or continue the Type of interest rate borne by each Loan (subject in each case to the provisions of Article III and subsection 2.07(d)), as follows:

(i) if such Loans are Base Rate Loans, the Borrower may elect pursuant to a Notice of Extension/Conversion to convert such Loans to Eurodollar Loans as of any Business Day; and

(ii) if such Loans are Eurodollar Loans, the Borrower may elect to convert such Loans to Base Rate Loans or elect to continue such Loans as Eurodollar Loans for an additional Interest Period, subject to Section 3.05 in the case of any such conversion or continuation effective on any day other than the last day of the then current Interest Period applicable to such Loans.

Each such election shall be made by delivering a notice, substantially in the form of Exhibit A-2 hereto (a "Notice of Extension/Conversion") or by telephone promptly confirmed by a Notice of Extension/Conversion, which notice shall not thereafter be revocable by the Borrower, to the Administrative Agent not later than 12:00 Noon on the second Business Day before the conversion or continuation selected in such notice is to be effective. A Notice of Extension/Conversion may, if it so specifies, apply to only a portion of the aggregate principal amount of the relevant Loans; provided that the portion to which such Notice applies, and the remaining portion to which it does not apply, are each $1,000,000 or any larger multiple of $100,000.

(b) *Contents of Notice of Extension/Conversion*. Each Notice of Extension/ Conversion shall specify:

(i) the Loans (or portion thereof) to which such notice applies;

(ii) the date on which the conversion or continuation selected in such notice is to be effective, which shall comply with the applicable clause of subsection 2.07(a) above;

(iii) if the Loans are to be converted, the new Type of Loans and, if the Loans being converted are to be Eurodollar Loans, the duration of the next succeeding Interest Period applicable thereto; and

(iv) if such Loans are to be continued as Eurodollar Loans for an additional Interest Period, the duration of such additional Interest Period.

Each Interest Period specified in a Notice of Interest Rate Election shall comply with the provisions of the definitions of the term "Interest Period". If no Notice of Extension/Conversion is timely received prior to the end of an Interest Period for any Eurodollar Loans, the Borrower shall be deemed to have elected that such Loans be converted to Base Rate Loans as of the last day of such Interest Period.

(c) *Notification to Lenders*. Upon receipt of a Notice of Extension/Conversion (written or telephonic as set forth above) from the Borrower pursuant to subsection 2.07(a) above, the Administrative Agent shall promptly notify each applicable Lender affected thereby of the contents thereof.

(d) *Limitation on Conversion/Continuation Options*. The Borrower shall not be entitled to elect to convert any Loans to, or continue any Loans for an additional Interest Period as, Eurodollar Loans if the aggregate principal amount of any group of Eurodollar Loans having the same Interest Period created or continued as a result of such election would be less than $1,000,000. The Borrower shall not be entitled to elect to continue any Eurodollar Loans for an Interest Period in excess of one month if a Default shall have occurred and be continuing when the Borrower delivers notice of such election to the Administrative Agent.

(e) *Accrued Interest*. Accrued interest on a Loan (or portion thereof) being extended or converted shall be paid by the Borrower (i) with respect to any Base Rate Loan being converted to a Eurodollar Loan, on the last day of the first fiscal quarter of the Borrower ending on or after the date of conversion and (ii) otherwise, on the date of extension or conversion.

Section 2.08 Maturity of Loans.

(a) *Maturity of Revolving Loans*. The Revolving Loans shall mature on the Revolving Loan Maturity Date, and any Revolving Loans then outstanding (together with accrued interest thereon and fees in respect thereof) Swingline Loans then outstanding (together with accrued interest thereon) and LC Obligations shall be due and payable in full on such date.

(b) *Scheduled Amortization of Term Loans*. The Borrower shall repay, and there shall become due and payable (together with accrued interest thereon) on each Principal Amortization Payment Date set forth below, the principal amount of the Term Loan set forth opposite each such Principal Amortization Payment Date as follows (provided that the amortization applicable to any New Term Loans shall be as set forth in the applicable Joinder Agreement):

Principal Amortization Payment Date	Principal Amortization Payment
September 30, 2010	$ 725,000
December 31, 2010	$ 725,000
March 31, 2011	$ 725,000
June 30, 2011	$ 725,000
September 30, 2011	$ 725,000
December 31, 2011	$ 725,000
March 31, 2012	$ 725,000
June 30, 2012	$ 725,000
September 30, 2012	$ 725,000
December 31, 2012	$ 725,000
March 31, 2013	$ 725,000
June 30, 2013	$ 725,000
September 30, 2013	$ 725,000
December 31, 2013	$ 725,000
March 31, 2014	$ 725,000
June 30, 2014	$ 725,000
September 30, 2014	$ 725,000
December 31, 2014	$ 725,000
March 31, 2015	$ 725,000
June 30, 2015	$ 725,000
September 30, 2015	$ 725,000
December 31, 2015	$ 725,000
March 31, 2016	$ 725,000

The aggregate unpaid principal balance of the Term Loans then outstanding shall be due and payable in full on the Term Loan Maturity Date.

Section 2.09 Prepayments.

(a) *Voluntary Prepayments*. The Borrower shall have the right voluntarily to prepay Loans in whole or in part from time to time, subject to Section 3.05 but otherwise without premium or penalty; provided, however, that (i) each partial prepayment of the Loans shall be in a minimum principal amount of $1,000,000 and integral multiples of $100,000 in excess thereof and (ii) the Borrower shall have given prior written or telecopy notice (or telephone notice promptly confirmed by written or telecopy notice) to the Administrative Agent, (A) in the case of any Base Rate Loan by 12:00 Noon at least one Business Day prior to the date of prepayment and (B), in the case of any Eurodollar Loan, by 12:00 Noon at least three Business Days prior to the date of prepayment. Each notice of prepayment shall specify the prepayment date, the principal amount remaining and amount to be prepaid, whether the Loan to be prepaid is a Revolving Loan, Term Loan or Swingline Loan, whether the Loan to be prepaid is a Eurodollar Loan or a Base Rate Loan and, in the case of a Eurodollar Loan, the Interest Period of such Loan. Each notice of prepayment shall be irrevocable and shall commit the Borrower to prepay such Loan by the amount, and on the date stated therein (except that such notice may be conditioned on the availability of replacement credit facilities, in the case of a prepayment of all outstanding Loans). Subject to the foregoing, amounts prepaid under this Section 2.09(a) shall be applied as the Borrower may elect; provided that if the Borrower fails to specify the application of a voluntary prepayment, then such prepayment shall be applied first to Revolving Loans to the full extent thereof (without a permanent reduction in the Revolving Committed Amount), then to Swingline Loans to the full extent thereof (without a permanent reduction in the Revolving Committed Amount), then to Term Loans, in each case first to Base Rate Loans and then to Eurodollar Loans in the direct order of Interest Period maturity. In the case of prepayments of Term Loans, such prepayments shall be applied to the remaining installments of principal of the Principal Amortization Payments and the final payment of the aggregate unpaid balance of Term Loans on the Term Loan Maturity Date on a pro rata basis and may not be reborrowed. Subject to the satisfaction or waiver of Section 4.02, voluntary prepayments of Revolving Loans may be reborrowed at any time. All prepayments under this Section 2.09(a) shall be accompanied by accrued interest on the principal amount being prepaid to the date of payment.

(b) *Mandatory Prepayments*.

(i) *Revolving Committed Amount*. If on any date the aggregate Revolving Outstandings exceed the Revolving Committed Amount, the Borrower shall repay, and there shall

become due and payable (together with accrued interest thereon), on such date an aggregate principal amount of Swingline Loans equal to such excess. If the outstanding Swingline Loans have been repaid in full, the Borrower shall prepay, and there shall become due and payable (together with accrued interest thereon), Revolving Loans in such amounts as are necessary so that, after giving effect to the repayment of the Swingline Loans and the repayment of Revolving Loans, the aggregate Revolving Outstandings do not exceed the Revolving Committed Amount. If the outstanding Revolving Loans and Swingline Loans have been repaid in full, the Borrower shall Cash Collateralize LC Obligations so that, after giving effect to the repayment of Swingline Loans and Revolving Loans and the Cash Collateralization of LC Obligations pursuant to this subsection (i), the aggregate Revolving Outstandings do not exceed the Revolving Committed Amount. In determining the aggregate Revolving Outstandings for purposes of this subsection (i), LC Obligations shall be reduced to the extent that they are Cash Collateralized as contemplated by thissubsection (i). Each prepayment of Revolving Loans required pursuant to this subsection (i) shall be applied ratably among outstanding Revolving Loans based on the respective amounts of principal then outstanding. Each Cash Collateralization of LC Obligations required by this subsection (i) shall be applied ratably among LC Obligations based on the respective amounts thereof then outstanding.

(ii) *Excess Cash Flow*. Within 125 days after the end of each fiscal year of the Borrower (commencing with the fiscal year ending December 31, 2011), the Borrower shall prepay the Loans and/or Cash Collateralize or pay the LC Obligations in an aggregate amount equal to (A) 50% of the Excess Cash Flow for such prior fiscal year if the Total Leverage Ratio as of the last day of such prior fiscal year was equal to or greater than 4.75 to 1.0, (B) 25% of the Excess Cash Flow for such prior fiscal year if the Total Leverage Ratio as of the last day of such prior fiscal year was less than 4.75 to 1.0 but equal to or greater than 4.00 to 1.0 or (C) 0% of the Excess Cash Flow for the prior fiscal year if the Total Leverage Ratio as of the last day of such prior fiscal year was less than 4.00 to 1.0, in the case of each of clauses (A), (B) and (C), less the amount of optional prepayments of (x) Term Loans and New Term Loans and (y) Revolving Loans and Swingline Loans (to the extent the Revolving Commitments or the Swingline Commitments are permanently reduced at the time of such payment) during such prior fiscal year.

(iii) *Asset Dispositions, Casualties and Condemnations, etc*. Within five Business Days after receipt by any Group Company of proceeds from any Asset Disposition (other than an Excluded Asset Disposition), Casualty or Condemnation, the Borrower shall prepay the Loans and/or Cash Collateralize or pay the LC Obligations in an aggregate amount equal to 100% of the Net Cash Proceeds of such Asset Disposition, Casualty or Condemnation, as applicable; provided, that the Borrower shall have the option, upon written notice to the Administrative Agent, directly or through one or more of its Subsidiaries, to invest such proceeds within one year of receipt thereof in long-term productive assets of the general type used in the business of the Borrower and its Subsidiaries (provided that if, prior to the expiration of such one year period, the Borrower, directly or through its Subsidiaries, shall have entered into a binding agreement providing for such investment on or prior to the expiration of an additional one hundred eighty (180) day period, such one year period shall be extended to the date provided for such investment in such binding agreement);

(iv) *Debt Issuances*. Within one Business Days after receipt by any Group Company of proceeds from any Debt Issuance (other than any Debt Issuance permitted pursuant to Section 7.01 of this Agreement), the Borrower shall prepay the Loans and/or Cash Collateralize or pay the LC Obligations in an aggregate amount equal to 100% of the Net Cash Proceeds of such Debt Issuance.

(v) *Application of Mandatory Prepayments*. All amounts required to be paid pursuant to this Section 2.09(b) shall be applied as follows:

(A) with respect to all amounts paid pursuant to Section 2.09(b)(i) in the order provided in such Section; and

(B) with respect to all amounts paid pursuant to Section 2.09(b)(ii), (iii) or (iv), subject to Section 2.09(b)(x) below, to the Term Loans (applied to the remaining Principal Amortization Payments and the final payment of the aggregate unpaid balance of Term Loans on the Term Loan Maturity Date on a pro rata basis).

(vi) *Order of Applications*. All amounts allocated to Revolving Outstandings as provided in this Section 2.09(b) shall be applied, first, to Swingline Loans, second, after all Swingline Loans have been repaid, to Revolving Loans, and third, after all Revolving Loans have been repaid, to Cash Collateralize or pay the LC Obligations; provided that any balance of such amounts remaining after all Revolving Loans have been repaid and, if applicable, all LC Obligations have been Cash Collateralized shall be applied to the Term Loans in each case ratably to the remaining Principal Amortization Payments of all Term Loans. Within the parameters of the applications set forth above, prepayments of Revolving Loans and Term Loans shall be applied first to Base Rate Loans and then, subject to subsection (vii) below, to Eurodollar Loans in direct order of Interest Period maturities. All prepayments under this Section 2.09(b) shall be subject to Section 3.05. All prepayments under this Section 2.09(b) shall be accompanied by accrued interest on the principal amount being prepaid to the date of payment.

(vii) *Prepayment Accounts*. Amounts to be applied as provided in subsection (vi) above to the prepayment of Revolving Loans or Term Loans shall be applied first to reduce outstanding Base Rate Loans. Any amounts remaining after each such application shall, at the option of the Borrower, be applied to prepay Eurodollar Loans immediately and/or shall be deposited in a separate Prepayment Account (as defined below) for the Loans. The Administrative Agent shall apply any cash deposited in the Prepayment Account for any Loans, upon withdrawal by the Collateral Agent, to prepay Eurodollar Loans on the last day of their respective Interest Periods (or, at the direction of the Borrower, on any earlier date) until all outstanding Loans have been prepaid or until all the allocable cash on deposit in the Prepayment Account has been exhausted. Concurrently with such application, the aggregate amount of any interest or profits earned on the amount so applied shall be withdrawn by the Collateral Agent and paid to the order of the Borrower. For purposes of this Agreement, the term "Prepayment Account" for any Loans shall mean an account (which may include the Prepayment Account established under the Security Agreement) established by the Borrower with the Collateral Agent and over which the Collateral Agent shall have exclusive dominion and control, including the exclusive right of withdrawal for application in accordance with this subsection (vii). The Collateral Agent will, at the request of the Borrower, invest amounts on deposit in the Prepayment Account for any Loans in Cash Equivalents that mature prior to the last day of the applicable Interest Periods of the Eurodollar Loans to be prepaid; provided, however, that (i) the Collateral Agent shall not be required to make any investment that, in its sole judgment, would require or cause the Collateral Agent to be in, or would result in any, violation of any Law, (ii) such Cash Equivalents shall be subjected to a first priority perfected security interest in favor of the Collateral Agent and (iii) if any Event of Default shall have occurred and be continuing, the selection of such Cash Equivalents shall be in the sole discretion of the Collateral Agent. The Borrower shall indemnify the Collateral Agent for any losses relating to such investments in Cash Equivalents so that the amount available to prepay Eurodollar Loans on the last day of the applicable Interest Periods is not less than the amount that would have been available had no

investments been made pursuant thereto. Other than any interest or profits earned on such investments, the Prepayment Accounts shall not bear interest. Interest or profits, if any, on the investments in any Prepayment Account shall accumulate in such Prepayment Account and be paid to the Borrower as provided above. If the maturity of the Loans has been accelerated pursuant to Section 8.02, the Administrative Agent may, in its sole discretion, cause the Collateral Agent to withdraw amounts on deposit in the Prepayment Account for any Loans and apply such funds to satisfy any of the Senior Obligations related to such Loans.

(viii) *Payments Cumulative*. Except as otherwise expressly provided in this Section 2.09, payments required under any subsection or clause of this Section 2.09 are in addition to payments made or required under any other subsection or clause of this Section 2.09.

(ix) *Notice*. The Borrower shall give to the Administrative Agent and the Lenders at least five Business Days' prior written or telecopy notice of each and every event or occurrence requiring a prepayment under Section 2.09(b)(ii), (iii), or (iv), including the amount of Net Cash Proceeds expected to be received therefrom, the expected schedule for receiving such Net Cash Proceeds; provided, however, that in the case of any prepayment event consisting of a Casualty or Condemnation, the Borrower shall give such notice within five Business Days after the occurrence of such event.

(x) *Waivable Mandatory Prepayment*. Each Term Lender may exercise its option to refuse a mandatory prepayment of its Term Loan (a "Waivable Mandatory Prepayment") by giving written notice to the Borrower and the Administrative Agent of its election to do so on or before the third Business Day prior to the prepayment date (it being understood that any Term Lender which does not notify the Borrower and the Administrative Agent of its election to exercise such option on or before the third Business Day prior to the prepayment date shall be deemed to have elected, as of such date, not to exercise such option). On the prepayment date, the Borrower shall pay to the Administrative Agent the amount of the Waivable Mandatory Prepayment, which amount shall be applied (i) in an amount equal to that portion of the Waivable Mandatory Prepayment payable to those Term Lenders that have elected not to exercise such option, to prepay the Term Loans of such Term Lenders in accordance with Section 2.09(b)(v) and (ii) in an amount equal to that portion of the Waivable Mandatory Prepayment otherwise payable to those Term Lenders that have elected to exercise such option, to prepay the Term Loans held by those Term Lenders that have elected not to exercise such option in accordance with Section 2.09(b)(v).

Section 2.10 Adjustment of Commitments.

(a) *Optional Termination or Reduction of Commitments (Pro-Rata).* The Borrower may, without premium or penalty, from time to time permanently reduce or terminate the Revolving Committed Amount in whole or in part (in minimum aggregate amounts of $1,000,000 or in integral multiples of $100,000 in excess thereof (or, if less, the full remaining amount of the then applicable Revolving Committed Amount)) upon one Business Days' prior written or telecopy notice to the Administrative Agent; provided, however, that no such termination or reduction shall be made which would cause the Revolving Outstandings to exceed the Revolving Committed Amount as so reduced unless, concurrently with such termination or reduction, the Revolving Loans are repaid or, if no Revolving Loans are outstanding, the Swingline Loans are repaid and, after the Swingline Loans have been paid in full, the LC Obligations are Cash Collateralized to the extent necessary to eliminate such excess. The Administrative Agent shall promptly notify each affected Lender of the receipt by the Administrative Agent of any notice from the Borrower pursuant to this Section 2.10(a). Any partial reduction of the Revolving Committed Amount pursuant to this Section 2.10(a) shall be applied to the

Revolving Commitments of the Lenders pro-rata based upon their respective Revolving Commitment Percentages. The Borrower shall pay to the Administrative Agent for the account of the Lenders in accordance with the terms of Section 2.11, on the date of each termination or reduction of the Revolving Committed Amount, any fees accrued through the date of such termination or reduction on the amount of the Revolving Committed Amount so terminated or reduced.

(b) *Mandatory Reductions*. On any date that any Revolving Loans are required to be prepaid, Swingline Loans are required to be prepaid and/or LC Obligations are required to be Cash Collateralized pursuant to the terms of Section 2.09(b)(vi) (or would be so required if any Revolving Loans, Swingline Loans or LC Obligations were outstanding), the Revolving Committed Amount shall be automatically and permanently reduced by the total amount of such required prepayments and cash collateral (and, in the event that the amount of any payment referred to in Section 2.09(b) which is allocable to the Revolving Outstandings exceeds the amount of all outstanding Revolving Outstandings, the Revolving Committed Amount shall be further reduced by 100% of such excess).

(c) *Termination*. The Revolving Commitments of the Lenders and the LC Commitments of the Issuing Lenders shall terminate automatically on the Revolving Loan Maturity Date. The Swingline Commitment of the Swingline Lender shall terminate automatically on the Swingline Termination Date.

(d) *Optional Termination of Commitments (Non-Pro-Rata)*. If (1) any Lender has demanded compensation or indemnification pursuant to Section 3.01 or Section 3.04, (2) the obligation of any Lender to make Eurodollar Loans has been suspended pursuant to Section 3.02, (3) any Lender is a Defaulting Lender or (4) any Lender has failed to consent to a proposed amendment, waiver, discharge or termination which pursuant to the terms of Section 10.03 or any other provision of any Finance Document requires the consent of more than the Required Lenders and with respect to which the Required Lenders shall have granted their consent, the Borrower shall have the right, if no Default or Event of Default then exists, to (x) remove such Lender by terminating such Lender's Commitment in full or (y) replace such Lender by causing such Lender to assign its Commitment to one or more existing Lenders or Eligible Assignees pursuant to Section 10.06. The replacement of a Lender pursuant to clause (2) above shall be effective on the date of notice of such replacement to the Lenders through the Administrative Agent (the "Replacement Date"), subject to the satisfaction of the following conditions:

(i) each replacement Lender and/or Eligible Assignee, and the Administrative Agent acting on behalf of each Lender subject to replacement, shall have satisfied the conditions to an Assignment and Assumption set forth in Section 10.06(b) and in connection therewith the replacement Lender(s) and/or Eligible Assignee(s) shall pay:

(A) to each Lender subject to replacement an amount equal in the aggregate to the sum of (x) the principal of, and all accrued but unpaid interest on, its outstanding Loans, (y) the amount of all LC Disbursements that have been funded by (and not reimbursed to) it under Section 2.05, together with all accrued but unpaid interest with respect thereto, and (z) all accrued but unpaid fees owing to it pursuant to Section 2.11; and

(B) to the Issuing Lenders an amount equal to the aggregate amount owing by the replaced Lenders to the Issuing Lenders as reimbursement pursuant to Section 2.05, to the extent such amount was not theretofore funded by such replaced Lenders; and

(ii) the Borrower shall have paid to the Administrative Agent for the account of each replaced Lender an amount equal to all obligations owing to such replaced Lenders by the Borrower pursuant to this Agreement and the other Finance Documents (other than those obligations of the Borrower referred to in clause (i)(A) above).

In the case of the removal of a Lender pursuant to this Section 2.10(d), upon (i) payment by the Borrower to the Administrative Agent for the account of the Lender subject to such removal of an amount equal to the sum of (A) the aggregate principal amount of all Loans and LC Obligations held by such Lender and (B) all accrued interest, fees and other amounts owing to such Lender hereunder, including all amounts payable by the Borrower to such Lender under Article III or Sections 10.04 and 10.05, and (ii) provision by the Borrower to the Swingline Lender and each Issuing Lender of appropriate assurances and indemnities (which may include letters of credit) as each may reasonably require with respect to any continuing obligation of such removed Lender to purchase Participation Interests in any LC Obligations or Swingline Loans then outstanding, such Lender shall, without any further consent or other action by it, cease to constitute a Lender hereunder; provided that the provisions of this Agreement (including the provisions of Article III and Sections 10.04 and 10.05) shall continue to govern the rights and obligations of a removed Lender with respect to any Loans made, any Letters of Credit issued or any other actions taken by such removed Lender while it was a Lender.

(e) *General*. The Borrower shall pay to the Administrative Agent for the account of the Lenders in accordance with the terms of Section 2.11, on the date of each termination or reduction of the Revolving Committed Amount, the Commitment Fee accrued through the date of such termination or reduction on the amount of the Revolving Committed Amount so terminated or reduced.

Section 2.11 Fees.

(a) *Revolving Commitment Fee*. The Borrower shall pay to the Administrative Agent for the account of each Revolving Lender a fee (the "Commitment Fee") on such Lender's pro rata share of the daily Unused Revolving Committed Amount (based on the percentage that its Revolving Commitment bears to the aggregate Revolving Commitments), computed at a per annum rate for each day equal to 0.75% of such Unused Revolving Committed Amount. For purposes of calculating such Lender's pro rata share of the daily unused Revolving Committed Amount in this Section 2.11(a), Swingline Loans will not be included in subsection (ii)(A) of the definition of "Unused Revolving Commitment Amount." The Commitment Fee shall commence to accrue on the Closing Date and shall be due and payable in arrears on the last Business Day of each March, June, September and December (and any date that the Revolving Committed Amount is reduced as provided in Section 2.10(a) or (b) and the Revolving Loan Maturity Date) for the quarter or portion thereof ending on each such date, beginning with the first of such dates to occur after the Closing Date.

(b) *Letter of Credit Fees*.

(i) *Revolving Commitment Letter of Credit Fee*. The Borrower shall pay to the Administrative Agent for the account of each Revolving Lender on such Revolving Lender's pro rata share (based on the percentage that its Revolving Commitment bears to the aggregate Revolving Commitments) of the average daily maximum amount of Participation Interests in Letters of Credit deemed purchased by Revolving Lenders under their Revolving Commitments in accordance with Section 2.05(e) and the definition of Revolving Commitment, computed at a per annum rate for each day from the date of issuance to the date of expiration of the applicable Letters of Credit equal to the Applicable Margin for Eurodollar Loans. All Letter of Credit Fees described in this Section 2.11(b)(i) will be payable quarterly in arrears on the last Business Day of each March, June, September and December for the immediately preceding quarter (or portion thereof), beginning with the first of such dates to occur after the date of issuance of such Letter of Credit.

(ii) *Fronting Fees*. The Borrower shall pay directly to the Issuing Lender for its own account a fronting fee with respect to each Letter of Credit, in an amount to be agreed between the Borrower and the relevant Issuing Lender, such fronting fee to be due and payable quarterly in arrears on the last Business Day of each March, June, September and December, commencing with the first such date after the issuance of such Letter of Credit, and on the Revolving Loan Maturity Date.

(iii) *Issuing Lender Fees*. In addition to the Letter of Credit Fee payable pursuant to clause (i) above and any fronting fees payable pursuant to clause (ii) above, the Borrower promises to pay to the Issuing Lender for its own account without sharing by the other Lenders the letter of credit fronting and negotiation fees agreed to by the Borrower and the Issuing Lender from time to time and the customary charges from time to time of the Issuing Lender with respect to the issuance, amendment, transfer, administration, cancellation and conversion of, and drawings under, each Letter of Credit (collectively, the "Issuing Lender Fees").

(iv) *Computation of Certain Fees after Default*. Upon the occurrence and during the continuance of any Event of Default, any overdue Letter of Credit Fee payable under subsection (i) above shall be computed at a rate per annum equal to the relevant Applicable Margin for Eurodollar Loans plus 2.00%.

(c) *Closing Fees.* The Borrower agrees to pay on the Closing Date to each Lender party to this Agreement as a Lender on the Closing Date, as fee compensation for the funding of such Lender's Loan and unfunded Revolving Commitments, a closing fee in an amount equal to (i) 0.50% of the stated principal amount of such Lender's Term Loan and (ii) 2.00% of the stated principal amount of such Lender's Revolving Loan and unfunded Revolving Commitments (which shall include the face amount of any issued and undrawn Letters of Credit) (the "Closing Fees"), payable, in each case, to such Lender from the proceeds of its Loan as and when funded on the Closing Date. Such closing fee shall be in all respects fully earned, due and payable on the Closing Date and non-refundable and non-creditable thereafter.

Section 2.12 Pro-Rata Treatment. Except to the extent otherwise provided herein (including Section 2.08(a)):

(a) *Loans*. Each Borrowing, each payment or prepayment (which shall not include any assignment permitted under Section 10.06) by any Credit Party of principal of or interest on any Loan, each payment of fees (other than the Issuing Lender Fees retained by the Issuing Lender for its own account and the administrative fees retained by the Agents for their own account), each reduction of the Revolving Committed Amount and each conversion or continuation of any Loan, shall be allocated ratably amongst the relevant Lenders; provided that, in the event any amount paid to any Lender pursuant to this subsection (a) is rescinded or must otherwise be returned by the Administrative Agent, each Lender shall, upon the request of the Administrative Agent, repay to the Administrative Agent the amount so paid to such Lender, with interest for the period commencing on the date such payment is returned by the Administrative Agent until the date the Administrative Agent receives such repayment at a rate per annum equal to, during the period to but excluding the date two Business Days after such request, the Federal Funds Rate, and thereafter, the Base Rate plus 2.00% per annum.

(b) *Letters of Credit*. Each payment of LC Obligations shall be allocated to each Revolving Lender pro-rata in accordance with its Revolving Commitment Percentage; provided that, if any Revolving Lender shall have failed to pay its applicable pro-rata share of any LC Disbursement, then any amount to which such Revolving Lender would otherwise be entitled pursuant to this subsection (b) shall instead be payable to the Issuing Lender; provided, further, that in the event any amount paid to any Revolving Lender pursuant to this subsection (b) is rescinded or must otherwise be returned by the Issuing Lender, each Revolving Lender shall, upon the request of the Issuing Lender, repay to the Administrative Agent for the account of the Issuing Lender the amount so paid to such Revolving Lender, with interest for the period commencing on the date such payment is returned by the Issuing Lender until the date the Issuing Lender receives such repayment at a rate per annum equal to, during the period to but excluding the date two Business Days after such request, the Federal Funds Rate, and thereafter, the Base Rate plus 2.00% per annum.

Section 2.13 Sharing of Payments. The Lenders agree among themselves that, except to the extent otherwise provided herein (including Section 10.06), if any Lender shall obtain payment in respect of any Loan, unreimbursed LC Disbursements or any other obligation owing to such Lender under this Agreement through the exercise of a right of setoff, banker's lien or counterclaim, or pursuant to a secured claim under Section 506 of the Bankruptcy Code or other security or interest arising from, or in lieu of, such secured claim, received by such Lender under any applicable bankruptcy, insolvency or other similar law or otherwise, or by any other means, in excess of its pro-rata share of such payment as provided for in this Agreement, such Lender shall promptly pay in cash or purchase from the other Lenders a participation in such Loans, unreimbursed LC Disbursements, and other obligations in such amounts, and make such other adjustments from time to time, as shall be equitable to the end that all Lenders share such payment in accordance with their respective ratable shares as provided for in this Agreement; provided that nothing in this Section 2.13 shall impair the right of any Lender to exercise any right of set-off or counterclaim it may have for payment of indebtedness of the Borrower other than its indebtedness hereunder. The Lenders further agree among themselves that if payment to a Lender obtained by such Lender through the exercise of a right of setoff, banker's lien, counterclaim or other event as aforesaid shall be rescinded or must otherwise be restored, each Lender which shall have shared the benefit of such payment shall, by payment in cash or a repurchase of a participation theretofore sold, return its share of that benefit (together with its share of any accrued interest payable with respect thereto) to each Lender whose payment shall have been rescinded or otherwise restored. The Credit Parties agree that any Lender so purchasing such a participation may, to the fullest extent permitted by law, exercise all rights of payment, including setoff, banker's lien or counterclaim, with respect to such participation as fully as if such Lender were a holder of such Loan, LC Obligation or other obligation in the amount of such participation. If under any applicable bankruptcy, insolvency or other similar law, any Lender receives a secured claim in lieu of a setoff to which this Section 2.13 applies, such Lender shall, to the extent practicable, exercise its rights in respect of such secured claim in a manner consistent with the rights of the Lenders under this Section 2.13 to share in the benefits of any recovery on such secured claim.

Section 2.14 Payments; Computations.

(a) *Payments by the Borrower*. Each payment of principal of and interest on Loans, LC Obligations and fees hereunder (other than fees payable directly to the Issuing Lenders) shall be paid not later than 2:00 P.M. on the date when due, in Federal or other funds immediately available to the Administrative Agent at the account designated by it by notice to the Borrower. Each such payment shall be made irrespective of any set-off, counterclaim or defense to payment which might in the absence of this provision be asserted by the Borrower or any Affiliate of the Borrower against any Agent or any Lender. Payments received after 2:00 P.M. shall be deemed to have been received on the next Business Day. The Borrower shall, at the time it makes any payments under this Agreement, specify to the

Administrative Agent the Loan, Letters of Credit, fees or other amounts payable by the Borrower hereunder to which such payment is to be applied (and if any such specified application would be inconsistent with the terms hereof, the Administrative Agent shall, subject to Section 2.12, distribute such payment to the Lenders in such manner as the Administrative Agent may deem reasonably appropriate). The Administrative Agent will distribute such payments to the applicable Lenders on the date of receipt thereof, if such payment is received prior to 2:00 P.M.; otherwise the Administrative Agent may in its sole discretion distribute such payment to the applicable Lenders on the date of receipt thereof or on the immediately succeeding Business Day. Whenever any payment hereunder shall be due on a day which is not a Business Day, the date for payment thereof shall be extended to the next succeeding Business Day unless such Business Day falls in another calendar month, in which case the date for payment thereof shall be the next preceding Business Day. If the date for any payment of principal is extended by operation of law or otherwise, interest thereon shall be payable for such extended time. The Borrower hereby authorizes and directs each Agent to debit any account maintained by the Borrower for such purpose with such Agent to pay when due any amounts required to be paid from time to time under this Agreement as directed at such time(s) by the Borrower.

(b) *Distributions by the Administrative Agent*. Unless the Administrative Agent shall have received notice (written or telephonic) from the Borrower prior to the date on which any payment is due to the Lenders hereunder that the Borrower will not make such payment in full, the Administrative Agent may assume that the Borrower has made such payment in full to the Administrative Agent on such date, and the Administrative Agent may, in reliance upon such assumption, cause to be distributed to each Lender on such due date an amount equal to the amount then due such Lender. If and to the extent that the Borrower shall not have so made such payment, each Lender shall repay to the Administrative Agent forthwith on demand such amount distributed to such Lender together with interest thereon for each day from the date such amount is distributed to such Lender until the date such Lender repays such amount to the Administrative Agent at the Federal Funds Rate. To the extent that any Lender has failed, in whole or in part, to fund any Loan or the purchase of any participations hereunder or to make any other payment, in each case, required to be funded or made by such Lender pursuant to this Agreement, the Administrative Agent shall be entitled to set off the funding shortfall against such Lender's pro rata share of all payments received from or on behalf of the Borrower or any Guarantor or on account of the Collateral.

(c) *Computations*. Except for interest on Base Rate Loans which shall be computed on the basis of a 365 or 366 day year as the case may be (unless the Base Rate is determined by reference to the Federal Funds Rate), all computations of interest and fees hereunder shall be made on the basis of the actual number of days elapsed over a year of 360 days. Interest shall accrue from and including the date of borrowing (or continuation or conversion) but excluding the date of payment.

Section 2.15 Incremental Loans.

(a) The Borrower may by written notice to the Administrative Agent elect to request the establishment of one or more new term loan commitments (the "New Term Loan Commitments") hereunder, in an aggregate principal amount for all such New Term Loan Commitments not in excess of $100,000,000 in the aggregate and not less than $15,000,000 individually (or such lesser amount that shall constitute the difference between $100,000,000 and all such New Term Loan Commitment obtained prior to such date); provided that New Term Loan Commitments and New Term Loans may only be made to HGI. Each such notice shall specify the date (each, an "Increased Amount Date") on which the Borrower proposes that the New Term Loan Commitments shall be effective, which shall be a date not less than 10 Business Days after the date on which such notice is delivered to the Administrative Agent; provided that any Lender offered or approached to provide all or a portion of any New Term Loan Commitments may elect or decline, in its sole discretion, to provide such New Term Loan Commitments.

Such New Term Loan Commitments shall become effective as of such Increased Amount Date; provided that (i) no Default or Event of Default shall exist on such Increased Amount Date before or after giving effect to such New Term Loan Commitments and to the making of any new term loans (the "New Term Loans") pursuant thereto and after giving effect to any Permitted Business Acquisition consummated in connection therewith; (ii) the conditions of Section 4.02 shall be met as of the Increased Amount Date and the Administrative Agent shall have received an Officer's Certificate to such effect; (iii) the Administrative Agent shall have received such opinions, resolutions, certificates and other documents and instruments as it shall reasonably request in order to ensure that the New Term Loans are entitled to the ratable benefit of the Collateral Documents; (iv) the Borrower shall be in pro forma compliance with the financial covenants set forth in Section 7.16 on the Increased Amount Date and for the most recently ended fiscal quarter; (v) the proceeds of any New Term Loans shall be used for general corporate purposes of the Borrower and its Subsidiaries (including Permitted Acquisitions); (vi) unless the applicable Joinder Agreement provides for less favorable treatment in respect of such New Term Loans, the New Term Loans shall share ratably in the Collateral; (vii) the maturity date of such New Term Loans shall not be earlier than the Term Loan Maturity Date and the weighted average life to maturity of the New Term Loans shall be not be shorter than the weighted average life to maturity of the existing Term Loans; (viii) all terms and documentation with respect to any New Loans which differ from those with respect to the existing Term Loans shall be mutually agreed between the Borrower and the Lenders under the New Term Loans (except to the extent permitted in this paragraph); (ix) such New Term Loan Commitments shall be effected pursuant to one or more Joinder Agreements executed by the Borrower, the Administrative Agent and one or more New Lenders; (x) all fees and expenses owing in respect of such New Term Loan to the Administrative Agent, the Collateral Agent and the Lenders shall have been paid; and (xi) if the initial "spread" (for purposes of this Section 2.15 the "spread" with respect to any Term Loan shall be calculated as the sum of the Eurodollar Loan margin on the relevant Term Loan plus any original issue discount, upfront fees and interest rate floors in lieu of original issue discount (other than any arranging fees, underwriting fees and commitment fees) (based on an assumed four-year average life for the existing Term Loans (e.g., 100 basis points in original issue discount or upfront fees equals 25 basis points of interest rate margin))) relating to the New Term Loans exceeds the spread then in effect with respect to the existing Term Loans by more than 0.25%, the Applicable Margin relating to the existing Term Loans shall be adjusted to the extent necessary to cause the spread relating to such New Term Loans not to exceed the spread applicable to the existing Term Loans by more than 0.25%. Any New Term Loans made on an Increased Amount Date that have terms and provisions that differ from those of the Term Loans outstanding on the date on which such New Term Loans are made shall be designated as a separate tranche (a "Tranche") of Term Loans for all purposes of this Agreement.

(b) On any Increased Amount Date on which any New Term Loan Commitment becomes effective, subject to the foregoing terms and conditions, each lender with a New Term Loan Commitment (each, a "New Lender") shall become a Lender hereunder with respect to such New Term Loan Commitment.

(c) The terms and provisions of the New Term Loan Commitments of any Tranche shall be identical to those of the applicable existing Term Loans and for purposes of this Agreement, any New Term Loans (except as otherwise agreed between the Borrower and the applicable New Lenders but subject to the restrictions of Section 2.15(a)) or New Term Loan Commitments shall be deemed to be Term Loans or Term Loan Commitments, as applicable.

Section 2.16 Certain Provisions Regarding Defaulting Lenders. Notwithstanding anything to the contrary contained in this Agreement, if any Swingline Exposure or LC Exposure exists at the time a Revolving Lender becomes a Defaulting Lender (such Lender, a "Defaulting Revolving Lender") then:

(i) all or any part of such Defaulting Revolving Lender's Swingline Exposure and LC Exposure shall be reallocated among the non-Defaulting Revolving Lenders in accordance with their respective Revolving Commitments but only to the extent (i) the sum of all non-Defaulting Revolving Lenders' Revolving Outstandings plus such Defaulting Revolving Lender's Revolving Outstandings do not exceed the total of all non-Defaulting Revolving Lenders' Revolving Commitments and (ii) the conditions set forth in Section 4.02 are satisfied at such time;

(ii) if the reallocation described in clause (i) above cannot, or can only partially, be effected, the Borrower shall (1) first, within one Business Day following notice by the Administrative Agent, prepay any outstanding Swingline Loans to the extent the Swingline Exposure related thereto has not been reallocated pursuant to clause (i) above and (2) second, within five Business Days following notice by the Administrative Agent, cash collateralize such Defaulting Revolving Lender's LC Exposure (after giving effect to any partial reallocation pursuant to clause (i) above) for so long as such LC Exposure is outstanding; and

(iii) if the LC Exposure of a Defaulting Revolving Lender is reallocated among the non-Defaulting Revolving Lenders pursuant to clause (i) above, then the fees payable to the Revolving Lenders pursuant to Section 2.11 shall be adjusted in accordance with such non-Defaulting Revolving Lenders' pro rata percentages of such LC Exposure.

ARTICLE III
TAXES, YIELD PROTECTION AND ILLEGALITY

Section 3.01 Taxes.

(a) *Payments Net of Certain Taxes*. Except as otherwise required by law, any and all payments by or on behalf of any Credit Party to or for the account of any Lender or any Agent or any other recipient of any payment to be made by or on account of any obligation of any Credit Party hereunder or under any other Finance Document shall be made free and clear of and without deduction for any and all present or future taxes, duties, levies, imposts, deductions, charges or withholdings, and all liabilities with respect thereto, excluding any and all Excluded Taxes (all such non-Excluded Taxes being hereinafter referred to as "Taxes"). If any Credit Party (or any other Person that is the applicable withholding agent making payments on behalf of any Credit Party) shall be required by law to deduct or withhold any Taxes or Other Taxes from or in respect of any sum payable under this Agreement or any other Finance Document to any Lender or any Agent, (i) the sum payable shall be increased as necessary so that after making all required deductions and withholdings (including deductions and withholdings applicable to additional sums payable under this Section 3.01) such Lender or such Agent receives an amount equal to the sum it would have received had no such deductions or withholdings been made, (ii) such Credit Party (or any other Person that is the applicable withholding agent making payments on behalf of any Credit Party) shall make such deductions and withholdings, (iii) such Credit Party (or any other Person that is the applicable withholding agent making payments on behalf of any Credit Party) shall pay the full amount deducted or withheld to the relevant taxation authority or other authority in accordance with applicable law and (iv) if a Credit Party is the applicable withholding agent, such Credit Party shall furnish to the Administrative Agent, at the Administrative Agent's Office, the original or a certified copy of a receipt, if any, evidencing payment thereof or other documentation evidencing such payment.

(b) *Other Taxes*. In addition, the Borrower agrees to pay any and all present or future stamp or documentary, excise or property taxes or similar charges or levies (including mortgage recording taxes) which arise from any payment made by it under this Agreement or any other Finance Document or from the execution, delivery, registration or enforcement of, or otherwise with respect to, this Agreement or any other Finance Document (hereinafter referred to as "Other Taxes").

(c) *Indemnification*. The Borrower agrees to indemnify each Lender and each Agent for the full amount of Taxes and Other Taxes (including any Taxes or Other Taxes imposed or asserted by any jurisdiction on amounts payable under this Section 3.01) or otherwise in connection with this Agreement, as applicable, whether or not correctly or legally asserted, paid by such Lender or such Agent (as the case may be) and any liability (including penalties, interest and expenses) arising therefrom or with respect thereto; provided, however, that if the Borrower reasonably believes that such Taxes or Other Taxes were not correctly or legally asserted, the Administrative Agent or the Lender, as the case may be, will use reasonable efforts to cooperate with the Borrower at the Borrower's own expense to obtain a refund of such Taxes or other Taxes so long as such efforts would not, in the sole discretion of the Administrative Agent or the Lender, as the case may be, result in any additional costs, expenses or risks or be otherwise disadvantageous to it.

(d) *U.S. Tax Forms and Certificates*. Each Lender that is not a "U.S. person" as defined in Section 7701(a)(30) of the Code (a "Non-U.S. Lender"), to the extent it is entitled to do so, on or prior to the date of its execution and delivery of this Agreement in the case of each Lender listed on the signature pages hereof and on or prior to the date on which it becomes a Lender in the case of each other Lender, and from time to time thereafter as required by law, upon the Borrower's or Administrative Agent's request and upon the obsolescence, expiration, or invalidity of any form previously delivered, shall provide the Borrower and the Administrative Agent (or, in the case of a Participant, shall provide the Lender from which the related participation shall have been purchased) with two copies of (i) Internal Revenue Service Form W-8 BEN, W-8 IMY, W-8 EXP or W-8 ECI, as appropriate, and together with required attachments, or any successor form prescribed by the Internal Revenue Service, each properly completed and duly executed by such NonU.S. Lender, certifying that such Lender is entitled to benefits under an income tax treaty to which the United States is a party which reduces the rate of withholding tax on payments of interest or certifying that the income receivable pursuant to this Agreement is effectively connected with the conduct of a trade or business in the United States, or (ii) in the case of a NonU.S. Lender claiming exemption from U.S. federal withholding tax under Section 871(h) or 881(c) of the Code with respect to payments of "portfolio interest," an Internal Revenue Service Form W8BEN together with a statement substantially in the form of Exhibit N, or any successor form or certificate prescribed by the Internal Revenue Service, properly completed and duly executed by such NonU.S. Lender. Each Non-U.S. Lender shall promptly notify the Borrower and Administrative Agent at any time it determines that it is no longer in a position to provide any previously delivered certificate (or any other form of certification adopted by the U.S. taxing authorities for such purposes). In addition, each Non-U.S. Lender shall provide any other information (including whether such Lender has complied with the FATCA) that the Administrative Agent needs in order to determine whether any United States withholding tax is applicable on any amounts payable to such Lender under this Agreement. Any Lender that is not a Non-U.S. Lender shall provide two copies of Internal Revenue Service W-9, properly completed and duly executed by such Lender, to the Borrower and the Administrative Agent on or before the date such Lender becomes a party to this Agreement. Should a Lender, which is otherwise exempt from or subject to a reduced rate of withholding tax, become subject to Taxes because of its failure to deliver a form required to be delivered hereunder, the Borrower shall take such steps as such Lender shall reasonably request to assist such Lender to recover such Taxes from the applicable taxing authority at such Lender's expense.

(e) *Obligations in Respect of Non-U.S. Lenders* The Borrower shall not be required to indemnify any Non-U.S. Lender or to pay any additional amounts to any Non-U.S. Lender, in respect of Taxes (other than Other Taxes) pursuant to subsection (a) above to the extent that the obligation to withhold amounts with respect to Taxes (other than Other Taxes) existed on the date such Non-U.S.

Lender became a party to this Agreement (or, in the case of a participant, on the date such participant acquired its participation interest) or, with respect to payments to a new Applicable Lending Office, the date such Non-U.S. Lender designated such new Applicable Lending Office with respect to a Loan; provided, however, that this subsection (e) shall not apply (i) to any participant or new Applicable Lending Office that becomes a participant or new Applicable Lending Office as a result of an assignment, participation, transfer or designation made at the request of the Borrower and (ii) to the extent the indemnity payment or additional amounts any participant, or any Lender acting through a new Applicable Lending Office, would be entitled to receive (without regard to this subsection (e)) do not exceed the indemnity payment or additional amounts that the Person making the assignment, participation or transfer to such participant, or Lender (or participant) making the designation of such new Applicable Lending Office, would have been entitled to receive in the absence of such assignment, participation, transfer or designation.

(f) *Mitigation*. If any Credit Party is required to pay additional amounts to or for the account of any Lender pursuant to this Section 3.01, or if any Lender requests compensation under Section 3.04 then such Lender agrees to use reasonable efforts to change the jurisdiction of its Applicable Lending Office or to file or deliver to the Borrower any certificate or document so as to eliminate or reduce any such additional payment which may thereafter accrue if such change, filing or delivery, in the judgment of such Lender, is not otherwise disadvantageous to such Lender.

(g) *Refunds or Credits*. If any Lender or Agent receives (i) a refund from a taxation authority in respect of any tax for which it has been indemnified by a Credit Party or with respect to which a Credit Party has paid additional amounts pursuant to this Section 3.01 or (ii) any credit (such credit to include any increase in any foreign tax credit, but net of any additional net income tax payable with respect to amounts paid by the Borrower pursuant to this Section 3.01, adjusted for any savings in net income tax resulting from the payment or accrual of payments made or to be made by the Lender or Agent pursuant to this Section 3.01(g)) with respect to any tax for which it has been indemnified by a Credit Party or with respect to which a Credit Party has paid additional amounts pursuant to this Section 3.01, which refund or credit in the sole judgment of such Lender or Agent is directly attributable to any such indemnified tax or additional amounts, such Lender or Agent shall (within 30 days from the date of such receipt) pay over to such Credit Party the amount of such refund or credit (but only to the extent of indemnity payments made, or additional amounts paid, by such Credit Party with respect to the tax giving rise to such refund or credit), net of all out-of-pocket expenses (including any taxes on a refund or on interest received or credited) which such Lender or Agent certifies that it has reasonably determined to have been incurred in connection with obtaining such refund or credit so as to leave such Lender or Agent in no worse position than it would have been in had the tax giving rise to such refund or credit not been incurred; provided, however, that (i) each Credit Party shall repay, upon the request of such Lender or Agent, the amount paid over to such Credit Party (plus penalties, interest or other charges) to such Lender or Agent in the event such Lender or Agent is required to repay such refund or credit to such tax authority, (ii) such Lender or Agent, as the case may be, shall have no obligation to cooperate with respect to any contest (or continue to cooperate with respect to any contest), or to seek or claim any refund or credit if such Lender or Agent determines that its interest would be adversely affected by so cooperating (or continuing to cooperate) or by seeking or claiming any such refund or credit and (iii) no Credit Party shall have any right to examine the tax returns or other records of any Lender or Agent or to obtain any information with respect thereto by reason of the provisions of this Section 3.01 or any judgment or determination made by any Lender or Agent pursuant to this Section 3.01.

(h) *Survival*. The agreements and obligations of the Credit Parties contained in this Section 3.01 shall survive the repayment of the Loans, LC Obligations and other obligations under the Finance Documents and the termination of the Commitments hereunder.

Section 3.02 **Change in Law, Etc.** If, on or after the date of this Agreement, the adoption of any applicable Law, or any change in any applicable Law, or any change in the interpretation or administration thereof by any Governmental Authority, central bank or comparable agency charged with the interpretation or administration thereof, or compliance by any Lender (or its Applicable Lending Office) with any request or directive (whether or not having the force of Law) of any such authority, central bank or comparable agency shall make it unlawful or impossible for any Lender (or its Applicable Lending Office) to make, maintain or fund any of its Eurodollar Loans and, in each such case, the affected Lender shall so notify the Administrative Agent, the Administrative Agent shall forthwith give notice thereof to the other Lenders and the Borrower, whereupon, until each affected Lender notifies the Borrower and the Administrative Agent that the circumstances giving rise to such suspension no longer exist, (i) the obligation of each affected Lender to make Eurodollar Loans, or to convert outstanding Loans into Eurodollar Loans, shall be suspended. Before giving any notice to the Administrative Agent pursuant to this Section 3.02, such Lender shall designate a different Applicable Lending Office if such designation will avoid the need for giving such notice and will not, in the judgment of such Lender, be otherwise disadvantageous to such Lender. If such notice is given, each Eurodollar Loan of such Lender then outstanding shall be converted to a Base Rate Loan either (i) on the last day of the then current Interest Period applicable to such Eurodollar Loan, if such Lender may lawfully continue to maintain and fund such Loan to such day or (ii) immediately, if such Lender shall determine that it may not lawfully continue to maintain and fund such Loan to such day.

Section 3.03 **Basis for Determining Interest Rate Inadequate or Unfair**. If on or prior to the first day of any Interest Period for any Eurodollar Loan:

(i) the Administrative Agent determines (which determination shall be conclusive absent manifest error) that by reason of circumstances affecting the relevant market, adequate and reasonable means do not exist for ascertaining the applicable Eurodollar Rate for such Interest Period; or

(ii) Lenders having 50% or more of the aggregate amount of the Revolving Commitments, Term Loan Commitments, or Term Loans, as applicable (or the aggregate outstanding principal balance of the Revolving Loans if the Revolving Commitments have expired or terminated) advise the Administrative Agent that the interest rate applicable to Eurodollar Loans as provided for in the definition of Adjusted Eurodollar Rate as determined by the Administrative Agent will not adequately and fairly reflect the cost to such Lenders of funding their Eurodollar Loans for such Interest Period;

the Administrative Agent shall forthwith give notice thereof to the Borrower and the relevant Lenders, whereupon, until the Administrative Agent notifies the Borrower that the circumstances giving rise to such suspension no longer exist, (i) the obligations of the Lenders to make Eurodollar Loans, or to continue or convert outstanding Loans as or into Eurodollar Loans, shall be suspended and (ii) each outstanding Eurodollar Loan shall be converted into a Base Rate Loan on the last day of the then current Interest Period applicable thereto. Unless the Borrower notifies the Administrative Agent at least two Business Days before the date of any Eurodollar Borrowing for which a Notice of Borrowing has previously been given that it elects not to borrow on such date, such Borrowing shall instead be made as a Base Rate Borrowing in the same aggregate amount as the requested Borrowing and shall bear interest for each day from and including the first day to but excluding the last day of the Interest Period applicable thereto at the rate applicable to Base Rate Loans for such day.

Section 3.04 Increased Costs and Reduced Return.

(a) If on or after the date hereof, the adoption of or any change in any applicable Law or in the interpretation or application thereof applicable to any Lender (or its Applicable Lending Office), or compliance by any Lender (or its Applicable Lending Office) with any request or directive (whether or not having the force of Law) from any central bank or other Governmental Authority, in each case made subsequent to the Closing Date (or, if later, the date on which such Lender becomes a Lender):

(i) shall subject such Lender (or its Applicable Lending Office) to any tax of any kind whatsoever with respect to any Letter of Credit, any Eurodollar Loans made by it or any of its Notes or its obligation to make Eurodollar Loans or to participate in Letters of Credit, or change the basis of taxation of payments to such Lender (or its Applicable Lending Office) in respect thereof (except for (A) Taxes and Other Taxes covered by Section 3.01 (including Taxes imposed solely by reason of any failure of such Lender to comply with its obligations under Section 3.01(d)) and (B) Excluded Taxes);

(ii) shall impose, modify or hold applicable any reserve, special deposit, compulsory loan or similar requirement against assets held by, deposits or other liabilities in or for the account of, advances, loans or other extensions of credit by, or any other acquisition of funds by, any office of such Lender (or its Applicable Lending Office) which is not otherwise included in the determination of the Eurodollar Rate hereunder; or

(iii) shall impose on such Lender (or its Applicable Lending Office) any other condition (excluding any tax of any kind whatsoever);

and the result of any of the foregoing is to increase the cost to such Lender (or its Applicable Lending Office) of making, converting into, continuing or maintaining any Eurodollar Loans or issuing or participating in Letters of Credit or to reduce any amount receivable hereunder in respect thereof, then, in any such case, upon notice to the Borrower from such Lender, through the Administrative Agent, in accordance herewith, the Borrower shall be obligated to pay such Lender, within 10 Business Days of its demand, any additional amounts necessary to compensate such Lender on an after-tax basis (after taking into account applicable deductions and credits in respect of the amount indemnified) for such increased cost or reduced amount receivable.

(b) If any Lender shall have determined that the adoption or the becoming effective of, or any change in, or any change by any Governmental Authority, central bank or comparable agency charged with the interpretation or administration thereof in the interpretation or administration of, any applicable Law regarding capital adequacy, or compliance by such Lender, or its parent corporation, with any request or directive regarding capital adequacy (whether or not having the force of Law) of any such Governmental Authority, central bank or comparable agency, has or would have the effect of reducing the rate of return on such Lender's (or parent corporation's) capital or assets as a consequence of its commitments or obligations hereunder to a level below that which such Lender, or its parent corporation, could have achieved but for such adoption, effectiveness, change or compliance (taking into consideration such Lender's (or parent corporation's) policies with respect to capital adequacy), then, upon notice from such Lender to the Borrower, the Borrower shall be obligated to pay to such Lender such additional amount or amounts as will compensate such Lender on an after-tax basis (after taking into account applicable deductions and credits in respect of the amount indemnified) for such reduction; provided, that the Borrower shall not be required to compensate any Lender pursuant to subsection (a) above or this subsection (b) for any additional costs or reductions suffered more than 180 days prior to the date such Lender notifies the Borrower of the circumstances giving rise to such additional costs or reductions and of such Lender's intentions to claim compensation therefor, and provided, further, that, if the Change in Law

or in the interpretation or administration thereof giving rise to such additional costs or reductions is retroactive, then the 180-day period referred to above shall be extended to include the period of retroactive effect thereof. Each determination by any such Lender of amounts owing under this Section 3.04 shall, absent manifest error, be conclusive and binding on the parties hereto.

(c) A certificate in reasonable detail of each Lender setting forth such amount or amounts as shall be necessary to compensate such Lender or its holding company as specified in subsection (a) or (b) above, as the case may be, shall be delivered to the Borrower and shall be conclusive absent manifest error. The Borrower shall pay each Lender or the Issuing Lender the amount shown as due on any such certificate delivered by it within 10 Business Days after receipt of the same.

(d) Promptly after any Lender becomes aware of any circumstance that will, in its reasonable judgment, result in a request for increased compensation pursuant to this Section 3.04, such Lender shall notify the Borrower thereof. Failure on the part of any Lender so to notify the Borrower or to demand compensation for any increased costs or reduction in amounts received or receivable or reduction in return on capital with respect to any period shall not constitute a waiver of such Lender's right to demand compensation with respect to such period or any other period, except as expressly otherwise provided above. The protection of this Section 3.04 shall be available to each Lender regardless of any possible contention of the invalidity or inapplicability of the law, rule, regulation, guideline or other change or condition which shall have occurred or been imposed.

Section 3.05 Funding Losses. The Borrower shall indemnify each Lender against any loss or expense (but excluding in any event loss of anticipated profit) which such Lender may sustain or incur as a consequence of (i) any failure by the Borrower to fulfill on the date of any Borrowing hereunder the applicable conditions set forth in Article IV, (ii) any failure by the Borrower to borrow or to refinance, convert or continue any Loan hereunder after irrevocable notice of such Borrowing, refinancing, conversion or continuation has been given pursuant to Section 2.02 or 2.07, (iii) any payment, prepayment or conversion of a Eurodollar Loan, whether voluntary or involuntary, pursuant to any other provision of this Agreement or otherwise made on a date other than the last day of the Interest Period applicable thereto, or (iv) the assignment of any Eurodollar Loan other than on the last day of the Interest Period applicable thereto as a result of a request by the Borrower pursuant to Section 2.10(d), including, in each such case, any loss or reasonable expense sustained or incurred or to be sustained or incurred in liquidating or employing deposits from third parties acquired to effect or maintain such Loan or any part thereof as a Eurodollar Loan. Such loss or reasonable expense (other than loss of anticipated profits) shall include an amount equal to the excess, if any, as reasonably determined by such Lender, of (i) its cost of obtaining the funds for the Loan being paid, prepaid, converted, not borrowed or assigned (based on the interest rate applicable to Eurodollar Loans as provided for in the definition of Adjusted Eurodollar Rate as determined by the Administrative Agent), for the period from the date of such payment, prepayment, conversion, failure to borrow, convert or continue to the last day of the Interest Period for such Loan (or, in the case of a failure to borrow, the Interest Period for such Loan which would have commenced on the date of such failure to borrow, convert or continue) or assignment over (ii) the amount of interest (as reasonably determined by such Lender) that would be realized by such Lender in reemploying the funds so paid, prepaid, converted, not borrowed, converted or continued for such period or Interest Period or assignment, as the case may be. A certificate of any Lender setting forth any amount or amounts which such Lender is entitled to receive pursuant to this Section 3.05 shall be delivered to the Borrower and shall be conclusive absent manifest error.

Section 3.06 Base Rate Loans Substituted for Affected Eurodollar Loans. If (i) the obligation of any Lender to make, or to continue or convert outstanding Loans as or to, Eurodollar Loans has been suspended pursuant to Section 3.02 or (ii) any Lender has demanded compensation under Section 3.01 or 3.04 with respect to its Eurodollar Loans, and in any such case the Borrower shall, by at

least five Business Days' prior notice to such Lender through the Administrative Agent, have elected that the provisions of this Section 3.06 shall apply to such Lender, then, unless and until such Lender notifies the Borrower that the circumstances giving rise to such suspension or demand for compensation no longer exist, all Loans which would otherwise be made by such Lender as (or continued as or converted to) Eurodollar Loans shall instead be Base Rate Loans (on which interest and principal shall be payable contemporaneously with the related Eurodollar Loans of the other Lenders). If such Lender notifies the Borrower that the circumstances giving rise to such suspension or demand for compensation no longer exist, the principal amount of each such Base Rate Loan shall be converted into a Eurodollar Loan on the first day of the next succeeding Interest Period applicable to the related Eurodollar Loans of the other Lenders.

ARTICLE IV
CONDITIONS

Section 4.01 Conditions to Closing Date. The obligation of each Lender to make a Loan on the Closing Date and the obligation of any Issuing Lender to issue any Letter of Credit on the Closing Date is subject to the satisfaction or waiver of the following conditions on or before the Closing Date:

(a) *Executed Finance Documents*.

(i) Receipt by the Administrative Agent of duly executed copies of: (A) this Agreement; (B) the Guaranty; (C) the Notes (if any); (D) the Collateral Documents and (E) all other Finance Documents, each in form and substance reasonably satisfactory to the Commitment Parties.

(ii) The Senior Note Documents and all other agreements and documents contemplated thereby shall have been entered into and shall be effective, and the terms and conditions thereof shall be in form and substance reasonably satisfactory to the Administrative Agent. HGI shall have received, or substantially concurrently with the initial borrowings under this Agreement shall receive, gross proceeds of the Senior Notes in an aggregate amount of not less than $150,000,000 (or the conditions to the issuance of the Senior Notes, other than the funding of the initial borrowings under this Agreement or the satisfaction of the conditions set forth in this Section 4.01, shall have been satisfied or substantially concurrently with the initial borrowings under this Agreement shall be satisfied);

(b) *Legal Matters*. All legal matters incident to this Agreement and the borrowings hereunder shall be reasonably satisfactory to the Administrative Agent.

(c) *Organizational Documents*. The Administrative Agent shall have received: (i) a copy of the certificate or articles of incorporation or other organizational documents, as applicable, including all amendments thereto, of each Credit Party, certified as of a recent date by the Secretary of State or other applicable authority of its respective jurisdiction of organization; (ii) a certificate as to the good standing of each Credit Party and The Hillman Group Capital Trust, as of a recent date, from the Secretary of State or other applicable authority of its respective jurisdiction of organization and, to the extent reasonably available, from each other state in which such Credit Party is qualified or is required to be qualified to do business, together in each case, to the extent generally available, with a certificate or other evidence of good standing as to payment of any applicable franchise or similar taxes from the appropriate taxing authority of each such jurisdiction; (iii) a certificate of the Secretary or Assistant Secretary of each Credit Party dated the Closing Date substantially in the form of Exhibit L hereto attaching the documents referred to therein, which, in the case of such certificate delivered by HGI, shall

also attach the Senior Note Documents, the Acquisition Documents, all documents relating to the Junior Debentures, the Trust Common Securities and the Trust Preferred Securities and the Capitalization Documents; (iv) a certificate of another officer as to the incumbency and specimen signature of the Secretary or Assistant Secretary executing the certificate pursuant to clause (iii) above; and (v) such other corporate or other constitutive or organizational documents as the Administrative Agent may reasonably request.

(d) *Closing Date Certificate*. The Administrative Agent shall have received a certificate, dated the Closing Date and signed by a Responsible Officer of HGI, on behalf of each Credit Party, confirming compliance with the conditions precedent set forth in paragraphs (v) and (w) of Section 4.01, substantially in the form of Exhibit M hereto.

(e) *Opinions of Counsel*. On the Closing Date, the Administrative Agent shall have received:

(i) a written opinion of Paul, Weiss, Rifkind, Wharton & Garrison LLP, special counsel to the Credit Parties, addressed to the Agents and each Lender, dated the Closing Date, substantially in the form of Exhibit D-1 hereto;

(ii) from Holland & Knight, LLP, or special Florida counsel to the Credit Parties, an opinion addressed to the Agents and each Lender, dated the Closing Date, substantially in the form of Exhibit D-2 hereto and covering such additional matters incident to the transactions contemplated hereby as the Commitment Parties may reasonably request; and

(iii) from Ortale, Kelley, Herbert & Crawford, special Tennessee counsel to the Credit Parties, an opinion addressed to the Agents and each Lender, dated the Closing Date, in form reasonably satisfactory to the Collateral Agent, with respect to the enforceability of the form of Mortgage and sufficiency of the form of UCC-1 financing statements or similar notices to be recorded or filed in such jurisdiction, if applicable, and such other matters as the Commitment Parties may reasonably request.

(f) *Capitalization*. On or prior to the Closing Date, (i) OH Holdings shall have received the cash proceeds of cash common equity investments in OH Holdings by Permitted Investors (the "Investor Equity Issuance") of not less than (together with management rollover equity of not more than 10.0%) 30.0% of the total sources of funds for the Acquisition and all Transaction Costs), (ii) the proceeds of the Investor Equity Issuance, when aggregated with the Term Loans, the Revolving Loans borrowed on the Closing Date and the Senior Notes incurred by HGI on the Closing Date, shall be used, and shall be sufficient, to pay the purchase price required to be paid on the Closing Date to consummate the Acquisition, to refinance the Refinanced Debt and to pay the Transaction Costs on the Closing Date and (iii) in accordance with Section 4.01(c), the Administrative Agent shall have received true and correct copies, certified as such by an appropriate officer of Holdings, of all subscription agreements, registration rights agreements, shareholder agreements and other documents and instruments delivered in connection therewith (collectively, the "Capitalization Documents"), each of which shall be in full force and effect and shall be in form and substance reasonably satisfactory to the Commitment Parties.

(g) *Consummation of the Acquisition*. The Acquisition, including all of the terms and conditions thereof, shall have been duly approved by the board of directors and (if required by applicable law) the shareholders of each of the Borrowers (prior to the consummation of the Acquisition), Holdings and each other Group Company party thereto, and all Acquisition Documents shall have been duly executed and delivered by the parties thereto and shall be in full force and effect. The Acquisition shall have been consummated or will be consummated concurrently with the borrowing of the initial

Loans in accordance with the Acquisition Agreement; provided that no amendment, modification or waiver of any term thereof or any condition to the Borrower's, OH Holding's or HGI's obligation to consummate the Acquisition thereunder (other than any such amendment, modification or waiver that is not materially adverse to the interests of the Lenders) shall be made or granted, as the case may be, without the prior written consent of the Commitment Parties (it being understood that any material decrease in the price or material change in the structure of the Acquisition will be deemed to be materially adverse and will require the prior written consent of the Commitment Parties). On or prior to the Closing Date and prior to the borrowing of the initial Loans, the Acquisition shall have been consummated in accordance with all applicable laws and the Acquisition Documents (without giving effect to any material amendment or modification thereof or material waiver with respect thereto including any material modification, amendment, supplement or waiver relating to any disclosure schedule or exhibit, unless such modification, amendment, supplement or waiver could not reasonably be expected to be materially adverse in any respect to the Lenders or unless consented to by the Commitment Parties). On the Closing Date, the certificate of merger with respect to the Acquisition shall have been filed with the appropriate Governmental Authority having primary jurisdiction over affairs of corporations in Delaware.

(h) *Refinancing of Certain Existing Debt; Other Debt*. On the Closing Date, the commitments under all Refinanced Agreements shall have been terminated, all loans outstanding thereunder shall have been repaid in full (other than contingent indemnification obligations not due and payable), together with accrued interest thereon (including any prepayment premium), all letters of credit issued thereunder shall have been terminated or backstopped through the issuance of Letters of Credit hereunder or shall have become Letters of Credit hereunder and all other amounts owing pursuant to each Refinanced Agreement shall have been repaid in full, and the Administrative Agent shall have received evidence in form, scope and substance reasonably satisfactory to the Commitment Parties that the matters set forth in this subsection (h) have been satisfied at such time. In addition, on the Closing Date, the creditors under each Refinanced Agreement shall have terminated and released all applicable Liens on the capital stock of and assets owned by the Borrower and its Subsidiaries (including all capital stock and assets of Holdings and its Subsidiaries), and the Commitment Parties shall have received all such releases as may have been requested by the Commitment Parties, which releases shall be in form and substance satisfactory to the Commitment Parties.

(i) *Perfection of Personal Property Security Interests and Pledges; Search Reports*. Subject to the last sentence of this subsection (i), on or prior to the Closing Date, the Collateral Agent shall have received or have completed or arrangements reasonably satisfactory to the Collateral Agent shall have been provided for:

(i) a Perfection Certificate from each Credit Party;

(ii) appropriate financing statements (Form UCC-1 or such other financing statements or similar notices as shall be required by local law) authenticated and authorized for filing under the Uniform Commercial Code or other applicable local law of each jurisdiction in which the filing of a financing statement or giving of notice may be required, or reasonably requested by the Collateral Agent, to perfect the security interests created by the Collateral Documents;

(iii) copies of reports from an independent search service reasonably satisfactory to the Collateral Agent listing all effective financing statements, notices of tax, PBGC or judgment liens or similar notices that name the Borrower or any other Credit Party, as such (under its present name and any previous name and, if requested by the Collateral Agent, under any trade names), as debtor or seller that are filed in the jurisdictions referred to in clause (ii) above or in any other jurisdiction having files which must be searched in order to determine fully

the existence of Uniform Commercial Code security interests, notices of the filing of federal tax Liens (filed pursuant to Section 6323 of the Code), Liens of the PBGC (filed pursuant to Section 4068 of ERISA) or judgment Liens on any Collateral, together with copies of such financing statements, notices of tax, PBGC or judgment Liens or similar notices (none of which shall cover the Collateral except to the extent evidencing Permitted Liens or for which the Collateral Agent shall have received termination statements (Form UCC-3 or such other termination statements as shall be required by local law) authenticated and authorized for filing);

(iv) searches of ownership of Intellectual Property in the U.S. Patent and Trademark Office and the U.S. Copyright Office and such Patent, Trademark and/or Copyright filings as may be requested by the Collateral Agent to the extent necessary or reasonably advisable to perfect the Collateral Agent's security interest in Intellectual Property Collateral;

(v) all of the Pledged Collateral, which Pledged Collateral shall be in suitable form for transfer by delivery, or shall be accompanied by duly executed instruments of transfer or assignment in blank, with signatures appropriately guaranteed, accompanied in each case by any required transfer tax stamps, all in form and substance reasonably satisfactory to the Collateral Agent; and

(vi) evidence of the completion of all other filings and recordings of or with respect to the Collateral Documents and of all other actions as may be necessary or, in the reasonable opinion of the Collateral Agent, desirable to perfect the security interests intended to be created by the Collateral Documents.

Notwithstanding anything in any Finance Document to the contrary, (A) other than with respect to any Closing Date UCC Filing Collateral and Closing Date Stock Certificates, to the extent any security interest in any Collateral is not perfected on the Closing Date after the Borrower's use of commercially reasonable efforts to do so, the perfection of such security interest shall not constitute a condition precedent to the availability of the Loans on the Closing Date, provided that the Borrower hereby agrees to cause such perfection to occur no later than 60 days after the Closing Date, (B) with respect to perfection of security interests in the Closing Date UCC Filing Collateral, the Borrower's sole obligation shall be to deliver, or cause to be delivered, necessary UCC financing statements to the Administrative Agent or Collateral Agent and to irrevocably authorize or cause the applicable Guarantor to irrevocably authorize the Administrative Agent or Collateral Agent to file necessary UCC financing statements and (C) with respect to perfection of security interests in Closing Date Stock Certificates, the Borrower's sole obligation shall be to deliver to the Administrative Agent the Closing Date Stock Certificates, in each case, in suitable form for transfer by delivery, or accompanied by duly executed instruments of transfer or assignment in blank, all in form and substance reasonably satisfactory to the Collateral Agent.

(j) *Real Property Collateral.* The Collateral Agent shall have received (in form and substance reasonably satisfactory to the Commitment Parties):

(i) fully executed and notarized Mortgages encumbering the fee interest of the Credit Parties in each real property asset owned by a Credit Party set forth on Schedule 4.01(k)(i) (each a "Mortgaged Property" and collectively, the "Mortgaged Properties"), together with such UCC-1 financing statements or similar notices as the Collateral Agent shall reasonably deem appropriate with respect to each such Mortgaged Property;

(ii) ALTA or other appropriate form mortgagee title insurance policies (the "Mortgage Policies") issued by First American National Title Insurance Company (the "Title Insurance Company"), in an amount reasonably satisfactory to the Commitment Parties with respect to each Mortgaged Property, which amount shall not exceed the fair market value for each such Mortgaged Property, assuring the Commitment Parties that the applicable Mortgages create valid and enforceable first priority mortgage liens on the respective Mortgaged Property, free and clear of all Liens except Permitted Liens, which Mortgage Policies shall contain such endorsements as shall be reasonably satisfactory to the Commitment Parties and for any other matters that the Commitment Parties may reasonably request, and providing affirmative insurance and such reinsurance as the Commitment Parties may reasonably request, all of the foregoing in form and substance reasonably satisfactory to the Commitment Parties;

(iii) if requested by the Commitment Parties, copies of all recorded documents listed as exceptions to title or otherwise referred to in the Mortgage Policies;

(iv) such evidence satisfactory to the Commitment Parties as the Commitment Parties reasonably may request to the effect that each of the Mortgaged Properties, and the uses of the Mortgaged Properties, are in compliance in all material respects with all applicable Laws;

(v) (A) a completed Flood Certificate with respect to each Mortgaged Property, which Flood Certificate shall (i) be addressed to the Collateral Agent, (ii) be completed by a company which has certified the accuracy of the information contained therein, and (iii) otherwise comply with the Flood Program; (B) evidence describing whether the community in which each Mortgaged Property is located participates in the Flood Program; (C) if any Flood Certificate states that a Mortgaged Property is located in a Flood Zone, the Borrower's written acknowledgement of receipt of written notification from the Collateral Agent (i) as to the existence of each such Mortgaged Property, and (ii) as to whether the community in which each such Mortgaged Property is located is participating in the Flood Program; and (D) if any Mortgaged Property is located in a Flood Zone and is located in a community that participates in the Flood Program, evidence that the Borrower has obtained a policy of flood insurance that (i) covers any Mortgaged Property that is located in a Flood Zone, (ii) is written in an amount reasonably acceptable to the Collateral Agent or the maximum limit of coverage made available with respect to the particular type of property under the Flood Program, whichever is less, and (iii) has a term ending not later than the sixth-anniversary of the Closing Date; and

(vi) surveys of all Mortgaged Properties in a form sufficient to allow the Title Insurance Company to issue the Mortgage Policies without a standard survey exception.

(k) *Evidence of Insurance*. Receipt by the Collateral Agent of copies of insurance policies or certificates of insurance of the Credit Parties and their Subsidiaries evidencing liability and casualty insurance in form and substance reasonably satisfactory to the Administrative Agent, including naming the Collateral Agent as additional insured and loss payee on behalf of the Lenders.

(l) *Consents and Approvals*. On the Closing Date, all governmental (domestic or foreign), regulatory and third party approvals (including with respect to real property leases and license agreements relating to intellectual property) required and material in connection with the transactions contemplated by the Acquisition Agreement and the other Transaction Documents and otherwise referred to herein or therein shall have been obtained and remain in full force and effect, and all applicable waiting periods (including any applicable waiting period under the Hart-Scott-Rodino Antitrust Improvements Act of 1976) and appeal periods shall have expired, in each case without any action being taken or

threatened by any competent authority which has or could have a reasonable likelihood of restraining, preventing or imposing materially burdensome conditions on such transactions or impose, in the sole judgment of the Commitment Parties, materially burdensome conditions or qualifications upon the consummation of such transactions.

(m) *Litigation; Judgments*. On the Closing Date, there shall be no actions, suits, proceedings, counterclaims or investigations pending or overtly threatened (i) challenging the consummation of any portion of the Transaction or which in the judgment of the Commitment Parties could restrain, prevent or impose burdensome conditions on the Transaction, in the aggregate, or any other transaction contemplated hereunder, (ii) seeking to prohibit the ownership or operation by Holdings, the Borrower, or any of their respective Subsidiaries of all or any material portion of any of their respective businesses or assets or (iii) seeking to obtain, or which could result or has resulted in the entry of, any judgment, order or injunction that (A) would restrain, prohibit or impose adverse or burdensome conditions on the ability of the Lenders to make the Loans, (B) in the judgment of the Commitment Parties could reasonably be expected to result in a Material Adverse Effect with respect to Holdings, the Borrower and their Subsidiaries taken as a whole (after giving effect to the Transaction) or (C) could purport to affect the legality, validity or enforceability of any Finance Document or could result in a material adverse effect on the ability of any Credit Party to fully and timely perform their payment and security obligations under the Finance Documents or the rights and remedies of the Lenders. Additionally, there shall not exist any judgment, order, injunction or other restraint issued or filed or a hearing seeking injunctive relief or other restraint pending or notified prohibiting or imposing materially adverse conditions upon the consummation of the transactions contemplated by the Transaction Documents and otherwise referred to herein or therein.

(n) *Solvency Certificate*. On or prior to the Closing Date, HGI shall have delivered or caused to be delivered to the Administrative Agent a solvency certificate from the chief financial or chief accounting officer of HGI, substantially in the form of Exhibit K hereto or otherwise in form and substance reasonably satisfactory to the Commitment Parties, setting forth the conclusions that, after giving effect to the Acquisition and the consummation of all financings contemplated herein, Holdings and its Subsidiaries (on a consolidated basis) and HGI and its Subsidiaries (on a consolidated basis) are solvent.

(o) [reserved.]

(p) [reserved.]

(q) *Material Adverse Effect*. There shall not have occurred any Material Adverse Effect since December 31, 2009.

(r) *Maximum Pro-Forma Leverage Ratio*. The Commitment Parties shall have received reasonably satisfactory evidence (including satisfactory supporting schedules and other data) that the ratio of pro forma Consolidated Total Debt of Holdings and its Consolidated Subsidiaries (not including (i) undrawn letters of credit and (ii) the outstanding principal balance of the Junior Debentures and calculated net of any Cash Equivalents to the extent not subject to any Lien other than Liens described in Sections 7.02(i) and (xv) and to the extent held by the Borrower and the Guarantors on the Closing Date) to pro forma EBITDA of HGI after giving effect to the Transaction for the trailing four quarters ended March 31, 2010, calculated accordance with Regulation S-X, was not greater than 5.20 to 1.0; provided that the Sponsor may replace a portion of the Term Loan Commitment or Revolving Loan Commitment with an increased Investor Equity Contribution to satisfy this condition precedent.

(s) *OFAC/Anti-Terrorism Compliance Certificate*. The Administrative Agent shall have received a certificate substantially in the form of Exhibit J hereto, dated the Closing Date and signed by a Responsible Officer of Holdings, certifying as to the matters set forth in Exhibit J.

(t) *Payment of Fees*. All costs, fees and expenses due to the Commitment Parties, the Agents and the Lenders on or before the Closing Date shall have been paid to the extent invoiced to the Borrower two Business Days prior to the Closing Date (together with reasonable detail therefor), except with respect to fees due to the Commitment Parties, the Agents and the Lenders which need not be invoiced.

(u) *Counsel Fees*. The Commitment Parties shall have received full payment from the Borrower of the fees and expenses of Latham & Watkins LLP described in Section 10.04 to the extent invoiced to the Borrower two Business Days prior to the Closing Date.

(v) *Representations and Warranties*. The Borrower Representations and the representations and warranties made by the Credit Parties in the Finance Documents shall be true and correct on the Closing Date in all material respects except that such materiality qualifier shall not be applicable to any Borrower Representation or any representation or warranty in the Finance Documents that is already qualified by materiality and except to the extent such representations and warranties expressly relate to an earlier date; provided that with respect to Borrowings on the Closing Date, any Default or Event of Default resulting from any breach of any representation or warranty made by any Credit Party pursuant to any Finance Document other than (A) any breach of a Borrower Representation or (B) any breach of a Specified Representation shall not constitute a Default or Event of Default or a failure of a condition to closing solely for purposes of this Section 4.01(v).

(w) *No Default*. No Default or Event of Default shall exist or be continuing after giving effect to the Transactions; provided, that, with respect to Borrowings on the Closing Date, any Default or Event of Default resulting from (i) the failure to perfect any security interest on any Collateral on the Closing Date, solely to the extent perfection is not required by Section 4.01(i) to have occurred on or before the Closing Date or (ii) any breach of any representation or warranty made by any Credit Party pursuant to any Finance Document other than (A) any breach of a Borrower Representation or (B) any breach of a Specified Representation, shall in each case not constitute a Default or Event of Default solely for purposes of this Section 4.01(w).

(x) *Notice*. The Borrower shall have delivered (i) in the case of any Revolving Loan or Term Loan, to the Administrative Agent, an appropriate Notice of Borrowing, duly executed and completed, by 12:00pm (New York time) on the Closing Date, and otherwise as permitted by, Section 2.02 and (ii) in the case of any Letter of Credit, to the Issuing Lender, an appropriate Letter of Credit Request duly executed and completed in accordance with the provisions of Section 2.05.

All corporate and legal proceedings and instruments and agreements relating to the transactions contemplated by this Agreement and the other Transaction Documents or in any other document delivered in connection herewith or therewith shall be reasonably satisfactory in form and substance to the Commitment Parties and their counsel, and the Commitment Parties shall have received all information and copies of all documents and papers, including records of corporate proceedings, governmental approvals, good standing certificates and bring-down facsimiles, if any, which the Commitment Parties reasonably may have requested in connection therewith, such documents and papers where appropriate to be certified by proper corporate or Governmental Authorities. The documents referred to in this Section 4.01 shall be delivered to the Commitment Parties no later than the Closing Date. The certificates and opinions referred to in this Section 4.01 shall be dated the Closing Date.

Section 4.02 Conditions to All Credit Extensions After the Closing Date. The obligation of any Lender to make a Loan on the occasion of any Borrowing and the obligation of any Issuing Lender to issue (or renew or extend the term of) any Letter of Credit on any date after the Closing Date is subject to the satisfaction or waiver of the following conditions:

(a) *Notice*. The Borrower shall have delivered (i) in the case of any Revolving Loan or Term Loan, to the Administrative Agent, an appropriate Notice of Borrowing, duly executed and completed, by the time specified in, and otherwise as permitted by, Section 2.02 and (ii) in the case of any Letter of Credit, to the Issuing Lender, an appropriate Letter of Credit Request duly executed and completed in accordance with the provisions of Section 2.05.

(b) *Representations and Warranties*. Other than on the Closing Date, the representations and warranties made by the Credit Parties in the Finance Documents shall be true and correct in all material respects (except that such materiality qualifier shall not be applicable to any representation and warranty that is already qualified by materiality) at and as if made as of such date except to the extent they expressly relate to an earlier date.

(c) *No Default.* No Default or Event of Default shall exist or be continuing either prior to or after giving effect thereto.

(d) *Availability*. Immediately after giving effect to the making of a Revolving Loan or Swingline Loan (and the application of the proceeds thereof) or to the issuance of a Letter of Credit, as the case may be, (i) the sum of the Revolving Loans outstanding plus the amount of all LC Obligations outstanding plus all Swingline Loans outstanding shall not exceed the Revolving Committed Amount, (ii) the amount of all LC Obligations outstanding shall not exceed the LC Committed Amount and (iii) the sum of all Swingline Loans outstanding shall not exceed the Swingline Committed Amount.

(e) *Assumption by HGI.* The conditions precedent in Section 4.03 shall have been satisfied.

The delivery of each Notice of Borrowing, Swingline Loan Request and each request for a Letter of Credit shall constitute a representation and warranty by the Credit Parties of the correctness of the matters specified in subsections (b), (c) and (d) above.

Section 4.03 Assumption by HGI. No later than the second Business Day after the Closing Date the Administrative Agent shall have received (i) the Borrower Assumption Agreement, duly executed and delivered by HGI, (ii) a written opinion of Paul, Weiss, Rifkind, Wharton & Garrison LLP in form and substance reasonably satisfactory to the Administrative Agent, and (iii) all agreements, confirmations, information and copies of all documents and papers which the Administrative Agent may have reasonably requested in connection with the Borrower Assumption Agreement.

ARTICLE V
REPRESENTATIONS AND WARRANTIES

Each of the Credit Parties represents and warrants that:

Section 5.01 Organization and Good Standing. Each of the Group Companies is a corporation, partnership or limited liability company duly organized or formed, validly existing and in good standing under the laws of the jurisdiction of its formation, has all corporate, partnership or limited liability company powers and all material governmental licenses, franchises, permits, certificates, authorizations, qualifications, accreditations, easements, rights of way and other rights, consents and

approvals required to own its property and carry on its business as now conducted and is duly qualified as a foreign corporation, licensed and in good standing in each jurisdiction where qualification or licensing is required by the nature of its business or the character and location of its property, business or customers, except to the extent the failure to so qualify or be licensed, as the case may be, in the aggregate, could not reasonably be expected to result in a Material Adverse Effect.

Section 5.02 Power; Authorization; Enforceable Obligations. Each of the Credit Parties has the corporate, partnership, limited liability company or other necessary power and authority, and the legal right, to execute, deliver and perform the Transaction Documents to which it is a party and, in the case of the Borrower, to obtain extensions of credit hereunder, and has taken all necessary action to authorize the borrowings and other extensions of credit on the terms and conditions of this Agreement and to authorize the execution, delivery and performance of the Transaction Documents to which it is a party. No consent or authorization of, filing with, notice to or other similar act by or in respect of, any Governmental Authority or any other Person is required to be obtained or made by or on behalf of any Credit Party in connection with the borrowings or other extensions of credit hereunder or with the execution, delivery, performance, validity or enforceability of the Transaction Documents, except for (i) consents, authorizations, notices and filings disclosed in Schedule 5.02, all of which have been obtained or made, and (ii) filings to perfect the Liens created by the Collateral Documents. This Agreement has been, and each other Transaction Document to which any Credit Party is a party will be duly executed and delivered on behalf of such Person. This Agreement constitutes, and each other Transaction Document to which any Credit Party is a party when executed and delivered will constitute, a legal, valid and binding obligation of such Credit Party enforceable against each such Person in accordance with its terms, except (i) as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and (ii) that rights of acceleration and the availability of equitable remedies may be limited by equitable principles of general applicability (regardless of whether enforcement is sought by proceedings in equity or at law).

Section 5.03 [Reserved]

Section 5.04 No Conflicts. Neither the execution and delivery by any Credit Party of the Transaction Documents to which it is a party, nor the consummation of the transactions contemplated therein, nor performance of and compliance with the terms and provisions thereof by such Person, nor the exercise of remedies by the Agents and the Lenders under the Finance Documents, will (i) violate or conflict with any provision of the articles or certificate of incorporation, bylaws, partnership agreement, operating agreement or other organizational or governing documents of such Person, (ii) violate, contravene or conflict with any Law applicable to it or its properties, (iii) violate, contravene or conflict with contractual provisions of, cause an event of default under, or give rise to material increased, additional, accelerated or guaranteed, rights of any Person under, any indenture, loan agreement, mortgage, deed of trust or other instrument, material contract or material lease to which it is a party or by which it may be bound or (iv) result in or require the creation of any Lien (other than the Lien of the Collateral Documents) upon or with respect to its properties, except in the case of clause (iii) for such violations as could not reasonably be expected, individually or in the aggregate, to result in a Material Adverse Effect.

Section 5.05 No Default. None of the Group Companies is in default in any respect under (i) any loan agreement, indenture, mortgage, security agreement or other agreement relating to Debt or any other contract, lease, agreement or obligation to which it is a party or by which any of its properties is bound which default could reasonably be expected to result in a Material Adverse Effect, (ii) the Senior Notes Indenture or (iii) the Junior Debentures Indenture. No Default or Event of Default has occurred or exists.

Section 5.06 [Reserved].

Section 5.07 Financial Condition.

(a) *Audited Financial Statements*. The consolidated balance sheets of Holdings and its Consolidated Subsidiaries as of December 31, 2007, December 31, 2008 and December 31, 2009 and the related consolidated and consolidating statements of income and cash flows for the respective fiscal years then ended, reported on by Grant Thornton, copies of each of which have been delivered to each of the Lenders, fairly present in all material respects, in accordance with GAAP (except as disclosed therein), the consolidated financial position of Holdings and its Consolidated Subsidiaries as of each such date and their consolidated results of operations and cash flows for such fiscal year.

(b) *Pro-Forma Financial Statements*. The consolidated balance sheet of Holdings and its Consolidated Subsidiaries as of the end of the most recent fiscal quarter prior to the Closing Date for which financial information is available, prepared on a pro-forma basis in accordance with Regulation S-X or S-K giving effect to the consummation of the Transactions, has heretofore been furnished to each Lender. Such pro-forma balance sheet has been prepared in good faith by the Borrower, based on the assumptions used to prepare the pro-forma financial information contained in the Pre-Commitment Information (which assumptions are believed by the Borrower on the date hereof and on the Closing Date to be reasonable and fair in light of current conditions and facts known to the Borrower), is based on the best information available to the Borrower as of the date of delivery thereof, accurately reflects all material adjustments required to be made to give effect to the Transactions and presents fairly on a pro-forma basis the estimated consolidated financial position of Holdings and its Consolidated Subsidiaries as of March 31, 2010, assuming that the Transactions had actually occurred on that date. None of OH Holdings or any of its Subsidiaries has any reason to believe that such pro-forma balance sheet is misleading in any material respect in light of the circumstances existing at the time of the preparation thereof.

(c) *Projections*. The projections prepared as part of, and included in, the supplemental presentation to prospective Lenders on April 29, 2010 (which include projected balance sheets, income and cash flow statements on a quarterly basis for the period from the Closing Date through December 31, 2016 and on an annual basis for each of the following three fiscal years) have been prepared on a basis consistent with the financial statements referred to in subsection (a) above and are based on good faith estimates and assumptions believed by the Borrower to be reasonable and fair in light of current conditions and facts known to the Borrower at the time delivered. On the Closing Date, the Borrower believes that such projections are reasonable and attainable, it being recognized by the Lenders, however, that projections as to future events are not to be viewed as facts or guaranties of future performance, that actual results during the period or periods covered by such projections may differ from the projected results and that such differences may be material and that the Credit Parties make no representation that such projections will be in fact be realized. There is no fact known to any Credit Party which could reasonably be expected to result in a Material Adverse Effect which has not been disclosed herein.

(d) *Post-Closing Financial Statements*. The financial statements delivered to the Lenders pursuant toSection 6.01(a) and (b), if any, (i) have been prepared in accordance with GAAP (except as may otherwise be permitted under Section 6.01(a) and (b)) and (ii) present fairly in all material respects (on the basis disclosed in the footnotes to such financial statements, if any) the consolidated and consolidating financial condition, results of operations and cash flows of Holdings and its Consolidated Subsidiaries as of the respective dates thereof and for the respective periods covered thereby.

(e) *No Undisclosed Liabilities*. Except as disclosed on Schedule 5.07 hereto or as fully reflected in the financial statements described in subsection (a) and (b) above and the Debt incurred under this Agreement and the Junior Debentures Documents, (i) there were as of the Closing Date (and after giving effect to any Loans made and Letters of Credit issued on such date), no liabilities or obligations (excluding current obligations and contractual obligations incurred in the ordinary course of business) with respect to any Group Company of any nature whatsoever (whether absolute, accrued, contingent or otherwise and whether or not due and including obligations or liabilities for taxes, long-term leases and unusual forward or other long-term commitments), and (ii) neither Holdings nor the Borrower knows of any basis for the assertion against any Group Company of any such liability or obligation in each case which, either individually or in the aggregate, are or could reasonably be expected to result in a Material Adverse Effect.

Section 5.08 No Material Change. Since December 31, 2009 there has been no Material Adverse Effect, and no event or development has occurred which could reasonably be expected to result in a Material Adverse Effect.

Section 5.09 Title to Properties; Possession Under Leases. Each Group Company has good insurable and legal fee title to (in the case of owned Real Property), or valid leasehold interests in (in the case of Leaseholds), all its material properties and assets, except for minor defects in title that do not materially interfere with its ability to conduct its business as currently conducted and Permitted Liens. All such material properties and assets are free and clear of Liens other than Permitted Liens. Each Group Company has complied with all obligations under all leases to which it is a party, other than leases that, individually or in the aggregate, are not material to the Group Companies, taken as a whole, and the violation of which will not result in a Material Adverse Effect, and all such leases are in full force and effect, other than leases that, individually or in the aggregate, are not material to the Group Companies, taken as a whole, and in respect of which the failure to be in full force and effect will not result in a Material Adverse Effect. Each Group Company enjoys peaceful and undisturbed possession under all such leases with respect to which it is the lessee, other than leases that, individually or in the aggregate, are not material to the Group Companies, taken as a whole, and in respect of which the failure to enjoy peaceful and undisturbed possession will not result in a Material Adverse Effect.

Section 5.10 Litigation. There are no actions, suits, investigations or legal, equitable, arbitration or administrative proceedings pending or, to the knowledge of any Credit Party, threatened against or affecting any Group Company in which there is a reasonable possibility of an adverse decision that (i) involve any Finance Document or any of the Transactions or (ii) if adversely determined, could reasonably be expected, individually or in the aggregate, to result in a Material Adverse Effect.

Section 5.11 Taxes. Except as otherwise permitted by Section 6.05, each Group Company has filed, or caused to be filed, all federal and all material state, local and foreign tax returns) required to be filed and paid (i) all amounts of taxes shown thereon to be due (including interest and penalties) and (ii) all other taxes, fees, assessments and other governmental charges (including mortgage recording taxes, documentary stamp taxes and intangible taxes) owing by it, in each case other than any taxes, fees assessments or other governmental charges the amount or validity of which is currently being contested in good faith by appropriate proceedings and with respect to which reserves in conformity with GAAP have been provided on the books of the Borrower or its Subsidiaries, as the case may be. No Credit Party knows of any pending investigation of such party by any taxing authority or proposed tax assessments against any Group Company.

Section 5.12 Compliance with Law. Each Group Company is in compliance with all requirements of Law (including Environmental Laws) applicable to it or to its properties, except for any such failure to comply which could not reasonably be expected to cause a Material Adverse Effect. To

the knowledge of the Credit Parties, none of the Group Companies or any of their respective material properties or assets is subject to or in default with respect to any judgment, writ, injunction, decree or order of any court or other Governmental Authority which, individually or in the aggregate, could reasonably be expected to result in a Material Adverse Effect. None of the Group Companies has received any written communication from any Governmental Authority that alleges that any of the Group Companies is not in compliance in any material respect with any Law, except for allegations that have been satisfactorily resolved and are no longer outstanding or which, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect.

Section 5.13 Senior Indebtedness. The Finance Obligations and the Guaranty Obligations of each Guarantor under the Guaranty constitute "Senior Indebtedness" of the Borrower under and as defined in the Junior Debentures Indenture.

Section 5.14 U.S. Patriot Act, Etc. To the extent applicable, each Loan Party is in compliance, in all material respects, with (i) the Trading with the Enemy Act, as amended, and each of the foreign assets control regulations of the Untied States Treasury Department (31 CFR, Subtitle B, Chapter V, as amended) and any other enabling legislation or executive order relating thereto, and (ii) the U.S. Patriot Act. No part of the proceeds of the Loans shall be used, directly or indirectly, for any payments to any governmental official or employee, political party, official of a political party, candidate for political office, or anyone else acting in an official capacity, in order to obtain, retain or direct business or obtain any improper advantage, in violation of the United States Foreign Corrupt Practices Act of 1977, as amended.

Section 5.15 Employee Benefit Arrangements.

(a) *ERISA*. Except as disclosed in Schedule 5.15:

(i) Except as could not reasonably be expected to result in a Material Adverse Effect, there are no Unfunded Liabilities (A) with respect to any member of the Group Companies and (B) with respect to any ERISA Affiliates; provided that for purposes of this Section 5.15(a)(i)(B) only, Unfunded Liabilities shall mean the amount (if any) by which the projected benefit obligation exceeds the value of the plan's assets as of its last valuation date.

(ii) Each Plan complies in all respects with the applicable requirements of ERISA and the Code, and each Group Company complies in all respects with the applicable requirements of ERISA and the Code with respect to all Multiemployer Plans to which it contributes, except to the extent that the failure to comply therewith would not reasonably be expected to result in a Material Adverse Effect.

(iii) Except to the extent that such ERISA Event could not reasonably be expected to result in a Material Adverse Effect, no ERISA Event has occurred or, subject to the passage of time, is reasonably expected to occur with respect to any Plan and, except to the extent that such ERISA Event would not reasonably be expected to result in a Material Adverse Effect, no ERISA Event has occurred or, subject to the passage of time, is reasonably expected to occur with respect to any Plan maintained or formerly maintained by an ERISA Affiliate.

(iv) No Group Company: (A) is or has been within the last six years a party to any Multiemployer Plan; or (B) has completely or partially withdrawn from any Multiemployer Plan, except to the extent that the participation in or withdrawal from such Multiemployer Plan could not reasonably be expected to result in a Material Adverse Effect.

(v) If any Group Company or any ERISA Affiliate incurred or were to incur a complete or partial withdrawal (as described in Section 4203 of ERISA) from any Multiemployer Plan as of the Closing Date, the aggregate withdrawal liability, as determined under Section 4201 of ERISA, with respect to all such Multiemployer Plans would not exceed an amount that could reasonably be expected to result in a Material Adverse Effect.

(vi) Except as could not reasonably be expected to result in a Material Adverse Effect, no Group Company or, to the knowledge of any Group Company, any ERISA Affiliate has any contingent liability with respect to any post-retirement benefit under a Welfare Plan, other than liability for continuation coverage described in Part 6 of Title I of ERISA.

(vii) No Group Company has any liability that could reasonably be expected to result in a Material Adverse Effect in connection with or arising from a Foreign Pension Plan.

(b) *Employee Benefit Arrangements*.

(i) All liabilities under the Employee Benefit Arrangements are (A) funded to at least the minimum level required by law or, if higher, to the level required by the terms governing the Employee Benefit Arrangements, (B) insured with a reputable insurance company, (C) provided for or recognized in the financial statements most recently delivered to the Administrative Agent pursuant to Section 6.01(c) hereof or (D) estimated in the formal notes to the financial statements most recently delivered to the Administrative Agent pursuant to Section 6.01(a) hereof except where such failure to fund, insure, provide for, recognize or estimate the liabilities arising under such arrangements could reasonably be expected to result in a Material Adverse Effect.

(ii) There are no circumstances which may give rise to a liability in relation to the Employee Benefit Arrangements which are not funded, insured, provided for, recognized or estimated in the manner described in clause (i) above and which could reasonably be expected to result in a Material Adverse Effect.

(iii) Each Group Company is in compliance with all applicable Laws, trust documentation and contracts relating to the Employee Benefit Arrangements, except where failure to be in such compliance could not reasonably be expected to result in a Material Adverse Effect.

(iv) Except as set forth on Schedule 5.15, the execution and delivery of the Acquisition Agreement and the consummation of the transactions contemplated thereby (i) does not require any Group Company to make any contributions (including accelerating the timing of contributions) in respect of the Hillman Companies Inc. Non-Qualified Deferred Compensation Plan and (ii) does not otherwise increase the liability of any Group Company under such plan, in each case, except as could not reasonably be expected to result in a Material Adverse Effect.

Section 5.16 Subsidiaries. Schedule 5.16 sets forth a complete and accurate list as of the Closing Date of all Subsidiaries of Holdings.Schedule 5.16 sets forth as of the Closing Date the jurisdiction of formation of each such Subsidiary, whether each such Subsidiary is a Subsidiary Guarantor, the number of authorized shares of each class of Equity Interests of each such Subsidiary, the number of outstanding shares of each class of Equity Interests, the number and percentage of outstanding shares of each class of Equity Interests of each such Subsidiary owned (directly or indirectly) by any Person and the number and effect, if exercised, of all Equity Equivalents with respect to Capital Stock of each such Subsidiary. All the outstanding Equity Interests of each Subsidiary of OH Holdings are validly

issued, fully paid and non-assessable and were not issued in violation of the preemptive rights of any shareholder and, as of the Closing Date, are owned by Holdings, directly or indirectly, free and clear of all Liens (other than those arising under the Collateral Documents). Other than as set forth on Schedule 5.16, as of the Closing Date, no such Subsidiary has outstanding any Equity Equivalents nor does any such Person have outstanding any rights to subscribe for or to purchase or any options for the purchase of, or any agreements providing for the issuance (contingent or otherwise) of, or any calls, commitments or claims of any character relating to, its Equity Interests. Holdings has no Subsidiaries, other than Intermediate Holdings, the Borrower and its Subsidiaries.

Section 5.17 Governmental Regulations, Etc.

(a) None of Holdings and its Subsidiaries is engaged principally, or as one of its important activities, in the business of extending credit for the purpose of purchasing or carrying "margin stock" within the meaning of Regulation U. No part of the Letters of Credit or proceeds of the Loans will be used, directly or indirectly, for the purpose of purchasing or carrying any "margin stock" within the meaning of Regulation U. If requested by any Lender or the Administrative Agent, the Borrower will furnish to the Administrative Agent and each Lender a statement to the foregoing effect in conformity with the requirements of FR Form U-1 referred to in Regulation U. No indebtedness being reduced or retired out of the proceeds of the Loans was or will be incurred for the purpose of purchasing or carrying any margin stock within the meaning of Regulation U or any "margin security" within the meaning of Regulation T. "Margin stock" within the meaning of Regulation U does not constitute more than 25% of the value of the consolidated assets of Holdings and its Consolidated Subsidiaries. None of the transactions contemplated by this Agreement (including the direct or indirect use of the proceeds of the Loans) will violate or result in a violation of the Securities Act, the Exchange Act, or Regulation T, U or X.

(b) None of the Group Companies is subject to regulation under the Investment Company Act of 1940, as amended. In addition, none of the Group Companies is (i) an "investment company" registered or required to be registered under the Investment Company Act of 1940, as amended, or (ii) "controlled" by an "investment company", in each case within the meaning of such Act.

Section 5.18 Purpose of Loans and Letters of Credit. The proceeds of the Term Loans made on the Closing Date shall be used by the Borrower to (i) fund, in part, the Acquisition (including refinancing or retiring Debt outstanding under the Refinanced Agreements and (ii) pay any fees and expenses paid in connection with the Transactions contemplated by this Agreement. The proceeds of the Revolving Loans and Swingline Loans made on the Closing Date will be used solely to pay the Closing Fees attributable to the Revolving Facility and, thereafter, to provide for the working capital requirements of the Borrower and its Subsidiaries and for the general corporate purposes of the Borrower and its Subsidiaries (including capital expenditures and Permitted Business Acquisitions). The Letters of Credit shall be used only for or in connection with appeal bonds, reimbursement obligations arising in connection with surety and reclamation bonds, reinsurance, domestic or international trade transactions and other obligations relating to transactions entered into by the Borrower and its Subsidiaries in the ordinary course of business and for the general corporate purposes of the Borrower and its Subsidiaries.

Section 5.19 Labor Matters. There are no strikes against OH Holdings or any of its Subsidiaries, other than any strikes that, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect. The hours worked and payments made to employees of Holdings and its Subsidiaries have not been in violation in any material respect of the Fair Labor Standards Act or any other applicable Law dealing with such matters, except to the extent any such violation or violations, could not, individually or in the aggregate, reasonably be expected to result in a

Material Adverse Effect. All material payments due from OH Holdings or any of its Subsidiaries, or for which any claim may be made against OH Holdings or any of its Subsidiaries, on account of wages and employee health and welfare insurance and other benefits have been paid or accrued as a liability on the books of the Borrower and its Subsidiaries, as applicable. The consummation of the Transactions will not give rise to a right of termination or right of renegotiation on the part of any union under any collective bargaining agreement to which OH Holdings or any of its Subsidiaries is a party or by which OH Holdings or any of its Subsidiaries (or any predecessor) is bound, other than collective bargaining agreements which, individually or in the aggregate, are not material to Holdings and its Subsidiaries taken as a whole.

Section 5.20 Environmental Matters. Except as disclosed on Schedule 5.20, no Group Company has failed to comply with any Environmental Law or to obtain, maintain, or comply with any permit, license or other approval required under any Environmental Law or is subject to any Environmental Liability which, in any of the foregoing cases, individually or in the aggregate, could reasonably be expected to result in a Material Adverse Effect, or has received notice of any claim with respect to any Environmental Liability, or knows of any basis for any Environmental Liability against any Group Company, in either case which, individually or in the aggregate, could reasonably be expected to result in a Material Adverse Effect.

Section 5.21 Intellectual Property. (a) Part A of Schedule 5.21 (as such schedule may be amended or supplemented from time to time) sets forth a true and complete list of (i) all United States and foreign registrations of and applications for Patents, Trademarks, domain names and Copyrights owned by Holdings and its domestic Subsidiaries and all material United States and foreign registrations of and applications for Patents, Trademarks, domain names and Copyrights owned by Foreign Subsidiaries of Holdings, and (ii) all Licenses material to the business of the Borrower and its Subsidiaries.

(b) Holdings and its Subsidiaries own, or possess the right to use, all of the Intellectual Property, franchises, and other rights that are reasonably necessary for the operation of their respective businesses, without conflict with the rights of any other Person, except to the extent the failure to own or possess such rights could not reasonably be expected to result in a Material Adverse Effect.

(c) To the best knowledge of Holdings and the Borrower, no Trademark, slogan or other advertising device, product, process, method, substance, part or other material now employed by the Borrower or any Subsidiary infringes upon, dilutes, misappropriates, or otherwise violates any rights held by any other Person, except to the extent any such infringement, dilution, misappropriation or other violation, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect.

(d) Holdings, the Borrower and their Subsidiaries have taken all action reasonably necessary to maintain and preserve their rights in the Intellectual Property owned by Holdings, the Borrower and their Subsidiaries, including paying all renewal, maintenance, and other fees and taxes required to maintain each and every registration and application of Intellectual Property in full force and effect, except to the extent the failure to take such action would not result in a Material Adverse Effect.

(e) The Intellectual Property owned by Holdings and its Subsidiaries that is material to the business of Holdings, the Borrower and their Subsidiaries is valid and enforceable in all material respects, and no holding, decision, or judgment has been rendered in any action or proceeding before any court or administrative authority challenging the validity of Holdings or the Borrower's or their Subsidiaries' right to register, or Holdings or the Borrower's or their Subsidiaries' rights to own or use any Intellectual Property, and no such action or proceeding is pending or, to Holdings or the Borrower's and their Subsidiaries' knowledge, threatened, except as disclosed in Part E of Schedule 5.21 or except as would not result in a Material Adverse Effect.

(f) All registrations and applications for Copyrights, Patents and Trademarks required to be listed on Part A of Schedule 5.21 are standing in the name of the Borrower or one of its Subsidiaries, and no material Intellectual Property has been licensed by Holdings, the Borrower or their Subsidiaries to any third party, except in the ordinary course of business (all such Licenses in effect on the Closing Date being as disclosed in Part F of Schedule 5.21).

Section 5.22 Solvency. Each of (a) Holdings, (b) HGI and (c) OH Holdings and its Consolidated Subsidiaries (on a consolidated basis) is and, after consummation of the Transactions, will be Solvent.

Section 5.23 Disclosure. No information or data (excluding financial projections, budgets, estimates and general market data) made by any Credit Party in any Finance Document or furnished to the Administrative Agent or any Lender by or on behalf of any Credit Party in connection with any Finance Document, when taken as a whole as of the date furnished contains any untrue statement of a material fact or omits any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading in light of the circumstances under which such statements were made; provided that (i) to the extent any such statement, information or report therein was based upon or constitutes a forecast or projection, the Borrower represents only that it acted in good faith and utilized assumptions believed by it to be reasonable at the time made (it being understood and agreed that projections as to future events are not to be viewed as facts or guaranties of future performance, that actual results during the period or periods covered by such projections may differ from the projects results and that such differences may be material and that the Credit Parties make no representation that such representations will in fact be realized) and (ii) as to statements, information and reports specified as having been supplied by third parties, other than Affiliates of the Borrower or any of its Subsidiaries, the Borrower represents only that it is not aware of any material misstatement or omission therein.

Section 5.24 Collateral Documents.

(a) *Article 9 Collateral.* Each of the Security Agreement and Pledge Agreement is effective to create in favor of the Collateral Agent, for the ratable benefit of the Finance Parties, a valid and enforceable security interest in the Collateral described therein and, upon the filing of the financing statements naming each Guarantor as "debtor" and the Collateral Agent a "secured party" and describing the collateral on or about the Closing Date in the offices specified on Schedule 9.01 to the Security Agreement and assuming that the Pledged Collateral that was delivered to the Collateral Agent on the Closing Date remains under the control of the Collateral Agent, each of the Security Agreement and Pledge Agreement constitutes a fully perfected Lien on, and security interest in, all right, title and interest of the grantors thereunder in such of the Collateral in which a security interest can be perfected under Article 9 of the Uniform Commercial Code, in each case securing the Finance Documents prior in right to any other Person, other than with respect to Permitted Liens.

(b) *Intellectual Property.* When financing statements in appropriate form are filed in the offices specified on Schedule 4.01 to the Security Agreement, the Assignment of Security Interest in United States Patents, substantially in the form of Exhibit A to the Security Agreement, and the Assignment of Security Interest in United States Trademarks, substantially in the form of Exhibit B to the Security Agreement, are filed in the United States Patent and Trademark Office, and the Assignment of Security Interest in United States Copyrights, substantially in the form of Exhibit C to the Security Agreement, is filed in the United States Copyright Office, the Security Agreement shall constitute a fully

perfected Lien on, and security interest in, all right, title and interest of the grantors thereunder in the United States Trademarks, Copyrights and Patents covered in such documents, in each case prior in right to any other Person (it being understood that subsequent recordings in the United States Patent and Trademark Office and the United States Copyright Office may be necessary to perfect a lien on registered Trademarks, Trademark applications and Copyrights acquired by the Credit Parties after the Closing Date).

(c) *Real Property Mortgages*. The Mortgages are effective to create in favor of the Collateral Agent, for the ratable benefit of the Finance Parties, a legal, valid and enforceable Lien on all of the right, title and interest of the Credit Parties in and to the Mortgaged Properties thereunder and the proceeds thereof, and when the Mortgages are filed in the offices specified on Schedule 5.24(c), the Mortgages shall constitute a fully perfected Lien on, and security interest in, all right, title and interest of the Credit Parties in such Mortgaged Properties and the proceeds thereof, in each case prior in right to any other Person, other than with respect to Permitted Liens.

(d) *Status of Liens*. The Collateral Agent, for the ratable benefit of the Finance Parties, will at all times have the Liens provided for in the Collateral Documents and, subject to the filing by the Collateral Agent of continuation statements to the extent required by the Uniform Commercial Code, the Collateral Documents will at all times constitute valid and continuing liens of record and first priority perfected security interests in all the Collateral referred to therein, except as priority may be affected by Permitted Liens.

Section 5.25 Ownership.

(a) *Securities of HGI*. Intermediate Holdings owns good and valid legal title to all the outstanding common stock of HGI, free and clear of all Liens of every kind, whether absolute, matured, contingent or otherwise, other than those arising under the Collateral Documents and Permitted Liens. Except as set forth on Schedule 5.25, there are no shareholder agreements or other agreements pertaining to Intermediate Holdings' beneficial ownership of the common stock of HGI, including any agreement that would restrict Intermediate Holdings' right to dispose of such common stock and/or its right to vote such common stock.

(b) *Holdings Equity Interests*. OH Holdings owns good and valid legal title to all the outstanding common stock of Holdings, free and clear of all Liens of every kind, whether absolute, matured, contingent or otherwise, other than those arising under the Collateral Documents and Permitted Liens. Except as set forth on Schedule 5.25, as of the Closing Date there are no shareholders agreements or other agreements pertaining to Permitted Investors' beneficial ownership of the common stock of Holdings, including any agreement that would restrict the Permitted Investors' right to dispose of such common Equity Interests and/or its right to vote such common Equity Interests.

(c) *OH Holdings Equity Interests*. As of the Closing Date, the Sponsor owns at least 80% of the outstanding common stock of OH Holdings and the management of HGI owns not more than 10% of the equity of OH Holdings, in each case, free and clear of all Liens of every kind, whether absolute, matured, contingent or otherwise, other than those arising under the Collateral Documents and Permitted Liens.

Section 5.26 Certain Transactions.

(a) *Acquisition Agreement*. As of the Closing Date, (i) the Acquisition Agreement had not been amended or modified, nor has any material condition thereof been waived by any party thereto, (ii) all conditions to the obligations of Holdings and the Borrower to consummate the transactions

contemplated by the Acquisition Agreement have been satisfied or waived in accordance with Section 4.01(h) and (iii) the transactions contemplated by the Acquisition Agreement have been consummated in accordance with the Acquisition Agreement in all material respects and all applicable requirements of Law.

(b) *Senior Note Documents*. As of the Closing Date, (i) the Senior Note Documents have not been amended or modified nor has any condition thereof been waived by the Borrower in a manner adverse in any material respect to the rights or interests of the Lenders and (ii) all funds advanced by the Senior Note Documents on the Closing Date have been used to consummate the transactions contemplated by the Acquisition Agreement.

(c) *Junior Debentures*. As of the Closing Date, (i) the Junior Debentures Documents have not been amended or modified and (ii) nor has any condition thereof been waived by the Borrower in a manner adverse in any material respect to the rights or interests of the Lenders.

(d) *No Broker's Fees*. No broker's or finder's fee or commission will be payable with respect to this Agreement or any of the transactions contemplated hereby as a result of any action by or on behalf of the Borrower or their Affiliates, and each of Holdings and the Borrower hereby indemnifies each Agent and each Lender against, and agrees that it will hold each Agent and each Lender harmless from, any claim, demand or liability for any such broker's or finder's fees alleged to have been incurred in connection herewith or therewith and any expenses (including reasonable fees, expenses and disbursements of counsel) arising in connection with any such claim, demand or liability.

ARTICLE VI
AFFIRMATIVE COVENANTS

Each of the Credit Parties agrees that so long as any Lender has any Commitment hereunder, any Senior Obligation or other amount payable hereunder or under any Note or other Finance Document or any LC Obligation (in each case other than contingent indemnification obligations) remains unpaid or any Letter of Credit remains unexpired:

Section 6.01 Information. The Borrower will furnish, or cause to be furnished, to the Administrative Agent for delivery to each of the Lenders:

(a) *Annual Financial Statements*. As soon as available, and in any event within 120 days after the end of each fiscal year of the Borrower, a consolidated balance sheet and income statement of Holdings and its Consolidated Subsidiaries, as of the end of such fiscal year, and the related consolidated statement of operations and retained earnings and consolidated statement of cash flows for such fiscal year, setting forth in comparative form consolidated figures for the preceding fiscal year and corresponding figures from the annual forecast, all such financial statements to be in reasonable form and detail and (in the case of such consolidated financial statements) audited by independent certified public accountants of recognized national standing reasonably acceptable to the Administrative Agent and accompanied by an opinion of such accountants (which shall not be qualified or limited in any material respect; provided, a qualification or exception may be included in any audit report for any period ending within the twelve (12) month period preceding the Term Loan Maturity Date to the extent such qualification is made solely as a result of such Term Loan being reported as short term indebtedness) to the effect that such consolidated financial statements have been prepared in accordance with GAAP and present fairly in all material respects the consolidated financial position and consolidated results of operations and cash flows of Holdings and its Consolidated Subsidiaries in accordance with GAAP consistently applied (except for changes with which such accountants concur) and accompanied by a written statement by the accountants reporting on compliance with this Agreement to the effect that in the

course of the audit upon which their opinion on such financial statements was based (but without any special or additional audit procedures for the purpose), they obtained knowledge of no condition or event relating to financial matters which constitutes a Default or an Event of Default or, if such accountants shall have obtained in the course of such audit knowledge of any such Default or Event of Default, disclosing in such written statement the nature and period of existence thereof, it being understood that such accountants shall be under no liability, directly or indirectly, to the Lenders for failure to obtain knowledge of any such condition or event.

(b) *Quarterly Financial Statements*. As soon as available, and in any event within 45 days after the end of each of the first three fiscal quarters in each fiscal year of the Borrower (or within 60 days after the end of the fiscal quarter ended June 30, 2010), a consolidated balance sheet of Holdings and its Consolidated Subsidiaries as of the end of such fiscal quarter, together with related consolidated statement of operations and retained earnings and consolidated statement of cash flows for such fiscal quarter and the then elapsed portion of such fiscal year, setting forth in comparative form consolidated figures for the corresponding periods of the preceding fiscal year and the annual forecast, all such financial statements to be in form and detail and reasonably acceptable to the Administrative Agent, and accompanied by a certificate of the chief financial officer of the Borrower to the effect that such quarterly financial statements have been prepared in accordance with GAAP and present fairly in all material respects the consolidated financial position and consolidated results of operations and cash flows of Holdings and its Consolidated Subsidiaries in accordance with GAAP consistently applied, subject to changes resulting from normal year-end audit adjustments and the absence of footnotes required by GAAP.

(c) *Monthly Financial Statements*. As soon as available, and in any event within 30 days after the end of each month in each fiscal year of the Borrower, a consolidated balance sheet of Holdings and its Consolidated Subsidiaries as of the end of such month, together with related consolidated statement of operations and retained earnings and consolidated statement of cash flows for such month and the then elapsed portion of such fiscal year, setting forth in comparative form consolidated figures for the corresponding periods of the preceding fiscal year and the annual forecast, all such financial statements to be in form and detail and reasonably acceptable to the Lenders, and accompanied by a certificate of the chief financial officer of the Borrower to the effect that such monthly financial statements have been prepared in accordance with GAAP and present fairly in all material respects the consolidated financial position and consolidated results of operations and cash flows of Holdings and its Consolidated Subsidiaries in accordance with GAAP consistently applied, subject to changes resulting from normal year-end audit adjustments and the absence of footnotes required by GAAP.

(d) *Officer's Certificate*. At the time of delivery of the financial statements provided for inSections 6.01(a) and 6.01(b) above, a certificate of the chief financial officer or other appropriate Responsible Officer of the Borrower (i) demonstrating compliance with the financial covenants contained in Section 7.16 by calculation thereof as of the end of the fiscal period covered by such financial statements, (ii) stating that no Default or Event of Default exists, or if any Default or Event of Default does exist, specifying the nature and extent thereof and what action the Borrower and the other Credit Parties propose to take with respect thereto and (iii) stating whether, since the date of the most recent financial statements delivered hereunder, there has been any material change in the GAAP applied in the preparation of the financial statements of OH Holdings and its Consolidated Subsidiaries, and, if so, describing such change.

(e) *Annual Business Plan and Budgets*. At least 90 days after the end of each fiscal year of the Borrower, an annual business plan and budget of Holdings and its Consolidated Subsidiaries containing, among other things, projected financial statements for the then-current fiscal year.

(f) *Excess Cash Flow*. Within 120 days after the end of each fiscal year of the Borrower, a certificate of the chief financial officer of the Borrower containing information regarding the calculation of Excess Cash Flow for such fiscal year.

(g) *Auditor's Reports*. Within five Business Days of receipt thereof, a copy of any other final report or "management letter" submitted by independent accountants to Holdings, the Borrower or any of their respective Subsidiaries in connection with any annual, interim or special audit of the books of OH Holdings, the Borrower or any of their respective Subsidiaries.

(h) *Reports*. Promptly upon transmission or receipt thereof, copies of all filings and registrations with, and reports to or from, the Securities and Exchange Commission, or any successor agency, and copies of all financial statements, proxy statements, notices and reports any Group Company shall send to its shareholders generally or to a holder of the Junior Debentures or holders of any other Debt (excluding Capital Leases) owed by any Group Company where the outstanding amount of principal and interest in respect of such other Debt exceeds $5,000,000, in their capacity as such a holder.

(i) *Notices*. Prompt notice of: (i) the occurrence of any Default or Event of Default; (ii) any matter that has resulted or may result in a Material Adverse Effect, including, if applicable, (A) breach or non-performance of, or any default under, any material agreement of OH Holdings or any of its Subsidiaries; (B) any dispute, litigation, investigation, proceeding or suspension between OH Holdings or any of its Subsidiaries and any Governmental Authority; (C) the commencement of, or any material adverse development in, any litigation or proceeding affecting OH Holdings or any of its Subsidiaries, including pursuant to any applicable Environmental Law; (D) any litigation, investigation, Environmental Liability or proceeding affecting any Credit Party in which the amount involved exceeds $5,000,000, or in which injunctive relief or similar relief is sought, which relief, if granted, could be reasonably expected result in a Material Adverse Effect; and (E) any material change in accounting policies or financial reporting practice by OH Holdings or any of its Subsidiaries. Each notice pursuant to this Section 6.01(i) shall (i) be accompanied by a statement of a Responsible Officer of the Borrower setting forth details of the occurrence referred to therein and stating what action the Borrower or any other Credit Party has taken and proposes to take with respect thereto and (ii) describe with particularity any and all Defaults or Events of Default.

(j) *Employee Benefits Arrangements*. (i) The Borrower will give written notice to the Administrative Agent promptly (and in any event within five Business Days after any officer of any Group Company obtains knowledge thereof) of: (A) any event or condition that constitutes, or is reasonably likely to lead to, an ERISA Event; or (B) any change in the funding status of any Plan that could reasonably be expected to result in a Material Adverse Effect, together with a description of any such event or condition or a copy of any such notice and a statement by the chief financial officer of the Borrower briefly setting forth the details regarding such event, condition or notice and the action, if any, which has been or is being taken or is proposed to be taken by the Borrower and the other Credit Parties with respect thereto. Promptly upon request, the Borrower shall furnish the Administrative Agent and the Lenders with such additional information concerning any Plan or Employee Benefit Arrangement as may be reasonably requested, including, but not limited to, with respect to any Plans, copies of each annual report/return (Form 5500 series), as well as all schedules and attachments thereto required to be filed with the Department of Labor and/or the Internal Revenue Service pursuant to ERISA and the Code, respectively, for each "plan year" (within the meaning of Section 3(39) of ERISA) of each Plan; and (ii) the Borrower will promptly deliver to the Administrative Agent the most recently prepared actuarial reports in relation to the Employee Benefit Arrangements for the time being operated by Group Companies which are prepared in order to comply with the then current statutory or auditing requirements within the relevant jurisdiction.

(k) *Information Regarding Collateral*. The Borrower shall furnish to the Collateral Agent prompt written notice of any change (A) in any Credit Party's corporate name, (B) in any Credit Party's identity or corporate structure, (C) in any Credit Party's jurisdiction of organization or (D) in any Credit Party's Federal Taxpayer Identification Number or state organizational identification number. The Borrower agrees not to effect or permit any change referred to in the preceding sentence unless all filings have been made under the UCC or otherwise that are required in order for the Collateral Agent to continue at all times following such change to have a valid, legal and perfected security interest in all the Collateral as contemplated in the Collateral Documents. The Borrower also agrees promptly to notify the Collateral Agent if any material portion of the Collateral is damaged or destroyed.

(l) *Annual Collateral Verification*. Each year, at the time of delivery of annual financial statements with respect to the preceding fiscal year pursuant to Section 6.01(a), the Borrower shall deliver to the Collateral Agent a certificate of a Responsible Officer (i) either confirming that there has been no change in such information since the date of the Perfection Certificate delivered on the Closing Date or the date of the most recent certificate delivered pursuant to this Section and/or identifying such changes and (ii) certifying that all Uniform Commercial Code financing statements (including fixtures filings, as applicable) and all supplemental intellectual property security agreements or other appropriate filings, recordings or registrations, have been filed of record in each governmental, municipal or other appropriate office in each jurisdiction identified pursuant to clause (i) above (or in such Perfection Certificate) to the extent necessary to effect, protect and perfect the security interests under the Collateral Documents for a period of not less than 18 months after the date of such certificate (except as noted therein with respect to any continuation statements to be filed within such period).

(m) *Certification of Public Information*. OH Holdings and each Lender acknowledge that certain of the Lenders may be "public-side" Lenders (Lenders that do not wish to receive material non-public information with respect to OH Holdings, its Subsidiaries or their securities) and, if documents or notices required to be delivered pursuant to this Section 6.01 or otherwise are being distributed through IntraLinks/IntraAgency, SyndTrak or another relevant website or other information platform (the "Platform"), any document or notice that OH Holdings has indicated contains non-public information shall not be posted on that portion of the Platform designated for such public-side Lenders. OH Holdings agrees to clearly designate all Information provided to the Administrative Agent by or on behalf of OH Holdings which is suitable to make available to Public Lenders. If OH Holdings has not indicated whether a document or notice delivered pursuant to this Section 6.01 contains non-public Information, the Administrative Agent shall treat such document or notice as containing non-public information.

(n) *Credit Ratings*. Prompt written notice after any Credit Party obtains knowledge of any change in the Borrower's corporate rating by S&P, in the Borrower's corporate family rating by Moody's or in the ratings of the credit facilities hereunder by S&P or Moody's, or any notice from either such agency indicating its intent to effect such a change or to place the Borrower or the credit facilities hereunder on a "CreditWatch" or "WatchList" or any similar list, in each case with negative implications, or its cessation of, or its intent to cease, rating the Borrower or the credit facilities hereunder; and

(o) *Insurance Report*. As soon as practicable and in any event by the last day of each Fiscal Year commencing with 2011, a certificate from the Borrower's insurance broker(s) in form and scope to that delivered pursuant to Section 4.01(k) outlining all material insurance coverage maintained as of the date of such certificate by OH Holdings and its Subsidiaries;

(p) *Other Information*. With reasonable promptness upon request therefor, such other information regarding the business, properties or financial condition of any Group Company as the Administrative Agent or any other Finance Party may reasonably request, which may include such

information as any Lender may reasonably determine is necessary or advisable to enable it either (i) to comply with the policies and procedures adopted by it and its Affiliates to comply with the Bank Secrecy Act, the U.S. Patriot Act and all applicable regulations thereunder or (ii) to respond to requests for information concerning OH Holdings and its Subsidiaries from any government, self-regulatory organization or financial institution in connection with its anti-money laundering and anti-terrorism regulatory requirements or its compliance procedures under the U.S. Patriot Act, including in each case information concerning the Borrower's direct and indirect shareholders and its use of the proceeds of the Credit Extensions hereunder.

Section 6.02 Preservation of Existence and Franchises. Except as a result of or in connection with a dissolution, merger or disposition of a Subsidiary of the Borrower permitted under Section 7.04 or Section 7.05, each Group Company will do all things necessary to preserve and keep in full force and effect its legal existence and do or cause to be done all things necessary to obtain, preserve, renew, extend and keep in full force and effect the rights, licenses, permits, franchises, authorizations, Patents, Copyrights, and Trademarks material to the conduct of its business and to maintain and operate such business in substantially the manner in which it is presently conducted and operated; provided, however, that neither OH Holdings nor any of its Subsidiaries shall be required to preserve any such rights, licenses, permits, franchises, authorizations or Intellectual Property if the preservation thereof is no longer desirable in the conduct of the business of the Borrower and its Subsidiaries and the loss thereof could not reasonably be expected to result in a Material Adverse Effect.

Section 6.03 Books and Records; Lender Meeting. Each of the Group Companies will keep complete and accurate books and records of its transactions in accordance with good accounting practices on the basis of GAAP (including the establishment and maintenance of appropriate reserves). At the request of the Administrative Agent, within 110 days after the end of each fiscal year of the Borrower, the Borrower will conduct a meeting (which may be by telephone) of the Lenders to discuss such fiscal year's results and the financial condition of OH Holdings and its Consolidated Subsidiaries. Such meetings shall be held at times and places convenient to the Lenders and to the Borrower.

Section 6.04 Compliance with Material Contractual Obligations and Law; Employee Benefit Arrangements. Each of the Group Companies will comply with all material Contractual Obligations and requirements of Law applicable to it and its properties to the extent that noncompliance with any such Contractual Obligation or requirement of Law could reasonably be expected to result in a Material Adverse Effect. Without limiting the generality of the foregoing, each of the Group Companies will do each of the following as it relates to any Plan, Foreign Pension Plan or Employee Benefit Arrangement, except to the extent that failure to do any of the following could not reasonably be expected to result in a Material Adverse Effect: (i) maintain each Plan, Foreign Pension Plan and Employee Benefit Arrangement in compliance in all material respects with the applicable provisions of ERISA, the Code or other Federal, state or foreign law; (ii) cause each Plan which is qualified under Sections 401(a) and 430 of the Code to maintain such qualifications; (iii) make all required contributions to any Plan subject to Section 412 of the Code and make all required contributions to Multiemployer Plans; (iv) ensure that there are no Unfunded Liabilities in excess of an amount that could reasonably be expected to result in a Material Adverse Effect; (v) not become a party to any Multiemployer Plan; (vi) make all contributions (including any special payments to amortize any Unfunded Liabilities) required to be made in accordance with all applicable laws and the terms of each Foreign Pension Plan in a timely manner; (vii) ensure that all liabilities under the Employee Benefit Arrangements are either (A) funded to at least the minimum level required by Law or, if higher, to the level required by the terms governing the Employee Benefit Arrangements; (B) insured with a reputable insurance company; (C) provided for or recognized in the accounts most recently delivered to the Administrative Agent under Section 6.01(c); or (D) estimated in the formal notes to the accounts most recently delivered to the Administrative Agent under Section 6.01(a); (viii) ensure that the contributions

or premium payments to or in respect of all Employee Benefit Arrangements are and continue to be promptly paid at no less than the rates required under the rules of such arrangements and in accordance with the most recent actuarial advice received in relation to the Employee Benefit Arrangement and generally in accordance with applicable law; and (ix) shall use its reasonable efforts to cause each ERISA Affiliate to do each of the items listed in clauses (i) through (iv) above as it relates to Plans maintained by or contributed to by such ERISA Affiliate.

Section 6.05 Payment of Taxes. Each of the Group Companies will pay and discharge (i) all taxes, assessments and other governmental charges or levies imposed upon it, or upon its income or profits, or upon any of its properties, before they shall become delinquent and (ii) all lawful claims (including claims for labor, materials and supplies) which, if unpaid, might give rise to a Lien (other than a Permitted Lien) upon any of its properties; provided, however, that no Group Company shall be required to pay any such tax, assessment, charge, levy or claim (i) which is being contested in good faith by appropriate proceedings diligently pursued and as to which adequate reserves have been established in accordance with GAAP, (ii) in respect of immaterial, state, local or foreign taxes, or (iii) unless the failure to make any such payment (A) could give rise to an immediate right to foreclose on a Lien securing such amounts (unless proceedings thereto conclusively operate to stay such foreclosure) or (B) could reasonably be expected to result in a Material Adverse Effect.

Section 6.06 Insurance; Certain Proceeds.

(a) *Insurance Policies*. Each of the Group Companies will at all times maintain in full force and effect insurance (including worker's compensation insurance, liability insurance or casualty insurance) in such amounts, covering such risk and liabilities and with such deductibles or self-insurance retentions as are in accordance with normal industry practice or otherwise consistent with past practice of the Group Companies or prudent in the reasonable business judgment of the senior management of the Borrower. The Collateral Agent shall be named as loss payee or mortgagee, as its interest may appear, with respect to all such property and casualty policies and additional insured with respect to all such other policies (other than workers' compensation, employee health and directors and officers policies), and each provider of any such insurance shall agree, by endorsement upon the policy or policies issued by it or by independent instruments furnished to the Collateral Agent, that if the insurance carrier shall have received written notice from the Collateral Agent of the occurrence and continuance of an Event of Default, the insurance carrier shall pay all proceeds otherwise payable to Holdings or one or more of its Subsidiaries under such policies directly to the Collateral Agent (which agreement shall be evidenced by a "standard" or "New York" lender's loss payable endorsement in the name of the Collateral Agent on Accord Form 25 or 27, as applicable) and that it will give the Collateral Agent 30 days' prior written notice before any such policy or policies shall be altered or canceled, and that no act or default of any Group Company or any other Person shall affect the rights of the Collateral Agent or the Lenders under such policy or policies.

(b) *Loss Events*. In case of any Casualty or Condemnation with respect to any property of any Group Company or any part thereof in excess of $1,000,000, the Borrower shall promptly give written notice thereof to the Administrative Agent generally describing the nature and extent of such damage, destruction or taking. The Borrower shall, or shall cause such Group Company to, repair, restore or replace the property of such Person (or part thereof) which was subject to such Casualty or Condemnation, at such Person's cost and expense, whether or not the Insurance Proceeds or Condemnation Award, if any, received on account of such event shall be sufficient for that purpose; provided, however, that such property need not be repaired, restored or replaced to the extent the failure to make such repair, restoration or replacement (i) is desirable to the proper conduct of the business of such Person in the ordinary course and otherwise in the best interest of such Person or (ii) the failure to repair, restore or replace the property is attributable to the contemplated application of the Insurance

Proceeds from such Casualty or the Condemnation Award from such Condemnation to the acquisition of other tangible assets used or useful in the business of the Borrower and its Subsidiaries as contemplated in the definition of "Reinvestment Funds" in Section 1.01 or to payment of the Senior Obligations in accordance with the provisions of Section 2.09(b)(iv).

(c) *Certain Rights of the Lenders*. In connection with the covenants set forth in this Section 6.06, it is understood and agreed that none of the Agents, the Lenders or their respective agents or employees shall be liable for any loss or damage insured by the insurance policies required to be maintained under this Section 6.06, it being understood that the Group Companies shall look solely to their insurance companies or any other parties other than the aforesaid parties for the recovery of such loss or damage.

Section 6.07 Maintenance of Property. Each of the Group Companies will maintain and preserve its properties and equipment material to the conduct of its business in good repair, working order and condition, normal wear and tear and Casualty and Condemnation excepted, and will make, or cause to be made, as to such properties and equipment from time to time all repairs, renewals, replacements, extensions, additions, betterments and improvements thereto as may be needed or proper in the reasonable good faith business judgment of the Responsible Officers of such Group Companies.

Section 6.08 Use of Proceeds. The Borrower will use the proceeds of the Loans and will use the Letters of Credit solely for the purposes set forth in Section 5.18.

Section 6.09 Audits/Inspections. Upon reasonable notice and during normal business hours, each of the Group Companies will permit representatives appointed by the Agents or the Required Lenders to visit and inspect its executive offices and/or manufacturing facilities and, following the occurrence and during the continuance of any Event of Default, any of its properties, to review and inspect its books and records, accounts receivable and inventory, and to make photocopies or photographs thereof and to write down and record any information such representatives obtain and shall permit the Agents or such representatives to investigate and verify the accuracy of information provided to the Lenders and to discuss all such matters with the officers, employees, independent accountants and representatives of the Group Companies, in each case so long as a Responsible Officer has been given the opportunity to be present; provided, however, that prior to the occurrence and continuance of an Event of Default, such visits shall be limited to one per year per location, and the Group Companies shall not be obligated to reimburse the expenses of more than two representatives of the Administrative Agent and the Lenders in the aggregate.

Section 6.10 Additional Credit Parties; Additional Security.

(a) *Additional Subsidiary Guarantors*. Each of OH Holdings and the Borrower will take, and will cause each of its Subsidiaries (other than Foreign Subsidiaries) to take, such actions from time to time as shall be necessary to ensure that all Subsidiaries of OH Holdings (other than the Borrower and Foreign Subsidiaries) are Subsidiary Guarantors. Without limiting the generality of the foregoing, if any Group Company shall form or acquire any new Subsidiary, the Borrower, as soon as practicable and in any event within 30 days after such formation or acquisition, will provide the Collateral Agent with notice of such formation or acquisition setting forth in reasonable detail a description of all of the assets of such new Subsidiary and will cause such new Subsidiary (other than a Foreign Subsidiary) to:

(i) within 30 days after such formation or acquisition, execute an Accession Agreement pursuant to which such new Subsidiary shall agree to become a "Guarantor" under the Guaranty, a "Grantor" under the Security Agreement and a "Grantor" under the Pledge Agreement and/or an obligor under such other Collateral Documents as may be applicable to such new Subsidiary; and

(ii) deliver such proof of organizational authority, incumbency of officers, opinions of counsel and other documents as is consistent with those delivered by each Credit Party pursuant to Section 4.01 on the Closing Date or as the Administrative Agent, the Collateral Agent or the Required Lenders reasonably shall have requested.

(b) *Additional Security*. Each of OH Holdings and the Borrower will cause, and will cause each of its Subsidiaries (other than a Foreign Subsidiary) to cause, (i) all of its fee-owned Real Properties acquired subsequent to the Closing Date having a value in excess of $5,000,000 and personal property located in the United States, other than such Real Properties which are subject to a Permitted Lien the terms of which prohibit the granting of a Lien thereon in favor of the Finance Parties and (ii) to the extent deemed to be material by the Administrative Agent or the Required Lenders in its or their reasonable discretion, (A) all of its personal property located in the United States (except to the extent expressly excluded from the Collateral Documents) and (B) all other assets and properties (other than Real Property) of OH Holdings and its Domestic Subsidiaries located in the United States as are not covered by the original Collateral Documents (or specifically excluded therefrom) and as may be requested by the Collateral Agent or the Required Lenders in their reasonable discretion to be subject at all times to first priority (subject only to Permitted Liens), perfected and, in the case of owned Real Property referred to under Section 6.10(b)(i) hereof, title insured Liens in favor of the Collateral Agent pursuant to the Collateral Documents or such other security agreements, pledge agreements, mortgages or similar collateral documents as the Collateral Agent shall request in its reasonable discretion (collectively, the "Additional Collateral Documents"). With respect to any owned Real Property located in the United States acquired by any Credit Party subsequent to the Closing Date for which the Collateral Agent is entitled to a Lien pursuant to the preceding sentence, such Person will cause to be delivered to the Collateral Agent with respect to such Real Property documents, instruments and other items of the types required to be delivered pursuant to Section 4.01(k), all in form, content and scope reasonably satisfactory to the Collateral Agent. In furtherance of the foregoing terms of this Section 6.10, the Borrower agrees to promptly provide the Administrative Agent with written notice of the acquisition by OH Holdings or any of its Subsidiaries of any owned Real Property located in the United States having a market value greater than $5,000,000 setting forth in each case in reasonable detail the location and a description of the asset(s) so acquired. Without limiting the generality of the foregoing, OH Holdings and the Borrower will cause, and will cause each of their respective Subsidiaries to cause, 100% of the Equity Interests of each of their respective direct and indirect Subsidiaries (or 65% of such Equity Interests, if such Subsidiary is a direct Foreign Subsidiary, except as provided in subsection (d) below) to be subject at all times to a first priority, perfected Lien in favor of the Collateral Agent pursuant to the terms and conditions of the Collateral Documents, subject only to Permitted Liens described in paragraph (ii) and/or (iv) of Section 7.02.

If, subsequent to the Closing Date, a Credit Party shall acquire any material Intellectual Property registrations or applications, securities, instruments, chattel paper or other personal property required to be delivered to the Collateral Agent as Collateral under any of the Collateral Documents, the Borrower shall promptly (and in any event within 10 Business Days after any Responsible Officer of any Credit Party acquires knowledge of the same) notify the Collateral Agent of the same. Each of the Credit Parties shall adhere to the covenants regarding the location of personal property as set forth in the Collateral Documents.

All such security interests and mortgages shall be granted pursuant to documentation consistent with the Collateral Documents executed on the Closing Date and otherwise reasonably satisfactory in form and substance to the Collateral Agent and shall constitute valid and enforceable

perfected security interests and mortgages prior to the rights of all third Persons and subject to no other Liens except for Permitted Liens. The Additional Collateral Documents or instruments related thereto shall have been duly recorded or filed in such manner and in such places as are required by law to establish, perfect, preserve and protect the Liens in favor of the Collateral Agent required to be granted pursuant to the Additional Collateral Documents, and all taxes, fees and other charges payable in connection therewith shall have been paid in full. Subject to Section 4.01(j), the Borrower shall cause to be delivered to the Collateral Agent such opinions of counsel, title insurance and other related documents as may be reasonably requested by the Collateral Agent to assure itself that this Section 6.10(b) has been complied with.

(c) *Real Property Appraisals*. If the Collateral Agent or the Required Lenders determine that they are required by law or regulation to have appraisals prepared in respect of the Real Property of any Group Company constituting Collateral, upon a written request from the Collateral Agent the Borrower shall provide to the Collateral Agent appraisals which satisfy the applicable requirements set forth in 12 C.F.R., Part 34 - Subpart C or any successor or similar statute, rule, regulation, guideline or order, and which shall be in scope, form and substance, and from appraisers, reasonably satisfactory to the Required Lenders and shall be accompanied by a certification of the appraisal firm providing such appraisals that the appraisals comply with such requirements.

(d) Each of OH Holdings and the Borrower agrees that, except as otherwise provided in this Section 6.10, each action required by this Section 6.10 shall be completed as soon as reasonably possible, but in no event later than 90 days after such action is either requested to be taken by the Collateral Agent or the Required Lenders or required to be taken by OH Holdings or any of its Subsidiaries pursuant to the terms of this Section 6.10.

Section 6.11 Interest Rate Protection Agreements. Within 90 days after the Closing Date, the Borrower will have entered into and thereafter maintained in full force and effect interest rate swaps, rate caps, collars or other similar agreements or arrangements designed to hedge the position of the Borrower with respect to interest rates at rates and on terms reasonably satisfactory to the Administrative Agent, taking into account current market conditions, the effect of which is that at least 50% of the Consolidated Funded Debt of OH Holdings and its Subsidiaries will bear interest at a fixed or capped rate or the interest cost in respect of which will be fixed or capped for a period expiring no earlier than 36 months after the Closing Date. The Borrower shall have promptly delivered evidence of the execution and delivery of such agreements to the Administrative Agent.

Section 6.12 Contributions. Within three Business Days following its receipt thereof, OH Holdings will contribute as a common equity contribution to the capital of Holdings, which will then contribute an equal amount to the capital of Intermediate Holdings, which will then contribute an equal amount to the capital of the Borrower, any cash proceeds received by OH Holdings after the Closing Date from any Asset Disposition, Casualty, Condemnation, Debt Issuance or Equity Issuance or any cash capital contributions received by OH Holdings after the Closing Date (less any Restricted Payments permitted under Section 7.07 and made in connection with such Asset Disposition, Casualty, Condemnation, Debt Issuance, Equity Issuance or cash capital contribution).

Section 6.13 Control Accounts; Approved Deposit Accounts.

(a) Within sixty (60) days (or such longer period as the Collateral Agent may approve) following the Closing Date, each Credit Party shall (i) deposit in an Approved Deposit Account all cash it receives, (ii) not establish or maintain any Securities Account or Commodity Account that is not a Control Account and (iii) not establish or maintain any Deposit Account other than with a Depositary Bank subject to an effective Depositary Bank Agreement. Notwithstanding the foregoing,

each Credit Party may (x) maintain zero-balance accounts for the purpose of managing local disbursements and may maintain payroll, withholding tax and other fiduciary accounts, (y) maintain other accounts as long as the aggregate monthly average daily balance over the immediately preceding 12-month period for all such Credit Parties in all such other accounts does not exceed $2,500,000 at any time and (z) make pledges or cash deposits permitted by Section 7.02.

(b) In the event (i) any Credit Party or any Depositary Bank shall, after the date hereof, terminate an agreement with respect to the maintenance of an Approved Deposit Account for any reason or (ii) the Collateral Agent shall reasonably demand such termination as a result of the material failure of a Deposit Account Bank to comply with the terms of the applicable Depositary Bank Agreement; provided, that such Credit Party shall have sixty (60) days (or such longer period as the Collateral Agent may approve) following such termination or such determination by the Collateral Agent, as applicable, to establish new Deposit Accounts and/or cash management systems with a new Depositary Bank.

(c) In the event (i) any Credit Party or any Approved Securities Intermediary shall, after the date hereof, terminate an agreement with respect to the maintenance of a Control Account for any reason or (ii) the Collateral Agent shall reasonably demand such termination as a result of the material failure of an Approved Securities Intermediary to comply with the terms of the applicable Securities Account Control Agreement; provided, that such Credit Party shall have sixty (60) days (or such longer period as the Collateral Agent may approve) following such termination or such determination by the Collateral Agent, as applicable, to establish new Control Accounts and/or cash management systems with a new Approved Securities Intermediary.

Section 6.14 Maintenance of Ratings. The Borrower shall use commercially reasonable efforts (a) to obtain, to the extent not obtained prior to the Closing Date, corporate family and facility ratings issued by Moody's and S&P with respect to the Borrower and its Subsidiaries, the Loans and the Senior Notes and (b) to maintain such ratings with each of Moody's and S&P (including meeting with Moody's and S&P as required and paying any commercially reasonable fees as required by such rating agencies to maintain such ratings).

Section 6.15 Borrower Assumption Agreement. HGI shall deliver a duly executed Borrower Assumption Agreement and the other agreements and confirmations required under Section 4.03 no later than two Business Days after the Closing Date.

Section 6.16 Further Assurances. At any time or from time to time upon the reasonable request of the Administrative Agent, at the expense of the Credit Parties, promptly execute, acknowledge and deliver such further documents and do such other acts and things as the Administrative Agent or the Collateral Agent may reasonably request in order to effect fully the purposes of the Finance Documents or to more fully perfect or renew the rights of the Administrative Agent or the Lenders with respect to the Collateral (or with respect to any additions thereto or replacements or proceeds thereof or with respect to any other property or assets hereafter acquired by the Borrower or any Subsidiary which may be deemed to be part of the Collateral). In furtherance and not in limitation of the foregoing, each Credit Party shall take such actions as the Administrative Agent or the Collateral Agent may reasonably request from time to time to ensure that the Guaranty Obligations are guarantied by the Guarantors and the Senior Obligations are secured by substantially all of the assets of OH Holdings and its Domestic Subsidiaries and all of the outstanding Equity Interests of the Borrower and its Subsidiaries (subject to limitations contained in the Loan Documents with respect to Foreign Subsidiaries). Upon the exercise by the Administrative Agent or the Collateral Agent of any power, right, privilege or remedy pursuant to this Agreement or the other Loan Documents which required any consent, approval, recording, qualification or authorization of any Governmental Authority, the Borrower will, upon the reasonable request of the

Administrative Agent or the Collateral Agent, execute and deliver, or will cause the execution and delivery of, all applications, certifications, instruments and other documents and papers that the Administrative Agent or the Collateral Agent may be required to obtain from OH Holdings or any of its Subsidiaries for such consent, approval, recording, qualification or authorization.

Section 6.17 Post-Closing Undertakings.

(a) The Borrower shall, and shall cause each other Credit Party to, execute, acknowledge and deliver such documents and do such other acts and things as are necessary or desirable to perfect any security interest in any Collateral not perfected on the Closing Date after the Borrower's use of commercially reasonable efforts to do so, to the extent perfection of such Collateral is required under the Finance Documents but is not required by Section 4.01(i) to have occurred on or before the Closing Date, no later than 60 days after the Closing Date (or such later date as the Administrative Agent may agree).

(b) Within the applicable time period specified in Exhibit P (or such later date to which the Administrative Agent consents), complete or cause to be completed each action set forth on Exhibit P.

ARTICLE VII
NEGATIVE COVENANTS

Each of the Credit Parties agrees that so long as any Lender has any Commitment hereunder, any Senior Obligations or other amount payable hereunder or under any Note or other Finance Document or any LC Obligation (in each case other than contingent indemnification obligations) remains unpaid or any Letter of Credit remains unexpired:

Section 7.01 Limitation on Debt. None of the Group Companies will incur, create, assume or permit to exist any Debt, Derivatives Obligations or Synthetic Lease Obligations except:

(i) Debt of the Credit Parties under this Agreement and the other Finance Documents;

(ii) Debt arising under (A) the Senior Notes Indenture and the Senior Notes and (B) the Junior Debentures Indenture and the Junior Debentures (but with respect to this clause (B) not including any renewal, refinancing or extension thereof);

(iii) Capital Lease Obligations and Purchase Money Debt of HGI and its Subsidiaries incurred after the Closing Date to finance Consolidated Capital Expenditures; provided that (A) the aggregate amount of all such Debt (together with refinancing thereof permitted by clause (v) below) does not exceed $5,000,000 at any time outstanding, (B) the Debt when incurred shall not be less than 75% of the lesser of the cost or fair market value as of the time of acquisition of the asset financed, (C) such Debt is issued and any Liens securing such Debt are created concurrently with, or within 180 days after, the acquisition of the asset financed and (D) no Lien securing such Debt shall extend to or cover any property or asset of any Group Company other than the asset so financed;

(iv) Debt of HGI or its Subsidiaries secured by Liens permitted by clauses (xi), (xii) and (xiii) of Section 7.02 or any other Debt acquired or assumed in a Permitted Business Acquisition or in connection with the acquisition of assets; provided that (A) the aggregate principal amount of all Debt acquired or assumed pursuant to this clause (iv) (together

with refinancings thereof permitted by clause (v) below) shall not exceed (x) in the aggregate, $75,000,000 at any time outstanding at any time prior to the first anniversary of the Closing Date, $100,000,000 at any time outstanding at any time on or after the first anniversary of the Closing Date and prior to the second anniversary of the Closing Date and $150,000,000 at any time outstanding at any time on or after the second anniversary of the Closing Date and (y) in the case of any such Debt acquired or assumed by a Credit Party that does not constitute unsecured Subordinated Debt $20,000,000 at any time outstanding and (B) in the case of any such Debt acquired or assumed by a Credit Party, such Debt was not incurred in connection with, or in anticipation of, the events described in such clauses;

(v) Debt (A) of HGI representing a refinancing or replacement of the Senior Notes and Senior Notes Indenture, (B) of Holdings representing a refinancing, replacement or refunding of the Junior Debentures and Junior Debentures Indenture permitted by clause (ii) above, provided that the Required Lenders shall have given their prior written consent to such refinancing, replacement or refunding, which consent shall not be unreasonably withheld or delayed, or (C) of HGI or its Subsidiaries representing a refinancing, replacement or refunding of Debt permitted by clause (iii) or (iv) above, provided in each case that (1) such Debt (the "Refinancing Debt") is an original aggregate principal amount not greater than the aggregate principal amount of, and unpaid interest on, the Debt being refinanced, replaced or refunded plus the amount of any premiums required to be paid thereon and fees and expense associated therewith, (2) such Refinancing Debt has a later or equal final maturity and a larger or equal weighted average life than the Debt being refinanced, replaced or refunded, (3) if the Debt being refinanced, replaced or refunded is subordinated to the Senior Obligations, such Refinancing Debt is subordinated to the Senior Obligations on terms no less favorable to the Lenders than the terms of the Debt being refinanced, replaced or refunded, (4) the covenants, events of default and any Guaranty Obligations in respect thereof shall be no less favorable to the Lenders than those contained in the Debt being refinanced, replaced or refunded and (5) after giving effect to, such refinancing, replacement or refunding, no Default or Event of Default shall have occurred and be continuing;

(vi) Derivatives Obligations of HGI or any Subsidiary under Derivatives Agreements to the extent entered into after the Closing Date in compliance with Section 6.11 or to manage interest rate or foreign currency exchange rate risks and not for speculative purposes;

(vii) Debt owed to any Person providing property, casualty, liability or other insurance to the Borrower or any Subsidiary of the Borrower, so long as such Debt shall not be in excess of the amount of the unpaid cost of, and shall be incurred only to defer the cost of, such insurance for the year in which such Debt is incurred and such Debt shall be outstanding only during such year;

(viii) Debt consisting of Guaranty Obligations (A) by OH Holdings, Holdings, Intermediate Holdings and the other Subsidiary Guarantors in respect of Debt incurred by HGI under the Senior Notes or otherwise permitted to be incurred by HGI or any of its Subsidiaries, provided, however, that all such Guaranty Obligations by OH Holdings, Holdings, Intermediate Holdings and the other Subsidiary Guarantors shall be unsecured, (B) by Holdings in respect of Debt incurred by Hillman Group Capital Trust under the Trust Preferred Securities, (C) by HGI in respect of Debt permitted to be incurred by the Subsidiaries of OH Holdings (other than the Borrower) and (D) by Subsidiaries of OH Holdings (other than the Borrower) of Debt permitted to be incurred by HGI or Subsidiaries of HGI;

(ix) (A) Debt owing to HGI or a Subsidiary of HGI to the extent permitted by Section 7.06(a)(ix), (x), (xi) or (xxii) (but, in the case of Foreign Subsidiaries, subject to the limitations set forth in Section 7.01(xviii)) and (B) Debt owing by HGI to OH Holdings, Holdings or Intermediate Holdings to the extent permitted by (x) Section 7.06(a)(xi) or (y) incurred in connection with tax planning, provided that in the case of (y) the Administrative Agent shall have given its prior consent such consent not to be unreasonably withheld, conditioned or delayed;

(x) contingent liabilities in respect of any indemnification, adjustment of purchase price, earn-out, incentive, non-compete, consulting, deferred compensation and similar obligations of OH Holdings and its Subsidiaries incurred in connection with the Acquisition and Permitted Business Acquisitions;

(xi) Debt of HGI or any of its Subsidiaries that is issued to a seller of assets or a Person the subject of a Permitted Business Acquisition or that is otherwise incurred to fund consideration payable in a Permitted Business Acquisition (and for no other purpose) in a transaction permitted by this Agreement in an aggregate principal amount at any one time outstanding not exceeding $40,000,000; provided that (A) any such Debt that constitutes Subordinated Debt shall be unsecured and (B) any such Debt other than Subordinated Debt shall be unsecured and shall not (together with all Debt assumed pursuant to subclause (A)(y) of the proviso to clause (iv) above) exceed $20,000,000 at any one time outstanding;

(xii) unsecured Debt of OH Holdings, Holdings or Intermediate Holdings representing the obligation of OH Holdings, Holdings or Intermediate Holdings to make payments with respect to the cancellation or repurchase of certain Equity Interests of officers, employees or directors (or their estates) of Holdings and its Subsidiaries, to the extent permitted by Section 7.07(iii);

(xiii) contingent liabilities in respect of any indemnification, adjustment of purchase price, earn-out, incentive, non-compete, consulting, deferred compensation and similar obligations of OH Holdings and its Subsidiaries incurred or assumed in connection with the disposition of any business, assets or a Subsidiary, other than Guaranty Obligations in respect of Debt of any Person acquiring all or any portion of such business, assets or Subsidiary for the purpose of financing such acquisition;

(xiv) Debt in respect of performance bonds, bid bonds, appeal bonds, surety bonds and completion guarantees and similar obligations, in each case provided in the ordinary course of business, including those incurred to secure health, safety and environmental obligations in the ordinary course of business;

(xv) Debt arising from the honoring by a bank or other financial institution of a check, draft or similar instrument drawn against insufficient funds in the ordinary course of business; provided that (A) such Debt (other than credit or purchase cards) is extinguished within three Business Days of its incurrence and (B) such Debt in respect of credit or purchase cards in extinguished within 60 days from its incurrence;

(xvi) accrual of interest on Debt otherwise permitted under this Section 7.01, accretion or amortization of original issue discount with respect to Debt otherwise permitted under this Section 7.01 and/or Debt incurred as a result of payment of interest in kind on Debt otherwise permitted under this Section 7.01;

(xvii) Debt or Synthetic Lease Obligations of HGI and its Subsidiaries not otherwise permitted by this Section 7.01 incurred after the Closing Date in an aggregate principal amount not to exceed $20,000,000 at any time outstanding; provided that no Default or Event of Default shall have occurred and be continuing immediately before and immediately after giving effect to such incurrence; and

(xviii) Debt of Foreign Subsidiaries of HGI in an aggregate principal amount not to exceed (x) $25,000,000 at any time outstanding, if such Debt is incurred, assumed or acquired in connection with a Permitted Business Acquisition or an acquisition of assets and (y) $1,000,000 at any time outstanding, in the case of any other Debt.

Section 7.02 Restriction on Liens. None of the Group Companies will create, incur, assume or permit to exist any Lien on any property or assets (including Equity Interests or other securities of any Person, including any Subsidiary of OH Holdings) now owned or hereafter acquired by it or on any income or rights in respect of any thereof, except Liens described in any of the following clauses (collectively, "Permitted Liens"):

(i) Liens created by the Collateral Documents;

(ii) Liens (other than any Liens imposed by ERISA or pursuant to any Environmental Law) for taxes (including outstanding Chapter 11 taxes), assessments or governmental charges or levies not yet more than 30 days overdue or not required to be paid pursuant to Section 6.05;

(iii) Liens securing the charges, claims, demands or levies of landlords, carriers, warehousemen, suppliers, mechanics, sellers of goods, carriers and other like persons which were incurred in the ordinary course of business and which (A) secure charges, claims, demands, or levies which are not more than 30 days overdue or not required to be paid pursuant to Section 6.05 or (B) do not, individually or in the aggregate, materially detract from the value of the property or assets which are the subject of such Lien or materially impair the use thereof in the operation of the business of the Borrower or any of its Subsidiaries or (C) which are being contested in good faith by appropriate proceedings diligently pursued, which proceedings have the effect of preventing the forfeiture or sale of the property or assets subject to such Lien;

(iv) Liens arising from judgments, decrees or attachments (or securing of appeal bonds with respect thereto) in circumstances not constituting an Event of Default under Section 8.01; provided that no cash or other property (other than proceeds of insurance payable by reason of such judgments, decrees or attachments) the fair value of which exceeds $5,000,000 is deposited or delivered to secure any such judgment, decree or award, or any appeal bond in respect thereof;

(v) Liens (other than any Liens imposed by ERISA or pursuant to any Environmental Law) not securing Debt or Derivatives Obligations incurred or deposits made in the ordinary course of business in connection with workers' compensation, unemployment insurance and other types of social security and other similar obligations incurred in the ordinary course of business;

(vi) Liens (including pledges or deposits) securing obligations in respect of surety bonds (other than appeal bonds), bids, trade contracts, public or statutory obligations, leases, government contracts, performance and return-of-money bonds and other similar obligations incurred in the ordinary course of business;

(vii) pledges or deposits of cash and Cash Equivalents securing deductibles, self-insurance, co-payment, co-insurance, retentions and similar obligations to providers of insurance on the ordinary cause of business;

(viii) zoning restrictions, building codes, easements, rights of way, licenses, reservations, covenants, conditions, waivers, restrictions on the use of property or other minor encumbrances or irregularities of title not securing Debt or Derivatives Obligations which do not, individually or in the aggregate, materially impair the use of any Mortgaged Property in the operation or business of OH Holdings or any of its Subsidiaries and any other matters affecting title that would not have a material adverse effect on the use or value of the affected property;

(ix) Permitted Encumbrances;

(x) Liens securing Capital Lease Obligations and Purchase Money Debt permitted to be incurred underSection 7.01 (iii) and Liens securing Debt of Foreign Subsidiaries permitted under Section 7.01 (xviii);

(xi) any Lien existing on any asset of any Person at the time such Person becomes a Subsidiary of the Borrower pursuant to a Permitted Business Acquisition and not created in contemplation of such event;

(xii) any Lien on any asset of any Person existing at the time such Person is merged or consolidated with or into the Borrower or a Subsidiary of the Borrower pursuant to a Permitted Business Acquisition and not created in contemplation of such event;

(xiii) any Lien existing on any asset prior to the acquisition thereof by the Borrower or a Subsidiary of the Borrower pursuant to a Permitted Business Acquisition and not created in contemplation of such acquisition;

(xiv) any Lien securing Refinancing Debt in respect of any Debt of the Borrower or any Subsidiary of the Borrower secured by any Lien permitted by clauses (xi), (xii), (xiii) or (xxi) of this Section 7.02; provided that such Debt is not secured by any additional assets;

(xv) Liens arising solely by virtue of any statutory or common law provision relating to banker's liens, rights of set-off or similar rights, in each case incurred in the ordinary course of business and not given in connection with the incurrence of Debt;

(xvi) licenses, sublicenses, leases or subleases granted by a Group Company as lessor to third Persons in the ordinary course of business not interfering in any material respect with the business of any Group Company;

(xvii) Liens on (A) incurred premiums, dividends and rebates which may become payable under insurance policies and loss payments which reduce the incurred premiums on such insurance policies and (B) rights which may arise under State insurance guarantee funds relating to any such insurance policy, in each case securing Debt permitted to be incurred pursuant to Section 7.01(vii);

(xviii) any (A) Lien not securing any Debt, Derivatives Obligations or Synthetic Lease Obligations constituting an interest or title of a licensor, lessor or sublicensor or sublessor under any Operating Lease or license entered into by the Borrower or any of its Subsidiaries in compliance with this Agreement or (B) Lien resulting from the subordination by any such lessor

or sublessor of its interest or title under such Operating Lease to any Lien described in subparagraph (viii) above; provided that the holder of such Lien or restriction agrees in writing to recognize the rights of such lessee or sublessee under such Operating Lease;

(xix) Liens in favor of customs and revenue authorities arising as a matter of Law to secure payment of customs duties in connection with the importation of goods;

(xx) Liens securing obligations (other than Debt or Derivatives Obligations) under operating, reciprocal easement or similar agreements entered into in the ordinary course of business of the Borrower and its Subsidiaries;

(xxi) [reserved]

(xxii) Liens solely on any cash earnest money deposits made by the Borrower or any of its Subsidiaries in connection with any letter of intent or purchase agreement with respect to a Permitted Business Acquisition;

(xxiii) Liens upon specific items or inventory or other goods and proceeds of the Borrower or any of its Subsidiaries securing such Person's obligations in respect of bankers' acceptances or documentary letters of credit issued or created for the account of such Person to facilitate the shipment or storage of such inventory or other goods; and

(xxiv) Liens deemed to exist in the ordinary course in connection with Cash Equivalents;

(xxv) other Liens incurred by the Borrower and its Subsidiaries if the aggregate amount of the obligations secured thereby do not exceed at any time $15,000,000;

(xxvi) licenses of Intellectual Property granted by a Group Company in the ordinary course of business, provided that such licenses are not exclusive licenses that are also irrevocable or perpetual in duration;

(xxvii) Liens on assets of Foreign Subsidiaries and non-Wholly Owned Domestic Subsidiaries securing Debt incurred pursuant to Section 7.01(xviii); and

(xxviii) Liens as to which the fee interest (or any other superior interest) in real property leased by the Borrower or any of its Subsidiaries is subject.

Section 7.03 Nature of Business. None of the Group Companies will alter in any material respect the character of the business conducted by such Person as of the Closing Date except that the Borrower and its Subsidiaries may engage in reasonable extensions thereof and in business reasonably related, ancillary or complementary thereto.

Section 7.04 Consolidation, Merger and Dissolution. Except in connection with an Asset Disposition permitted by the terms of Section 7.05, none of the Group Companies will enter into any transaction of merger or consolidation or liquidate, wind up or dissolve itself or its affairs (or suffer any liquidations or dissolutions); provided that:

(i) the Acquisition shall be permitted;

(ii) any Domestic Subsidiary of the Borrower may merge with and into, or be voluntarily dissolved or liquidated into, the Borrower, so long as (A) the Borrower is the surviving corporation of such merger, dissolution or liquidation, (B) the security interests granted to the Collateral Agent for the benefit of the Finance Parties pursuant to the Collateral Documents in the assets of the Borrower and such Domestic Subsidiary so merged, dissolved or liquidated shall remain in full force and effect and perfected (to at least the same extent as in effect immediately prior to such merger, dissolution or liquidation), (C) no Default or Event of Default shall have occurred and be continuing immediately before or immediately after giving effect to such transaction and (D) no Person other than the Borrower or a Subsidiary Guarantor receives any consideration in respect or as a result of such transaction;

(iii) any Domestic Subsidiary of the Borrower may merge with and into, or be voluntarily dissolved or liquidated into, any other Domestic Subsidiary of the Borrower, so long as (A) in the case of any such merger, dissolution or liquidation involving one or more Subsidiary Guarantors, (y) a Subsidiary Guarantor is the surviving corporation of such merger, dissolution or liquidation, (z) no Person other than the Borrower or a Subsidiary Guarantor receives any consideration in respect of or as a result of such transaction, (B) the security interests granted to the Collateral Agent for the benefit of the Finance Parties pursuant to the Collateral Documents in the assets of each Domestic Subsidiary so merged, dissolved or liquidated and in the Equity Interests of the surviving entity of such merger dissolution or liquidation shall remain in full force and effect and perfected (to at least the same extent as in effect immediately prior to such merger, dissolution or liquidation) and (C) no Default or Event of Default shall have occurred and be continuing immediately before or immediately after giving effect to such transaction;

(iv) any Foreign Subsidiary of the Borrower may be merged with and into, or be voluntarily dissolved or liquidated into, the Borrower or any Subsidiary of the Borrower, so long as (A) in the case of any such merger, dissolution or liquidation involving one or more Subsidiary Guarantors, (y) the Borrower or a Subsidiary Guarantor, as the case may be, is the surviving corporation of any such merger, dissolution or liquidation and (z) no Person other than the Borrower or a Subsidiary Guarantor receives any consideration in respect of or as a result of such transaction, (B) the security interests granted to the Collateral Agent for the benefit of the Finance Parties pursuant to the Collateral Documents in the assets of such Foreign Subsidiary, if any, and the Borrower or such other Subsidiary, as the case may be, and in Equity Interests of the surviving entity of such merger, dissolution or liquidation shall remain in full force and effect and perfected (to at least the same extent as in effect immediately prior to such merger, dissolution or liquidation) and (C) no Default or Event of Default shall have occurred and be continuing immediately before or immediately after giving effect to such transaction;

(v) the Borrower or any Subsidiary of the Borrower may merge with any Person (other than Holdings) in connection with a Permitted Business Acquisition if (A) in the case of any such merger involving the Borrower, the Borrower shall be the continuing or surviving corporation in such merger, (B) in the case of any such merger involving a Subsidiary Guarantor, such Subsidiary Guarantor, as the case may be, shall be the continuing or surviving corporation in such merger or the continuing or surviving corporation in such merger shall, simultaneously with the consummation of such merger, become a Subsidiary Guarantor having all the responsibilities and obligations of the Subsidiary Guarantor so merged, or (C) the Credit Parties shall cause to be executed and delivered such documents, instruments and certificates as the Administrative Agent may reasonably request so as to cause the Credit Parties to be in compliance with the terms of Section 6.10 after giving effect to such transactions;

(vi) any Foreign Subsidiary of the Borrower may be merged with and into, or be voluntarily dissolved or liquidated into, any other Foreign Subsidiary of the Borrower; and

(vii) (1) OH Holdings may be merged with and into, or be voluntarily dissolved or liquidated into, Holdings or Intermediate Holdings, as long as either OH Holdings, Holdings, or Intermediate Holdings, as applicable, shall be the continuing or surviving corporation; (2) Intermediate Holdings may be merged with and into, or be voluntarily dissolved or liquidated into, OH Holdings or Holdings, as long as either OH Holdings, Holdings, or Intermediate Holdings, as applicable, shall be the continuing or surviving corporation and (3) Holdings may be merged with and into, or be voluntarily dissolved or liquidated into, OH Holdings or Intermediate Holdings, as long as either OH Holdings, Holdings, or Intermediate Holdings, as applicable, shall be the continuing or surviving corporation.

In the case of any merger or consolidation permitted by this Section 7.04 of any Subsidiary of OH Holdings which is not a Credit Party into a Credit Party, the Credit Parties shall cause to be executed and delivered such documents, instruments and certificates as the Administrative Agent may reasonably request so as to cause the Credit Parties to be in compliance with the terms of Section 6.10 after giving effect to such transaction. Notwithstanding anything to the contrary contained above in this Section 7.04, no action shall be permitted which results in a Change of Control.

Section 7.05 Asset Dispositions. None of the Group Companies will make any Asset Disposition; provided that:

(i) any Group Company may sell inventory in the ordinary course of business on an arms'-length basis;

(ii) the Borrower may make any Asset Disposition to any of the Subsidiary Guarantors if (A) the Credit Parties shall cause to be executed and delivered such documents, instruments and certificates as the Administrative Agent or the Collateral Agent may request so as to cause the Credit Parties to be in compliance with the terms of Section 6.10 after giving effect to such Asset Disposition and (B) after giving effect to such Asset Disposition, no Default or Event of Default exists;

(iii) the Borrower and its Subsidiaries may liquidate or sell Cash Equivalents;

(iv) the Borrower or any of its Subsidiaries may sell, lease, transfer, assign or otherwise dispose of assets (other than in connection with any Casualty or Condemnation) to any other Person provided that the aggregate fair market value of all property disposed of pursuant to this clause (iv) does not exceed $3,000,000 in the aggregate in any fiscal year of the Borrower or $10,000,000 in the aggregate from and after the Closing Date;

(v) the Borrower or any of its Subsidiaries may dispose of machinery or equipment which will be replaced or upgraded with machinery or equipment put to a similar use and owned, or otherwise used or useful in the ordinary course of business of and owned by such Person; provided that (A) such replacement or upgraded machinery and equipment is acquired within 365 days after such disposition, and (B) upon their acquisition, such replacement assets become subject to the Lien of the Collateral Agent under the Collateral Documents (to the extent in effect immediately prior to such disposition);

(vi) the Borrower or any of its Subsidiaries may in the ordinary course of business and in a commercially reasonable manner, dispose of obsolete, worn-out or surplus tangible assets and other excess property no longer used or useful in the ordinary course of business;

(vii) any Group Company may enter into any Sale/Leaseback Transaction not prohibited by Section 7.13;

(viii) any Subsidiary of the Borrower may sell, lease or otherwise transfer (x) any or all or substantially all of its assets (including any such transaction effected by way of merger or consolidation) to the Borrower or any Wholly-Owned Domestic Subsidiary of the Borrower, so long as (A) the security interests granted to the Collateral Agent for the benefit of the Finance Parties pursuant to the Collateral Documents in such assets shall remain in full force and effect and perfected (to at least the same extent as in effect immediately prior to such sale, lease or other transfer) and (B) after giving effect to such Asset Disposition, no Default or Event of Default exists, and (y) assets to Foreign Subsidiaries or non-Wholly-Owned Domestic Subsidiaries to the extent permitted by Section 7.06(x);

(ix) any non-Wholly-Owned Domestic Subsidiary or Foreign Subsidiary of the Borrower may sell, lease or otherwise transfer any or all or substantially all of its assets (including any such transactions effected by way of merger or consolidation) to any other non-Wholly-Owned Domestic Subsidiary or Foreign Subsidiary of the Borrower, so long as the security interests granted to the Collateral Agent for the benefit of the Finance Parties pursuant to the Collateral Documents in such assets, if any, shall remain in full force and effect and perfected (to at least the same extent as in effect immediately prior to such sale, lease or other transfer);

(x) any Group Company may (A) lease, as lessor or sublessor, or license, as licensor or sublicensor, real or personal property (including Intellectual Property) in the ordinary course of business and not interfering in any material respect with the business of such Group Company and (B) grant options to purchase, lease or acquire real or personal property in the ordinary course of business, so long as the Asset Disposition resulting from the exercise of such option would otherwise be permitted under this Section 7.05;

(xi) any Group Company may dispose of defaulted receivables and similar obligations in the ordinary course of business and not as part of an accounts receivable financing transaction;

(xii) any Group Company may dispose of non-core assets acquired in connection with Permitted Business Acquisitions;

(xiii) [reserved];

(xiv) any Group Company may make one or more Asset Dispositions in connection with a like-kind exchange pursuant to Section 1031 of the Code; provided that the Borrower shall have delivered to the Administrative Agent a Pro-Forma Compliance Certificate demonstrating that upon giving effect on a Pro-Forma Basis to such transaction, the Credit Parties will be in compliance with all of the financial covenants set forth in Section 7.16(a) as of the last day of the most recent period of four consecutive fiscal quarters of Holdings which precedes or ends on the date of such transaction and with respect to which the Administrative Agent has received the consolidated financial information required under Section 6.01(a) or (b) and the officer's certificate required under Section 6.01(c);

(xv) any Group Company may sell or dispose of Equity Interests in its Subsidiaries to qualify directors where required by applicable law or to satisfy other requirements of applicable law with respect to the ownership of Equity Interests of Foreign Subsidiaries; and

(xvi) any Group Company may make any other Asset Disposition; provided that (A) at least 75% of the consideration therefor is cash or Cash Equivalents; (B) if such transaction is a Sale/Leaseback Transaction, such transaction is permitted by Section 7.01 and Section 7.13; (C) such transaction does not involve the sale or other disposition of a minority Equity Interest in any Group Company; (D) the aggregate fair market value of all assets sold or otherwise disposed of by the Group Companies in all such transactions in reliance on this clause (xvi) shall not exceed $10,000,000 in the aggregate from and after the Closing Date; and (E) no Default or Event of Default shall have occurred and be continuing immediately before or immediately after giving effect to such transaction.

Upon consummation of an Asset Disposition permitted under this Section 7.05, the Lien therein created (but not the Lien on any proceeds thereof) under the Collateral Documents shall be automatically released and the Administrative Agent shall (or shall cause the Collateral Agent to) (to the extent applicable) deliver to the Borrower, upon the Borrower's request and at the Borrower's expense, such documentation as is reasonably necessary to evidence the release of the Collateral Agent's security interests, if any, in the assets being disposed of, including amendments or terminations of Uniform Commercial Code Financing Statements, if any, the return of stock certificates, if any, and the release of any Subsidiary being disposed of in its entirety from all of its obligations, if any, under the Finance Documents.

Section 7.06 Investments.

(a) *Investments*. None of the Group Companies will hold, make or acquire, any Investment in any Person, except the following:

(i) Investments existing on the date hereof in Persons which are Subsidiaries on the date hereof;

(ii) OH Holdings, Holdings, HGI, Intermediate Holdings or any Subsidiary of HGI may invest in cash and Cash Equivalents;

(iii) OH Holdings, Holdings or Intermediate Holdings may acquire and hold obligations of one or more officers or other employees of OH Holdings, Holdings or any of its Subsidiaries in connection with such officers' or employees' acquisition of Equity Interests of OH Holdings, Holdings or Intermediate Holdings, so long as no cash is paid by OH Holdings or any of its Subsidiaries to such officers or employees in connection with the acquisition of any such obligations or such cash is immediately reinvested in such Equity Interests;

(iv) HGI and any Subsidiary of HGI may acquire and hold receivables not constituting Debt owing to them, if created or acquired in the ordinary course of business;

(v) HGI and each Subsidiary of HGI may acquire and own Investments (including Debt obligations) received in connection with the bankruptcy or reorganization of suppliers and customers and in settlement of delinquent obligations of, and other disputes with, customers and suppliers arising in the ordinary course of business;

(vi) deposits by HGI or any Subsidiary of HGI made in the ordinary course of business consistent with past practices to secure the performance of leases shall be permitted;

(vii) OH Holdings may make equity contributions to the capital of Holdings which may make equity contributions to the capital of Intermediate Holdings which may make equity contributions to the capital of HGI and each of OH Holdings, Holdings and Intermediate Holdings may incur Guaranty Obligations permitted under Section 7.01(viii);

(viii) Holdings and Intermediate Holdings may hold (1) the Trust Common Securities and (2) promissory notes issued by Borrower and Intermediate Holdings;

(ix) HGI may make Investments in any of its Wholly-Owned Domestic Subsidiaries and any Subsidiary of HGI may make Investments in HGI or any Wholly-Owned Domestic Subsidiary of HGI; provided that (A) each item of intercompany Debt evidencing intercompany loans and advances made by a Foreign Subsidiary or a non-Wholly-Owned Domestic Subsidiary to HGI or a Wholly-Owned Domestic Subsidiary of HGI shall be evidenced by a promissory note in the form of Exhibit G hereto containing the subordination provisions set forth inExhibit H hereto and (B) each promissory note evidencing intercompany loans and advances payable to a Credit Party shall be pledged to the Collateral Agent pursuant to the Collateral Documents;

(x) HGI and its Subsidiaries may make Investments in any Foreign Subsidiary or any non-Wholly-Owned Domestic Subsidiary of HGI (A) in the case of Investments by HGI or any Wholly-Owned Domestic Subsidiary of HGI, in an aggregate amount (determined without regard to any write-downs or write-offs of any such Investments constituting Debt excluding any portion thereof funded with proceeds of a Qualifying Equity Issuance) and together with the fair market value of all assets transferred pursuant to Section 7.05(viii) at any one time outstanding not exceeding (x) when aggregated with the amount of any Investments made pursuant to Section 7.06(a)((xviii), $50,000,000, if such Investment is made in connection with a Permitted Business Acquisition or any acquisition of assets, and (y) $5,000,000, in the case of any other Investment, and (B) to the extent such Investments arise from the sale of inventory in the ordinary course of business by HGI or such Subsidiary to such Foreign Subsidiary or non-Wholly-Owned Domestic Subsidiary for resale by such Foreign Subsidiary or non-Wholly-Owned Domestic Subsidiary (including any such Investments resulting from the extension of the payment terms with respect to such sales); provided that each promissory note evidencing intercompany loans and advances (other than promissory notes (A) issued by Foreign Subsidiaries of HGI to HGI or any of its Domestic Subsidiaries or (B) held by Foreign Subsidiaries of HGI, in each case except to the extent provided in Section 6.10(d)) or non-Wholly-Owned Subsidiaries of HGI who are not and are not required to be Credit Parties) shall be pledged to the Collateral Agent pursuant to the Collateral Documents;

(xi) so long as no Default or Event of Default is then in existence or would otherwise arise therefrom, HGI may make Investments in Holdings and Intermediate Holdings, provided that (A) all proceeds thereof are applied by Holdings or passed on by Intermediate Holdings to Holdings solely for the purposes of Section 7.08(d); (B) no such Investment shall be made if an interest payment in respect of the Junior Debentures could not, but for such Investment, be made in accordance with Section 7.08(d); and (C) each item of intercompany Debt evidencing intercompany loans and advances made by the Borrower to Holdings or Intermediate Holdings shall be evidenced by a promissory note in the form of Exhibit G hereto containing the subordination provisions set forth inExhibit H hereto;

(xii) HGI and its Subsidiaries may make transfers of assets to HGI and its Subsidiaries in accordance with Section 7.05(viii) and (ix) and in connection with mergers and consolidations permitted under Section 7.04;

(xiii) HGI and its Subsidiaries may purchase inventory, machinery, equipment and other assets in the ordinary course of business;

(xiv) HGI and its Subsidiaries may make expenditures in respect of Permitted Business Acquisitions;

(xv) HGI or any of its Subsidiaries may make loans and advances to employees of Holdings and its Subsidiaries for moving and travel and other similar expenses, in each case in the ordinary course of business, in an aggregate principal amount not to exceed $500,000 at any one time outstanding (determined without regard to any write-downs or write-offs of such loans and advances);

(xvi) (i) HGI or any of its Subsidiaries may make loans and advances to OH Holdings, Holdings and Intermediate Holdings, (ii) Intermediate Holdings may make loans and advances to Holdings and OH Holdings and (iii) Holdings may make Loans and advances to OH Holdings, in each case, for the purposes and in the amounts necessary to make payments described in Section 7.07;

(xvii) Holdings and Intermediate Holdings may redeem or repurchase Equity Interests to the extent permitted by Section 7.07;

(xviii) HGI and its Subsidiaries may make Investments in Permitted Joint Ventures in an aggregate amount (determined without regard to any write-downs or write-offs of any such Investments constituting Debt but excluding any portion thereof funded with proceeds of an Qualifying Equity Issuance) at any one time outstanding not exceeding (x) when aggregated with the amount of any Investments made pursuant to Section 7.06(a)(x)(A)(x), $50,000,000, if such Investment is made by a Foreign Subsidiary or in connection with any Permitted Business Acquisition of a Person that will become a Foreign Subsidiary, and (y) $5,000,000, in the case of any other Investment;

(xix) [reserved];

(xx) Investments arising out of the receipt by HGI or any of its Subsidiaries of noncash consideration for the sale of assets permitted under Section 7.05;

(xxi) Investments resulting from pledges and deposits specifically referred to in Section 7.02;

(xxii) other Investments not otherwise permitted by this Section 7.06 in an aggregate amount (determined without regard to any write-downs or write-offs of any such Investments constituting Debt but excluding any portion thereof funded with proceeds of an Qualifying Equity Issuance) at any time outstanding not exceeding the sum of (A) $5,000,000 plus (B) an amount, not exceeding $5,000,000 in the aggregate, equal to that portion of Excess Cash Flow for the fiscal years ended after the Closing Date, if any, not required to be used to prepay the Loans or Cash Collateralize LC Obligations in accordance with Section 2.09; and

(xxiii) customary extensions of trade credit with customers in the ordinary course of business;

provided that no Group Company may make or own any Investment in Margin Stock in violation of Regulation U.

(b) *Limitation on the Creation of Subsidiaries*. No Group Company will establish, create or acquire after the Closing Date any Subsidiary;provided that HGI and its Subsidiaries shall be permitted to establish, create or acquire Subsidiaries so long as (i) at least 5 days' prior written notice thereof is given to the Administrative Agent, (ii) the Investment resulting from such establishment, creation or acquisition is permitted pursuant to Section 7.06(a) above, (iii) the capital stock or other equity interests of such new Subsidiary (other than a Foreign Subsidiary, except for 65% of such equity interests, if such Foreign Subsidiary is a direct Foreign Subsidiary) is pledged pursuant to, and to the extent required by, the Pledge Agreement and the certificates representing such interests, together with transfer powers duly executed in blank, are delivered to the Collateral Agent, (iv) such new Subsidiary (other than a Foreign Subsidiary) executes a counterpart of the Accession Agreement, the Guaranty, the Security Agreement and the Pledge Agreement to the extent required by Section 6.10(b), and (v) such new Subsidiary, to the extent requested by the Administrative Agent, takes all other actions required pursuant to Section 6.10.

Section 7.07 Restricted Payments, etc. None of the Group Companies will declare or pay any Restricted Payments (other than Restricted Payments payable solely in Equity Interests (exclusive of Debt Equivalents) of such Person), except that:

(i) any Wholly-Owned Subsidiary of the Borrower may make Restricted Payments to the Borrower or to any Wholly-Owned Subsidiary of the Borrower;

(ii) any non-Wholly-Owned Subsidiary of the Borrower may make Restricted Payments to the Borrower or to any Wholly-Owned Subsidiary of the Borrower or ratably to all holders of its outstanding Equity Interests;

(iii) OH Holdings, Holdings and Intermediate Holdings may redeem or repurchase Equity Interests (or Equity Equivalents) or to make payments on notes issued in connection with the prior redemption or purchase of such Equity Interests and permitted pursuant to Section 7.01(xii) from (A) officers, employees and directors of any Group Company (or their estates, spouses or former spouses) upon the death, permanent disability, retirement or termination of employment of any such Person or otherwise or (B) other holders of Equity Interests or Equity Equivalents in OH Holdings, Holdings and Intermediate Holdings, so long as the purpose of such purchase is to acquire stock for reissuance to new officers, employees and directors (or their estates) of any Group Company, to the extent so reissued within 12 months of any such purchase; provided that in all such cases (A) no Default or Event of Default is then in existence or would otherwise arise therefrom, (B) the aggregate amount of all cash distributed by the Borrower directly or indirectly to OH Holdings, Holdings and Intermediate Holdings in respect of all such shares so redeemed or repurchased (or otherwise spent by OH Holdings, Holdings and Intermediate Holdings) does not exceed $2,000,000 in any fiscal year of Holdings (with unused amounts of up to $1,000,000 being carried forward to succeeding fiscal years for a total of up to $3,000,000 in any fiscal year), and provided further that OH Holdings, Holdings and Intermediate Holdings may purchase, redeem or otherwise acquire Equity Interests and Equity Equivalents of OH Holdings, Holdings and Intermediate Holdings pursuant to this clause (iii) without regard to the restrictions set forth in the first proviso above for consideration consisting of the proceeds of key man life insurance obtained for the purposes described in this clause (iii);

(iv) so long as no Default or Event of Default is then in existence or would otherwise arise therefrom, HGI may make cash Restricted Payments, directly or indirectly, to OH Holdings, Holdings and Intermediate Holdings, if OH Holdings, Holdings and Intermediate Holdings promptly use such proceeds for the purposes described in clause (iii) above;

(v) HGI, Intermediate Holdings and Holdings may make cash Restricted Payments, directly or indirectly, to Intermediate Holdings, Holdings or OH Holdings, (as the case may be) for the purpose of paying, and in amounts not to exceed the amount necessary to pay, (A) the then currently due fees and expenses of OH Holdings' counsel, accountants and other advisors and consultants, and other operating and administrative expenses of OH Holdings (including employee and compensation expenditures and other similar costs and expenses) incurred in the ordinary course of business that are for the benefit of, or are attributable to, or are related to, including the financing or refinancing of, OH Holdings' Investment in the Borrower and its Subsidiaries, (B) the then currently due fees and expenses of OH Holdings' independent directors and observers and (C) so long as no Default or Event of Default is then in existence or would arise therefrom, other fees and expenses permitted under Section 7.09;

(vi) HGI may pay directly or indirectly to Intermediate Holdings or the direct or indirect parent of Intermediate Holdings the amount that Intermediate Holdings or a direct or indirect parent of Intermediate Holdings is required to pay for federal, state, local income, franchise or similar taxes as the common parent of an affiliated group (within the meaning of Section 1504 of the Code) or a combined or unitary group of corporations of which HGI is a member and quarterly or annual payments for other taxes incurred by Intermediate Holdings or its direct or indirect parent (but only to the extent that such other taxes constitute franchise taxes or relate to the operations of, or such persons' direct or indirect ownership of, HGI and its subsidiaries); provided that (A) such payments with respect to income, franchise or similar taxes may be made only in respect of the period during which HGI is consolidated, combined, or affiliated with OH Holdings, Holdings, or Intermediate Holdings for purposes of the payment of such taxes and (B) such payments with respect to income, franchise or similar taxes shall not exceed the aggregate amount that the Borrower reasonably estimates would be payable by HGI and its Subsidiaries if they filed a separate consolidated return with HGI as the parent, determined without giving effect to any deductions for amounts payable to Intermediate Holdings or the direct or indirect parent of Intermediate Holdings that have not been paid in cash.

(vii) so long as no Default or Event of Default is then in existence or would otherwise arise therefrom, HGI may make Restricted Payments to OH Holdings, directly or indirectly, provided that (A) all proceeds thereof are applied by OH Holdings solely for the purposes ofSection 7.08(d); and (B) no such Restricted Payment shall be made if an interest payment in respect of the Junior Debentures could not, but for such Restricted Payment, be made in accordance with Section 7.08(d);

(viii) OH Holdings may make Restricted Payments made with Net Cash Proceeds of one or more Qualifying Equity Issuances within three Business Days following the receipt thereof; provided that, after giving effect to such Restricted Payment, no Change of Control shall have occurred;

(ix) OH Holdings may make noncash repurchases of Equity Interests deemed to occur upon exercise of stock options if such Equity Interests represent a portion of the exercise price of such options;

(x) cash payments may be made by OH Holdings in lieu of the issuance of fractional shares upon exercise or conversion of Equity Equivalents; and

(xi) payments in respect of Subordinated Debt may be made in accordance with Section 7.08.

Section 7.08 Prepayments of Debt, etc.

(a) *Amendments of Agreements*. None of the Group Companies will, or will permit any of their respective Subsidiaries to, after the issuance thereof, amend, waive or modify (or permit the amendment, waiver or modification of) any of the terms, agreements, covenants or conditions of or applicable to (i) the Senior Notes or (ii) the Junior Debentures or any other Subordinated Debt issued by such Group Company if such amendment, waiver or modification would add or change any terms, agreements, covenants or conditions in any manner materially adverse to any Group Company, or shorten the final maturity or average life to maturity or require any payment to be made sooner than originally scheduled or increase the interest rate applicable thereto or change any subordination provision thereof.

(b) *Prohibition Against Certain Payments of Principal and Interest of Other Debt*. Except as provided in subsection (c) or (d) below, none of the Group Companies will (i) directly or indirectly, redeem, purchase, prepay, retire, defease or otherwise acquire for value, prior to scheduled maturity, scheduled repayment or scheduled sinking fund payment, the Senior Notes, any Debt incurred pursuant to Section 7.01(v) or any Subordinated Debt, or set aside any funds for such purpose, whether such redemption, purchase, prepayment, retirement or acquisition is made at the option of the maker or at the option of the holder thereof, and whether or not any such redemption, purchase, prepayment, retirement or acquisition is required under the terms and conditions applicable to such Debt or (ii) make any interest or other payment in respect of the Senior Notes, any Debt incurred pursuant to Section 7.01(v) or any Subordinated Debt.

(c) *Certain Allowed Payments in Respect of Debt*. Holdings, HGI and any of its Subsidiaries may (i) make interest payments as and when due in respect of the Senior Notes, Debt incurred pursuant to Section 7.01(v) and any Subordinated Debt (other than the Junior Debentures, as to which clause (d) below applies) of HGI entered into in compliance with Section 7.01; (ii) refinance the Senior Notes and Subordinated Debt to the extent expressly permitted under Section 7.01, in each case other than any such payments prohibited by the subordination provisions of any Subordinated Debt; (iii) exchange Senior Notes, Debt incurred pursuant to Section 7.01(v) and Subordinated Debt of OH Holdings or any of its Subsidiaries for Equity Interests issued by OH Holdings or redeem or repay with the proceeds of Qualified Equity Issuances; (iv) permit the cancellation or forgiveness of Subordinated Debt of OH Holdings or any of its Subsidiaries; and (v) make optional redemptions or prepayments of principal of the Senior Notes or Debt incurred pursuant to Section 7.01(v)(A) if (x) no Default or Event of Default shall have occurred and be continuing at the time of such redemption or prepayment, (y) Holdings shall have delivered to the Administrative Agent a Pro-Forma Compliance Certificate demonstrating that upon giving effect to such payments on a Pro-Forma Basis, including as if such payments were made in the prior period of calculation (with pro-forma adjustments satisfactory to the Administrative Agent), the Secured Leverage Ratio as of the last day of the most recently ended fiscal quarter of Holdings and its Consolidated Subsidiaries for the period of four consecutive fiscal quarters of Holdings and its Consolidated Subsidiaries then ended, taken as a single accounting period, will not exceed 2.25:1.00 and (z) the aggregate amount expended in respect of all such redemptions and prepayments shall not exceed $20,000,000 plus, during any fiscal year of Holdings after December 31, 2011, that portion of Excess Cash Flow for the prior fiscal year that is not required to prepay the Term Loans in accordance with Section 2.09(b)(iii).

(d) *Allowed Payments in Respect of the Junior Debentures*.

(i) Holdings may make (A) interest payments as and when due and (B) payments of deferred interest (or a portion thereof) in respect of the Junior Debentures in each case if (x) such payments are used solely to make dividend payments under the Trust Preferred Securities, (y) Holdings shall have delivered to the Administrative Agent a Pro-Forma

Compliance Certificate demonstrating that upon giving effect to such payments on a Pro-Forma Basis, including as if such payments under clause (A) and (B) were made in the prior period of calculation (with pro-forma adjustments satisfactory to the Administrative Agent), the Interest Coverage Ratio as of the last day of the most recently ended fiscal quarter of Holdings and its Consolidated Subsidiaries ending during any period described below, in each case for the period of four consecutive fiscal quarters of Holdings and its Consolidated Subsidiaries then ended, taken as a single accounting period, will not be less than the ratio set forth below opposite the period during which such fiscal quarter ends:

Fiscal Quarters Ended During	Ratio
7/1/10 through 12/31/12	2.25:1.00
1/1/13 through 3/31/14	2.50:1.00
Thereafter	2.75:1.00

(ii) In the event that Holdings cannot make a payment pursuant to the terms of paragraph (i) above, Holdings will within 5 Business Days after the calculation under clause (i) above prior to the relevant scheduled interest payment date under the Junior Debentures serve a notice on the Junior Debenture Holders of an Extension Period for a period of not less than six months (as such term is defined in the Junior Debentures Indenture) (an "Extension Notice"), with a copy of such notice, certified as true and correct, to be simultaneously delivered to the Administrative Agent; and

(iii) Holdings hereby irrevocably appoints the Administrative Agent as its attorney-in-fact (with full power of substitution and delegation) in its name and on its behalf to serve an Extension Notice on the Junior Debentures Holders, in the event that Holdings does not deliver an Extension Notice to the Junior Debentures Holders and the Administrative Agent within the applicable period as prescribed in paragraph (ii) above.

Section 7.09 Transactions with Affiliates. None of the Group Companies will engage in any transaction or series of transactions with any Affiliate or Subsidiary of OH Holdings other than:

(i) [reserved];

(ii) reimbursement of reasonable out-of-pocket expenses not to exceed $1,000,000 in any year plus indemnities pursuant to the Expense Reimbursement Agreement, dated as of May 28, 2010, by and between HGI and the Sponsor;

(iii) transfers of assets to any Credit Party other than OH Holdings permitted by Section 7.05;

(iv) transactions expressly permitted by Section 7.01, Section 7.04, Section 7.05, Section 7.06 or Section 7.07;

(v) normal compensation, indemnities and reimbursement of reasonable expenses of officers, directors and board observers;

(vi) other transactions in existence on the Closing Date to the extent disclosed in Schedule 7.09;

(vii) any transaction entered into among the Borrower and its Wholly-Owned Subsidiaries or among such Wholly-Owned Subsidiaries;

(viii) preemptive rights held by Permitted Investors in respect of the Equity Interests of OH Holdings, Holdings or Intermediate Holdings; and

(ix) so long as no Default or Event of Default has occurred and is continuing, other transactions which are engaged in by the Borrower or any of its Subsidiaries in the ordinary course of its business on terms and conditions substantially as favorable to such Person as would be obtainable by it in a comparable arms'-length transaction with an independent, unrelated third party.

Notwithstanding the foregoing, none of OH Holdings or any of its Subsidiaries will enter into any management, consulting or similar agreement or arrangement with, or otherwise pay any professional, consulting, management or similar fees to or for the benefit of, the Sponsor or its successors or transferees, except for payments permitted under clause (ii), (vi) or (viii) above.

Section 7.10 Fiscal Year; Organizational and Other Documents. None of the Group Companies will (i) change its fiscal year or (ii) consent to any amendment, modification or supplement that is adverse in any material respect to the Lenders to its articles or certificate of incorporation, bylaws (or analogous organizational documents), the Acquisition Documents, or any agreement entered into by it with respect to its Equity Interests (including the Capitalization Documents), in each case as in effect on the Closing Date. The Borrower will cause the Group Companies to promptly provide the Lenders with copies of all amendments to the foregoing documents and instruments as in effect as of the Closing Date.

Section 7.11 Restrictions with Respect to Intercorporate Transfers. None of the Group Companies will create or otherwise cause or permit to exist any consensual encumbrance or restriction which prohibits or otherwise restricts (i) the ability of any such Subsidiary to (A) make Restricted Payments or pay any Debt owed to the Borrower or any Subsidiary of the Borrower, (B) pay Debt or other obligations owed to any Credit Party, (C) make loans or advances to the Borrower or any Subsidiary of the Borrower, (D) transfer any of its properties or assets to the Borrower or any Subsidiary of the Borrower or (E) act as a Subsidiary Guarantor and pledge its assets pursuant to the Finance Documents or any renewals, refinancings, exchanges, refundings or extensions thereof or (ii) the ability of OH Holdings or any Subsidiary of OH Holdings to create, incur, assume or permit to exist any Lien upon its property or assets whether now owned or hereafter acquired to secure the Senior Obligations, except in each case for prohibitions or restrictions existing under or by reason of:

(i) this Agreement and the other Finance Documents;

(ii) restrictions in effect on the date of this Agreement contained in the Senior Notes Documents, the Junior Debentures Documents, all as in effect on the date of this Agreement, and, if such Debt is renewed, extended or refinanced In accordance with this Agreement, restrictions in the agreements governing the renewed, extended or refinancing Debt (and successive renewals, extensions and refinancings thereof) if such restrictions are no more restrictive than those contained in the agreements governing the Debt being renewed, extended or refinanced;

(iii) customary non-assignment provisions with respect to contracts, leases or licensing agreements entered into by the Borrower or any of its Subsidiaries, in each case entered into in the ordinary course of business and consistent with past practices;

(iv) any restriction or encumbrance with respect to any asset of the Borrower or any of its Subsidiaries or a Subsidiary of the Borrower imposed pursuant to an agreement which has been entered into for the sale or disposition of such assets or all or substantially all of the capital stock or assets of such Subsidiary, so long as such sale or disposition is permitted under this Agreement;

(v) customary provisions in joint venture agreements and other similar agreements entered into in the ordinary course of business in connection with Permitted Joint Ventures;

(vi) restrictions on cash and other deposits or net worth imposed by customers or suppliers in the ordinary course of business and consistent with past practice;

(vii) any restriction applicable to an acquired Subsidiary of the Borrower pursuant to agreements in effect on the date such Subsidiary became a Subsidiary of the Borrower and otherwise permitted to remain in effect hereunder; provided that such restrictions apply only to such Subsidiary;

(viii) Liens permitted under Section 7.02 and any documents or instruments governing the terms of any Debt or other obligations secured by any such Liens; provided that such prohibitions or restrictions apply only to the assets subject to such Liens; and

(ix) documents evidencing indebtedness incurred by Foreign Subsidiaries to the extent permitted under Section 7.01.

Section 7.12 Ownership of Subsidiaries; Limitations on OH Holdings and the Borrower.

(a) OH Holdings and the Borrower will not (i) permit any Subsidiary of the Borrower to issue Equity Interests to any Person, except (A) the Borrower or any Wholly-Owned Subsidiary of the Borrower, (B) to qualify directors where required by applicable Law or to satisfy other requirements of applicable Law with respect to the ownership of Equity Interests of Foreign Subsidiaries or (C) in the case of non-Wholly-Owned Subsidiaries of the Borrower, ratably to all holders of its outstanding Equity Interests or (ii) permit any non Wholly Owned Subsidiary of the Borrower to issue any shares of Preferred Stock.

(b) Each of OH Holdings, Holdings and Intermediate Holdings will not (i) hold any material assets other than the Trust Common Securities, the Equity Interests of Holdings, Intermediate Holdings and HGI respectively and cash or Cash Equivalents expressly permitted to be received and held by it from time to time in accordance with this Agreement, (ii) have any material liabilities other than (A) liabilities under the Finance Documents, the Senior Notes and the Junior Debentures and other obligations or liabilities expressly permitted to be incurred by it pursuant to Section 7.01 and (B) tax and accrued liabilities and expenses in the ordinary course of business or (iii) engage in any business activity other than (A) owning the Trust Common Securities, the common stock of Holdings, Intermediate Holdings and HGI respectively (including purchasing additional shares of common stock after the Closing Date), and activities incidental or related thereto or to the maintenance of the corporate existence of OH Holdings, Holdings and Intermediate Holdings, respectively, or compliance with applicable law, (B) acting as a Guarantor under the Guaranty and as a Grantor under the Security Agreement and pledging its assets to the Collateral Agent pursuant to the Collateral Documents to which it is a party, (C) acting as a guarantor in respect of the Debt arising under (x) the Senior Notes, and (y) the Trust Preferred Securities, and other Guaranty Obligations expressly permitted to be incurred by it pursuant to Section 7.01 and (D) issuing its own Capital Stock (other than Debt Equivalents).

(c) OH Holdings, Holdings and Intermediate Holdings will not permit any Person other than (i) OH Holdings to hold any Equity Interests comprising of common stock of Holdings, (ii) Holdings to hold any Equity Interests comprising of common stock of Intermediate Holdings and (iii) Intermediate Holdings to hold Equity Interests or Equity Equivalents of the Borrower.

(d) Except as provided herein, OH Holdings, Holdings and Intermediate Holdings will not create or otherwise cause or suffer to exist or become effective any consensual encumbrance or restriction of any kind on the ability of any Subsidiary of the Borrower to (a) pay dividends or make any other distributions on any of such Subsidiary's Equity Interests owned by the Borrower or any other Subsidiary of the Borrower, (b) repay or prepay any Debt owed by such Subsidiary to the Borrower or any other Subsidiary of the Borrower, (c) make loans or advances to the Borrower or any other Subsidiary of the Borrower, or (d) transfer, lease or license any of its property or assets to the Borrower or any other Subsidiary of the Borrower other than restrictions (i) in agreements evidencing Debt permitted by Section 7.01 that impose restrictions on the property so acquired, (ii) by reason of customary provisions restricting assignments, subletting or other transfers contained in leases, licenses, joint venture agreements and similar agreements entered into in the ordinary course of business or (iii) that are or were created by virtue of any transfer of, agreement to transfer or option or right with respect to any property, assets or Equity Interests not otherwise prohibited under this Agreement.

Section 7.13 Sale and Leaseback Transactions. None of the Group Companies will directly or indirectly become or remain liable as lessee or as guarantor or other surety with respect to any lease (whether an Operating Lease or a Capital Lease) of any property (whether real, personal or mixed), whether now owned or hereafter acquired, (i) which such Group Company has sold or transferred or is to sell or transfer to any other Person which is not a Group Company or (ii) which such Group Company intends to use for substantially the same purpose as any other property which has been sold or is to be sold or transferred by such Group Company to another Person which is not a Group Company in connection with such lease; provided, however, that the Group Companies may enter into any Sale/Leaseback Transaction if (i) after giving effect on a Pro-Forma Basis to such Sale/Leaseback Transaction, the aggregate outstanding Attributable Debt in respect of all Sale/Leaseback Transactions does not exceed $5,000,000 and the Borrower shall be in compliance with all other provisions of this Agreement, including Section 7.01 and Section 7.02, (B) the gross cash proceeds of any such Sale/Leaseback Transaction are at least equal to the fair market value of such property (as determined by the Board of Directors, whose determination shall be conclusive if made in good faith) and (C) the Net Cash Proceeds are applied as set forth in Section 2.09(b)(iv) to the extent required therein.

Section 7.14 Additional Negative Pledges. None of the Group Companies will enter into, assume or become subject to any agreement prohibiting or otherwise restricting the creation or assumption of any Lien upon its properties or assets, whether now owned or hereafter acquired, or requiring the grant of any security for an obligation if security is given for some other obligation, except (i) pursuant to this Agreement and the other Finance Documents, the Senior Notes Indenture and any Debt consisting of Refinancing Debt issued to refinance all or any portion of the foregoing, (ii) pursuant to any document or instrument governing Capital Lease Obligations or Purchase Money Debt incurred pursuant to Section 7.01 if any such restriction contained therein relates only to the assets or assets acquired in connection therewith, (iii) pursuant to any Derivatives Agreement entered into pursuant to Section 7.01(vi), (iv) pursuant to any document or instrument governing Debt incurred by Foreign Subsidiaries and permitted by Section 7.01, (v) pursuant to any documents or agreements creating any Lien referred to inSection 7.02(xvii) if such restriction contained therein relates only to the incurred premiums, dividends, rebates and other rights permitted to be subject to such Lien in accordance with

Section 7.02(xvii), (vi) any documents or agreements creating any Lien referred to in Section 7.02(vi) if such restriction contained therein relates only to the property of assets subject to the surety bond or similar obligation permitted to be secured thereby pursuant to Section 7.02(vi), (vii) pursuant to an agreement which has been entered into by the Borrower or any of its Subsidiaries for the sale or disposition of any assets of the Borrower or such Subsidiary or of any Subsidiary of the Borrower if such restriction contained therein relates only to the Subsidiary or its assets which is the subject of the sale provided for therein, and (viii) pursuant to a joint venture or other similar agreement entered into in the ordinary course of business in connection with Permitted Joint Ventures so long as any such restriction contained therein relates only to the assets of, or the interest of the Borrower and its Subsidiaries in, such Permitted Joint Venture.

Section 7.15 Impairment of Security Interests. None of the Group Companies will (i) take or omit to take any action which action or omission could reasonably be expected to materially impair the security interests in favor of the Collateral Agent with respect to the Collateral or (ii) grant to any Person (other than the Collateral Agent pursuant to the Collateral Documents) any interest whatsoever in the Collateral, except for Permitted Liens and disposition of Collateral permitted under the Finance Documents.

Section 7.16 Financial Covenants.

(a) *Total Leverage Ratio.* The Total Leverage Ratio as of the last day of the most recently ended fiscal quarter of Holdings and its Consolidated Subsidiaries ending on the last day of any calendar quarter ending during any period described below, in each case for the period of four consecutive fiscal quarters of Holdings and its Consolidated Subsidiaries then ended, taken as a single accounting period, will not be greater than the ratio set forth below opposite the period during which such fiscal quarter ends:

Fiscal Quarters Ended During	Ratio
7/1/10 through 12/31/10	6.75:1.00
1/1/11 through 3/31/11	6.50:1.00
4/1/11 through 12/31/11	6.25:1.00
1/1/12 through 3/31/12	6.00:1.00
4/1/12 through 12/31/12	5.75:1.00
1/1/13 through 3/31/13	5.50:1.00
4/1/13 through 6/30/13	5.25:1.00
7/1/13 through 12/31/13	5.00:1.00
Thereafter	4.50:1.00

(b) *Interest Coverage Ratio*. The Interest Coverage Ratio as of the last day of the most recently ended fiscal quarter of Holdings and its Consolidated Subsidiaries ending on the last day of any calendar quarter ending during any period described below, in each case for the period of four consecutive fiscal quarters of Holdings and its Consolidated Subsidiaries then ended, taken as a single accounting period, will not be less than the ratio set forth below opposite the period during which such fiscal quarter ends:

Fiscal Quarters Ended During	Ratio
7/1/10 through 12/31/12	2.00:1.00
1/1/13 through 3/31/14	2.25:1.00
Thereafter	2.50:1.00

(c) *Secured Leverage Ratio*. The Secured Leverage Ratio as of the last day of the most recently ended fiscal quarter of Holdings and its Consolidated Subsidiaries ending on the last day of any calendar quarter ending during any period described below, in each case for the period of four consecutive fiscal quarters of Holdings and its Consolidated Subsidiaries then ended, taken as a single accounting period, will not be greater than the ratio set forth below opposite the period during which such fiscal quarter ends:

Fiscal Quarters Ended During	Ratio
7/1/10 through 9/30/10	4.50:1.00
10/1/10 through 3/31/11	4.25:1.00
4/1/11 through 9/30/11	4.00:1.00
10/1/11 through 6/30/12	3.75:1.00
7/1/12 through 12/31/12	3.50:1.00
1/1/13 through 3/31/13	3.25:1.00
Thereafter	3.00:1.00

Section 7.17 No Other "Designated Senior Debt". None of the Credit Parties shall designate, or permit the designation of, any Debt (other than under this Agreement and the other Finance Documents) as "Designated Senior Debt" (other than the Senior Notes) or any other similar term as such term is commonly used for the purpose of the definition of the same or the subordination provisions contained in the Junior Debentures Indenture or any indenture governing any Subordinated Debt permitted under Section 7.01.

Section 7.18 Independence of Covenants. All covenants contained herein shall be given independent effect so that if a particular action or condition is not permitted by any of such covenants, the fact that such action or condition would be permitted by an exception to, or otherwise be within the limitations of, another covenant shall not avoid the occurrence of a Default if such action is taken or condition exists.

ARTICLE VIII
DEFAULTS

Section 8.01 Events of Default. An Event of Default shall exist upon the occurrence of any of the following specified events or conditions (each an "Event of Default"):

(a) *Payment*. Any Credit Party shall:

(i) default in the payment when due (whether by scheduled maturity, acceleration or otherwise) of any principal of any of the Loans or any LC Disbursements; or

(ii) default, and such default shall continue for five or more Business Days, (A) in the payment when due of any interest on the Loans, or (B) after receipt of a notice of a default with respect thereto, in the payment of any fees or other amounts owing hereunder, under any of the other Finance Documents or in connection herewith.

(b) *Representations*. Any representation, warranty or statement made or deemed to be made by any Credit Party herein, in any of the other Finance Documents, or in any statement or certificate delivered or required to be delivered pursuant hereto or thereto shall prove untrue in any material respect (except that such materiality qualifier shall not be applicable to any representation, warranty or statement that is already qualified by materiality) on the date as of which it was made or deemed to have been made, if, solely with respect to any representation or warranty (other than any

Borrower Representation or any specified Representation) made on the Closing Date, such default shall not have been remedied within 30 days after the Closing Date (it being acknowledged and agreed that at any time during the continuance of such default, no Revolving Lender shall be under any obligation to make any Revolving Loan (other than any Revolving Loans made on the Closing Date), the Swingline Lender shall be under no obligation to make any Swingline Loan and the Issuing Lender shall be under no obligation to issue any Letter of Credit (other than the Existing Letters of Credit deemed to be issued on the Closing Date).

(c) *Covenants*. Any Credit Party shall:

(i) default in the due performance or observance of any term, covenant or agreement contained in Sections 6.01(a), (e) or (j), 6.08, 6.11, 6.15, 6.17 or Article VII;

(ii) default in the due performance or observance of any term, covenant or agreement contained in Sections 6.01(b) or (c) and such default shall continue unremedied for a period of five Business Days after the earlier of an executive officer of a Credit Party becoming aware of such default or notice thereof given by the Administrative Agent; or

(iii) default in the due performance or observance by it of any term, covenant or agreement contained in Section 6.01(d), (f), (g) or (h) and such default shall continue unremedied for a period of ten Business Days after the earlier of an executive officer of a Credit Party becoming aware of such default or notice thereof given by the Administrative Agent; or

(iv) default in the due performance or observance by it of any term, covenant or agreement (other than those referred to in subsections (a), (b), (c)(i), (c)(ii) or (c)(iii) of this Section 8.01) contained in this Agreement and such default shall continue unremedied for a period of 30 days after the earlier of an executive officer of a Credit Party becoming aware of such default or notice thereof given by the Administrative Agent.

(d) *Other Finance Documents*. Any Credit Party shall default in the due performance or observance of any term, covenant or agreement in any of the other Finance Documents and such default shall continue unremedied for a period of 30 days after the earlier of an executive officer of a Credit Party becoming aware of such default or notice thereof given by the Administrative Agent.

(e) *Cross-Default*.

(i) any Group Company (A) fails to make payment when due (whether by scheduled maturity, required prepayment, acceleration, demand or otherwise but after giving effect to all applicable grace periods), regardless of amount, in respect of any Debt, Guaranty Obligation or Synthetic Lease Obligations (other than in respect of (x) Debt outstanding under the Finance Documents and (y) Derivatives Agreements) having an aggregate principal amount (including undrawn committed or available amounts and including amounts owing to all creditors under any combined or syndicated credit arrangement) of more than $10,000,000, (B) fails to perform or observe any other condition or covenant, or any other event shall occur or condition shall exist, under any agreement or instrument relating to any such Debt, Guaranty Obligation or Synthetic Lease Obligations, if the effect of such failure, event or condition is to cause, or to permit the holder or holders or beneficiary or beneficiaries of such Debt, Guaranty Obligation or Synthetic Lease Obligations (or a trustee or agent on behalf of such holder or holders or beneficiary or beneficiaries) to cause, such Debt or Synthetic Lease Obligations to be declared to be due and payable prior to its stated maturity or such Guaranty Obligation to become payable or (C) shall be required by the terms of such Debt, Guaranty Obligation or Synthetic Lease

Obligation to offer to prepay or repurchase such Debt or Synthetic Lease Obligation or the primary Debt underlying such Guaranty Obligation (or any portion thereof) prior to the stated maturity thereof; or

(ii) there occurs under any Derivatives Agreement or Derivatives Obligation an Early Termination Date (as defined in such Derivatives Agreement) resulting from (A) any event of default under such Derivatives Agreement as to which any Group Company is the Defaulting Party (as defined in such Derivatives Agreement) or (B) any Termination Event (as so defined) as to which any Group Company is an Affected Party (as so defined), and, in either event, the Derivatives Termination Value owed and not paid within 10 Business Days of when due by a Group Company as a result thereof is greater than $10,000,000.

(f) *Insolvency Events*. (i) Any Group Company (other than an Insignificant Subsidiary) shall commence a voluntary case or other proceeding seeking liquidation, reorganization or other relief with respect to itself or its debts under any bankruptcy, insolvency or other similar law now or hereafter in effect or seeking the appointment of a trustee, receiver, liquidator, custodian or other similar official of it or any substantial part of its property, or shall consent to any such relief or to the appointment of or taking possession by any such official in an involuntary case or other proceeding commenced against it, or shall make a general assignment for the benefit of creditors, or shall fail generally to pay its debts as they become due, or shall take any corporate action to authorize any of the foregoing or (ii) an involuntary case or other proceeding shall be commenced against any Group Company (other than an Insignificant Subsidiary) seeking liquidation, reorganization or other relief with respect to it or its debts under any bankruptcy, insolvency or other similar law now or hereafter in effect or seeking the appointment of a trustee, receiver, liquidator, custodian or other similar official of it or any substantial part of its property, and such involuntary case or other proceeding shall remain undismissed and unstayed for a period of 60 days, or any order for relief shall be entered against any Group Company (other than an Insignificant Subsidiary) under the federal bankruptcy laws as now or hereafter in effect.

(g) *Judgments*. One or more judgments, orders, decrees or arbitration awards is entered against any Group Company involving in the aggregate a liability (to the extent not covered by independent third-party insurance or an indemnity from a creditworthy third party as to which the insurer or indemnitor, as applicable, does not dispute coverage), as to any single or related series of transactions, incidents or conditions, of $10,000,000 or more, and the same shall not have been discharged, vacated or stayed pending appeal within 45 days after the entry thereof.

(h) *Employee Benefit Plans*. (i) An ERISA Event occurs which has resulted or could reasonably be expected to result in liability of any Group Company in an amount that could reasonably be expected to result in a Material Adverse Effect or (ii) there occurs the ERISA Event described in (iii) of the definition thereof.

(i) Guaranties, Collateral Documents and other Finance Documents. At any time after the execution and delivery thereof, (i) this Agreement or any Collateral Document ceases to be in full force and effect (other than by reason of a release of Collateral in accordance with the terms hereof or thereof or the satisfaction in full of the Finance Obligations in accordance with the terms hereof) or shall be declared null and void or any Credit Party shall repudiate its obligations thereunder, or the Collateral Agent shall not have or shall cease to have a valid and perfected Lien in any Collateral purported to be covered by the Collateral Documents with the priority required by the relevant Collateral Document, in each case for any reason other than the failure of the Collateral Agent to take any action within its control or (iii) any Credit Party shall contest the validity or enforceability of any Finance Document in writing or deny in writing that it has any further liability, including with respect to future advances by Lenders, under any Finance Document to which it is a party or shall contest the validity or perfection of any Lien on any Collateral purported to be covered by the Collateral Documents;

(j) *Ownership*. A Change of Control shall occur.

(k) *Senior Debt*. (i) Any Governmental Authority with applicable jurisdiction determines that the Lenders are not holders of Senior Indebtedness (as defined in the Junior Debentures Indenture and any other Subordinated Debt) or (ii) the subordination provisions creating the Subordinated Debt shall, in whole or in part terminate, cease to be effective or cease to be legally valid, binding and enforceable as to any holder of the Subordinated Debt or any Credit Party, any Affiliate of any Credit Party or the trustee for the holders of such Subordinated Debt.

(l) *Dissolution*. Any order, judgment or decree shall be entered against any Group Company (other than an Insignificant Subsidiary) decreeing the dissolution or split up of such Group Company (other than a dissolution or split up not prohibited by this Agreement) and such order shall remain undischarged or unstayed for a period in excess of thirty (30) days.

Section 8.02 Acceleration; Remedies. Upon the occurrence of an Event of Default, and at any time thereafter unless and until such Event of Default has been waived in writing by the Required Lenders (or the Lenders as may be required pursuant to Section 10.03), the Administrative Agent (or the Collateral Agent, as applicable) shall, upon the request and direction of the Required Lenders, by written notice to the Borrower, take any of the following actions without prejudice to the rights of the Agents or any Lender to enforce its claims against the Credit Parties except as otherwise specifically provided for herein:

(a) *Termination of Commitments*. Declare the Commitments terminated whereupon the Commitments shall be immediately terminated.

(b) *Acceleration of Loans*. Declare the unpaid principal of and any accrued interest in respect of all Loans, any reimbursement obligations arising from drawings under Letters of Credit and any and all other indebtedness or obligations of any and every kind owing by a Credit Party to any of the Lenders hereunder to be due whereupon the same shall be immediately due and payable without presentment, demand, protest or other notice of any kind, all of which are hereby waived by the Credit Parties.

(c) *Cash Collateral*. Direct the Borrower to pay (and the Borrower agrees that upon receipt of such notice, or upon the occurrence of an Event of Default under Section 8.01(f), it will immediately pay) to the Collateral Agent additional cash, to be held by the Collateral Agent, for the benefit of the Lenders, in a cash collateral account as additional security for the LC Obligations in respect of subsequent drawings under all then outstanding Letters of Credit in an amount equal to 102% of the maximum aggregate amount which may be drawn under all Letters of Credits then outstanding.

(d) *Enforcement of Rights*. Enforce any and all rights and interests created and existing under the Finance Documents, including all rights and remedies existing under the Collateral Documents, all rights and remedies against a Guarantor and all rights of set-off.

Notwithstanding the foregoing, if an Event of Default specified in Section 8.01(f) shall occur, then the Commitments shall automatically terminate and all Loans, all reimbursement obligations under Letters of Credit, all accrued interest in respect thereof and all accrued and unpaid fees and other indebtedness or obligations owing to the Lenders hereunder and under the other Finance Documents shall immediately become due and payable without the giving of any notice or other action by the Administrative Agent or the Lenders, which notice or other action is expressly waived by the Credit Parties.

Notwithstanding the fact that enforcement powers reside primarily with the Administrative Agent, each Lender has, to the extent permitted by law, a separate right of payment and shall be considered a separate "creditor" holding a separate "claim" within the meaning of Section 101(5) of the Bankruptcy Code or any other insolvency statute.

In case any one or more of the covenants and/or agreements set forth in this Agreement or any other Finance Document shall have been breached by any Credit Party, then the Administrative Agent may proceed to protect and enforce the Lenders' rights either by suit in equity and/or by action at law, including an action for damages as a result of any such breach and/or an action for specific performance of any such covenant or agreement contained in this Agreement or such other Finance Document. Without limitation of the foregoing, the Borrower agrees that failure to comply with any of the covenants contained herein will cause irreparable harm and that specific performance shall be available in the event of any breach thereof. The Administrative Agent acting pursuant to this paragraph shall be indemnified by the Borrower against all liability, loss or damage, together with all reasonable costs and expenses related thereto (including reasonable legal and accounting fees and expenses) in accordance with Section 10.05.

Section 8.03 Specified Equity Contributions. For purposes of determining compliance with Section 7.16 only (and not any other provision of this Agreement, including any such other provision that utilizes a calculation of Consolidated EBITDA) any cash common equity or other equity contribution on terms and conditions reasonably acceptable to the Administrative Agent (other than Debt Equivalents) made by OH Holdings or any of the other direct or indirect equityholders of the Borrower to the Borrower beginning with the first full fiscal quarter after the Closing Date and on or prior to the day that is 10 Business Days after the day on which financial statements are required to be delivered for such fiscal quarter pursuant to Section 6.01 shall, at the request of the Borrower made at the time of such contribution, be included in the calculation of Consolidated EBITDA solely for the purposes of determining compliance with such financial covenants at the end of such fiscal quarter and any subsequent period that includes such fiscal quarter (any such equity contribution so included in the calculation of Consolidated EBITDA, a "Specified Equity Contribution"); provided that, (i) in each four fiscal quarter period, there will be a period of at least two consecutive fiscal quarters in respect of which no Specified Equity Contribution is made; (ii) no Specified Equity Contribution will be made (1) more than twice during any period of four consecutive fiscal quarters, (2) more than four times during the term of this Agreement or (3) in consecutive fiscal quarters; (iii) the amount of any Specified Equity Contribution may be no greater than the amount required to cause the Borrower to be in compliance with the financial covenants for such fiscal quarter (it being understood that OH Holdings and any other direct or indirect equity-holders of the Borrower shall not be prohibited from making direct or indirect equity contributions to the Borrower in excess of such amount, but such excess amount shall not constitute a Specified Equity Contribution); (iv) all Specified Equity Contributions will be disregarded for purposes of determining any baskets with respect to the covenants contained in this Agreement, for purposes of determining pricing and for any other purpose, and may not be used to make a restricted payment; and (v) there shall be no pro forma reduction in Debt with the proceeds of any Specified Equity Contribution for determining compliance with the financial covenants for the relevant fiscal quarter (other than with respect to any portion of such Specified Equity Contribution that is used to prepay Term Loans or to prepay Revolving Loans (but in the case of prepayments of the Revolving Loans, only to the extent accompanied by permanent reductions in Revolving Commitments)).

If, after the making of the Specified Equity Contribution and the recalculations of Consolidated EBITDA pursuant to the preceding paragraph, the Borrower shall then be in compliance

with the requirements of Section 7.16, the Borrower shall be deemed to have satisfied the requirements of such covenant as of the relevant date of determination with the same effect as though there had been no failure to comply therewith at such date, and the applicable Event of Default that had occurred shall be deemed cured for all purposes of each Finance Document.

Section 8.04 Allocation of Payments After Event of Default.

(a) *Priority of Distributions*. The Borrower hereby irrevocably waives the right to direct the application of any and all payments in respect of its Finance Obligations and any proceeds of Collateral after the occurrence and during the continuance of an Event of Default and agrees that, notwithstanding the provisions of Sections 2.09(b) and 2.14, after the occurrence and during the continuance of an Event of Default, all amounts collected or received by the Administrative Agent, the Collateral Agent, any Lender or any Derivatives Creditors on account of amounts then due and outstanding under any of the Finance Documents or any Derivative Agreement or in respect of the Collateral shall be paid over or delivered in respect of its Finance Obligations as follows:

FIRST, to pay interest on and then principal of any portion of the Revolving Loans that the Administrative Agent may have advanced on behalf of any Lender for which the Administrative Agent has not then been reimbursed by such Lender or the Borrower;

SECOND, to pay interest on and then principal of any Swingline Loan;

THIRD, to the payment of all reasonable out-of-pocket costs and expenses (including reasonable attorneys' fees) of the Administrative Agent and the Collateral Agent in connection with enforcing the rights of the Lenders and the Derivatives Creditors under the Finance Documents, including all expenses of sale or other realization of or in respect of the Collateral, including reasonable compensation to the agents and counsel for the Collateral Agent and all expenses, liabilities and advances incurred or made by the Collateral Agent in connection therewith, and any other obligations owing to the Collateral Agent in respect of sums advanced by the Collateral Agent to preserve the Collateral or to preserve its security interest in the Collateral;

FOURTH, to the payment of all reasonable out-of-pocket costs and expenses (including reasonable attorneys' fees) of (i) each of the Lenders (including the Issuing Lender in its capacity as such) in connection with enforcing its rights under the Finance Documents or otherwise with respect to the Senior Obligations owing to such Lender and (ii) each Derivatives Creditor in connection with enforcing any of its rights under the Derivatives Agreements or otherwise with respect to the Derivatives Obligations owing to such Derivatives Creditor;

FIFTH, to the payment of all of the Senior Obligations consisting of accrued fees and interest;

SIXTH, except as set forth inclauses FIRST through FIFTH above, to the payment of the outstanding Senior Obligations and Derivatives Obligations owing to the Finance Parties, pro-rata, as set forth below, with (i) an amount equal to the Senior Obligations being paid to the Collateral Agent (in the case of Senior Obligations owing to the Collateral Agent) or to the Administrative Agent (in the case of all other Senior Obligations) for the account of the Lenders or any Agent, with the Collateral Agent, each Lender and the Agents receiving an amount equal to its outstanding Senior Obligations, or, if the proceeds are insufficient to pay in full all Senior Obligations, its Pro-Rata Share of the amount remaining to be distributed, and (ii) an amount equal to the Derivatives Obligations being paid to the trustee, paying agent or other similar

representative (each a "Representative") for the Derivatives Creditors, with each Derivatives Creditor receiving an amount equal to the outstanding Derivatives Obligations owed to it by the Credit Parties or, if the proceeds are insufficient to pay in full all such Derivatives Obligations, its Pro-Rata Share of the amount remaining to be distributed;

SEVENTH, to the payment of the surplus, if any, to whomever may be lawfully entitled to receive such surplus.

In carrying out the foregoing, (i) amounts received shall be applied in the numerical order provided until exhausted prior to application to the next succeeding category; (ii) each of the Finance Parties shall receive an amount equal to its Pro-Rata Share of amounts available to be applied pursuant to clauses "FOURTH", "FIFTH", and "SIXTH" above; and (iii) to the extent that any amounts available for distribution pursuant to clause "SIXTH" above are attributable to the issued but undrawn amount of outstanding Letters of Credit, such amounts shall be held by the Collateral Agent in a cash collateral account and applied (x) first, to reimburse the Issuing Lender from time to time for any drawings under such Letters of Credit and (y) then, following the expiration of all Letters of Credit, to all other obligations of the types described in clause "SIXTH" above in the manner provided in this Section 8.04.

(b) *Pro-Rata Treatment*. For purposes of this Section, "Pro-Rata Share" means, when calculating a Person's portion of any distribution or amount, that amount (expressed as a percentage) equal to a fraction the numerator of which is the then unpaid amount of such Person's Senior Obligations or Derivatives Obligations, as the case may be, and the denominator of which is the then outstanding amount of all Senior Obligations or Derivatives Obligations, as the case may be. When payments to the Finance Parties are based upon their respective Pro-Rata Shares, the amounts received by the Finance Parties hereunder shall be applied (for purposes of making determinations under this Section 8.04 only) (i) first, to their Senior Obligations and (ii) second, to their Derivatives Obligations. If any payment to any Finance Party of its Pro-Rata Share of any distribution would result in overpayment to such Finance Party, such excess amount shall instead be distributed in respect of the unpaid Senior Obligations or Derivatives Obligations, as the case may be, of the other Finance Parties with each Finance Party whose Senior Obligations or Derivatives Obligations, as the case may be, have not been paid in full to receive an amount equal to such excess amount multiplied by a fraction the numerator of which is the unpaid Senior Obligations or Derivatives Obligations, as the case may be, of such Finance Party and the denominator of which is the unpaid Senior Obligations or Derivatives Obligations, as the case may be, of all Finance Parties entitled to such distribution.

(c) *Distributions with Respect to Letters of Credit*. Each of the Finance Parties agrees and acknowledges for itself and all Affiliated Derivatives Creditors that if (after all outstanding Loans and Reimbursement Obligations with respect to Letters of Credit have been paid in full) the Lenders are to receive a distribution on account of undrawn amounts with respect to Letters of Credit issued (or deemed issued) under the Credit Agreement, such amounts shall be deposited in the LC Cash Collateral Account as cash security for the repayment of Senior Obligations owing to the Lenders as such. Upon termination of all outstanding Letters of Credit, all of such cash security shall be applied to the remaining Senior Obligations of the Lenders. If there remains any excess cash security, such excess cash shall be withdrawn by the Collateral Agent from the LC Cash Collateral Account and distributed in accordance with Section 8.04(a) hereof.

(d) *Distributions of Funds on Deposit in a Prepayment Account*. Notwithstanding the foregoing provisions of this Section 8.04, amounts on deposit in a Prepayment Account for any Loans shall be applied upon the occurrence of any Event of Default, first, to pay Loans and, second, after all the Loans have been paid in full, to the other Senior Obligations in the manner provided in this Section 8.04.

(e) *Reliance by Collateral Agent*. For purposes of applying payments received in accordance with this Section 8.04, the Collateral Agent shall be entitled to rely upon (i) the Administrative Agent under the Credit Agreement and (ii) the Representative, if any, for the Derivatives Creditors for a determination (which the Administrative Agent, each Representative for any Derivatives Creditor and the Finance Parties agree (or shall agree) to provide upon request of the Collateral Agent) of the outstanding Senior Obligations or Derivatives Obligations owed to the Agents, the Lenders or the Derivatives Creditors, as the case may be. Unless it has actual knowledge (including by way of written notice from a Derivatives Creditor or any Representatives thereof) to the contrary, the Collateral Agent, in acting hereunder, shall be entitled to assume that no Derivatives Agreements are in existence.

ARTICLE IX
AGENCY PROVISIONS

Section 9.01 Appointment; Authorization.

(a) *Appointment*. Each Lender hereby designates and appoints (i) Barclays Bank PLC as Administrative Agent and as Collateral Agent, (ii) Barclays Capital and Morgan Stanley Senior Funding, Inc. as Syndication Agents and (iii) General Electric Capital Corporation. as Documentation Agent for such Lender to act as specified herein and in the other Finance Documents, and each such Lender hereby authorizes the Agents, as the agents for such Lender, to take such action on its behalf under the provisions of this Agreement and the other Finance Documents and to exercise such powers and perform such duties as are expressly delegated by the terms hereof and of the other Finance Documents, together with such other powers as are reasonably incidental thereto. Notwithstanding any provision to the contrary elsewhere herein and in the other Finance Documents, the Agents shall not have any duties or responsibilities, except those expressly set forth herein and therein, or any fiduciary relationship with any Lender, and no implied covenants, functions, responsibilities, duties, obligations or liabilities shall be read into this Agreement or any of the other Finance Documents, or shall otherwise exist against the Agents. In performing its functions and duties under this Agreement and the other Finance Documents, each Agent shall act solely as an agent of the Lenders and does not assume and shall not be deemed to have assumed any obligation or relationship of agency or trust with or for any Credit Party. Without limiting the generality of the foregoing two sentences, the use of the term "agent" herein and in the other Finance Documents with reference to any Agent is not intended to connote any fiduciary or other implied (or express) obligations arising under agency doctrine of any applicable law. Instead, such term is used merely as a matter of market custom, and is intended to create or reflect only an administrative relationship between independent contracting parties. The provisions of this Article IX (other than Section 9.10) are solely for the benefit of the Agents and the Lenders, and none of the Credit Parties shall have any rights as a third party beneficiary of the provisions hereof (other than Section 9.10).

(b) *Release of Collateral*. The Lenders irrevocably authorize the Collateral Agent, at the Collateral Agent's option and in its discretion, to release any security interest in or Lien on any Collateral granted to or held by the Collateral Agent (i) upon termination of this Agreement and the other Finance Documents, termination of the Commitments and all Letters of Credit and payment in full of all Senior Obligations, including all fees and indemnified costs and expenses that are payable pursuant to the terms of the Finance Documents, (ii) if such Collateral constitutes property sold or to be sold or disposed of as part of or in connection with any disposition permitted pursuant to the terms of this Agreement or (iii) if approved by the Required Lenders or Lenders, as applicable, pursuant to the terms of Section 10.03. Upon the request of the Collateral Agent, the Lenders will confirm in writing the Collateral Agent's authority to release particular types or items of Collateral pursuant to this Section 9.01(b).

(c) *Release of Guarantors*. The Lenders irrevocably authorize the Administrative Agent, at the Administrative Agent's option and in its discretion, to release any Guarantor from its obligations hereunder if (i) such Guarantor is no longer required to be a Guarantor pursuant to the terms of this Agreement or (ii) if approved by the Required Lenders or Lenders, as applicable, pursuant to the terms of Section 10.03. Upon the request of the Administrative Agent, the Lenders will confirm in writing the Administrative Agent's authority to release a particular Guarantor pursuant to this Section 9.01(c).

Section 9.02 Delegation of Duties. An Agent may execute any of its duties hereunder or under the other Finance Documents by or through agents, employees or attorneys-in-fact and shall be entitled to advice of counsel and other consultants or experts concerning all matters pertaining to such duties. An Agent shall not be responsible for the negligence or misconduct of any agents or attorneys-in-fact selected by it in the absence of bad faith, gross negligence or willful misconduct.

Section 9.03 Exculpatory Provisions. No Agent nor any of its or their directors, officers, employees or agents shall be (i) liable for any action lawfully taken or omitted to be taken by any of them under or in connection herewith or in connection with any of the other Finance Documents or the transactions contemplated hereby or thereby (except for its own bad faith, gross negligence or willful misconduct in connection with its duties expressly set forth herein) or (ii) responsible in any manner to any of the Lenders or participants for any recitals, statements, representations or warranties made by any of the Credit Parties contained herein or in any of the other Finance Documents or in any certificate, report, document, financial statement or other written or oral statement referred to or provided for in, or received by an Agent under or in connection herewith or in connection with the other Finance Documents, or enforceability or sufficiency therefor of any of the other Finance Documents, or for any failure of any Credit Party to perform its obligations hereunder or thereunder or be required to ascertain or inquire as to the performance or observance of any of the terms, conditions, provisions, covenants or agreements contained herein or therein or as to the use of the proceeds of the Loans or the use of the Letters of Credit or of the existence or possible existence of any Default or Event of Default or to inspect the properties, books or records of the Credit Parties.

Section 9.04 Reliance on Communications. The Agents shall be entitled to rely, and shall be fully protected in relying, upon any note, writing, resolution, notice, consent, certificate, affidavit, letter, cablegram, telegram, telecopy, telex, teletype or e-mail message, statement, order or other document or conversation believed by it to be genuine and correct and to have been signed, sent or made by the proper Person or Persons and upon advice and statements of legal counsel (including counsel to any of the Credit Parties, independent accountants and other experts selected by the Agents). The Agents may deem and treat each Lender as the owner of its interests hereunder for all purposes unless a written notice of assignment, negotiation or transfer thereof shall have been filed with the Administrative Agent in accordance with Section 10.06(b). The Agents shall be fully justified in failing or refusing to take any action under this Agreement or under any of the other Finance Documents unless it shall first receive such advice or concurrence of the Required Lenders as it deems appropriate or it shall first be indemnified to its satisfaction by the Lenders against any and all liability and expense which may be incurred by it by reason of taking or continuing to take any such action. The Agents shall in all cases be fully protected in acting, or in refraining from acting, hereunder or under any of the other Finance Documents in accordance with a request of the Required Lenders and such request and any action taken or failure to act pursuant thereto shall be binding upon all the Lenders (including their successors and assigns). Where this Agreement expressly permits or prohibits an action unless the Required Lenders otherwise determine, any Agent shall, and in all other instances an Agent may, but shall not be required to, initiate any solicitation for the consent or vote of the Lenders.

Section 9.05 Notice of Default. An Agent shall not be deemed to have knowledge or notice of the occurrence of any Default or Event of Default hereunder, except with respect to defaults in the payment of principal, interest and fees required to be paid to such Agent for the accounts of the Lenders, unless such Agent has received notice from a Lender or the Borrower referring to the Agreement, describing such Default or Event of Default and stating that such notice is a "notice of default". If an Agent receives such a notice, such Agent shall give prompt notice thereof to each other Agent and the Lenders. The Administrative Agent and the Collateral Agent shall take such action with respect to such Default or Event of Default as shall be reasonably directed by the Required Lenders; provided, however, that unless and until the Administrative Agent has received any such direction, the Administrative Agent may (but shall not be obligated to) take such action, or refrain from taking such action, with respect to such Default or Event of Default or it shall deem advisable or in the best interest of the Lenders.

Section 9.06 Credit Decision; Disclosure of Information by Administrative Agent. Each Lender expressly acknowledges that no Agent has made any representations or warranties to it and that no act by any Agent hereinafter taken, including any consent to and acceptance of any assignment or review of the affairs of any Credit Party or any Affiliate thereof, shall be deemed to constitute any representation or warranty by any Agent to any Lender as to any matter, including whether any Agent has disclosed material information in its possession. Each Lender acknowledges to the Agents that it has, independently and without reliance upon any Agent or any other Lender, and based on such documents and information as it has deemed appropriate, made its own appraisal of and investigation into the business, assets, operations, property, financial and other condition, prospects and creditworthiness of the Credit Parties, and all requirements of Law pertaining to the Transaction, and made its own decision to make its Loans hereunder and enter into this Agreement. Each Lender also acknowledges that it will, independently and without reliance upon any Agent or any other Lender, and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit analysis, appraisals and decisions in taking or not taking action under this Agreement and the other Finance Documents, and to make such investigation as it deems necessary to inform itself as to the business, assets, operations, property, financial and other conditions, prospects and creditworthiness of the Borrower and the other Credit Parties. Except for notices, reports and other documents expressly required to be furnished to the Lenders by the Administrative Agent hereunder, the Agents shall not have any duty or responsibility to provide any Lender with any credit or other information concerning the business, operations, assets, property, financial or other conditions, prospects or creditworthiness of any Credit Party or their respective Affiliates which may come into the possession of any Agent.

Section 9.07 No Reliance on Arranger's or Agent's Customer Identification Program. Each Lender acknowledges and agrees that neither such Lender nor any of its Affiliates, participants or assignees may rely on either Lead Arranger or any Agent to carry out such Lender's, Affiliate's, participant's or assignee's customer identification program, or other obligations required or imposed under or pursuant to the U.S. Patriot Act or the regulations thereunder, including the regulations contained in 31 C.F.R. 103.121 (as hereafter amended or replaced, the "CIP Regulations"), or any other Anti-Terrorism Law, including any programs involving any of the following items relating to or in connection with any of the Credit Parties, their Affiliates or agents, the Finance Documents or the transactions hereunder or contemplated hereby: (i) any identification procedures; (ii) and recordkeeping; (iii) comparisons with government lists, (iv) customer notices; or (v) other procedures required under the CIP Regulations or such other Laws.

Section 9.08 Indemnification. Whether or not the transactions contemplated hereby are consummated, the Lenders agree to indemnify each Agent (to the extent not reimbursed by the Borrower or any other Credit Party and without limiting the obligation of the Borrower or any other Credit Party to do so), ratably according to their respective Commitments and outstanding principal

balances of Term Loans (or if the Commitments have expired or been terminated, in accordance with the respective principal amounts of outstanding Loans and Participation Interests of the Lenders), from and against any and all Indemnified Liabilities which may at any time (including at any time following payment in full of the Senior Obligations) be imposed on, incurred by or asserted against an Agent in its capacity as such in any way relating to or arising out of this Agreement or the other Finance Documents or any documents contemplated by or referred to herein or therein or the transactions contemplated hereby or thereby or any action taken or omitted by an Agent under or in connection with any of the foregoing; provided that no Lender shall be liable for the payment to any Agent of any portion of such Indemnified Liabilities resulting from such Person's gross negligence or willful misconduct; provided, however, that no action taken in accordance with the directions of the Required Lenders shall be deemed to constitute gross negligence or willful misconduct for purposes of this Section 9.08. If any indemnity furnished to an Agent for any purpose shall, in the opinion of such Agent, be insufficient or become impaired, such Agent may call for additional indemnity and cease, or not commence, to do the acts indemnified against until such additional indemnity is furnished. Without limitation of the foregoing, each Lender shall reimburse the Administrative Agent upon demand for its ratable share of any costs or out-of-pocket expenses (including fees and disbursements of counsel) incurred by the Administrative Agent in connection with the preparation, execution, delivery, administration, modification, amendment or enforcement (whether through negotiations, legal proceedings or otherwise) of, or legal advice in respect of rights or responsibilities under, this Agreement, any other Finance Document, or any document contemplated by or referred to herein, to the extent that the Administrative Agent is not reimbursed for such expenses by or on behalf of the Borrower or any other Credit Party. The agreements in this Section 9.08 shall survive the payment of the Senior Obligations and all other obligations and amounts payable hereunder and under the other Finance Documents.

Section 9.09 Agents in Their Individual Capacity. Each Agent and its Affiliates may make loans to, issue letters of credit for the account of, accept deposits from, acquire Equity Interests in, and generally engage in any kind of banking, trust, financial advisory, underwriting and other business with the Borrower or any other Credit Party as though such Agent were not an Agent hereunder or under another Finance Document. The Lenders acknowledge that, pursuant to any such activities, an Agent or its Affiliates may receive information regarding any Credit Party or its Affiliates (including information that may be subject to confidentiality obligations in favor of such Credit Party or such Affiliate) and acknowledge that no Agent shall be under any obligation to provide such information to them. With respect to the Loans made by and Letters of Credit issued by and all obligations owing to it, an Agent shall have the same rights and powers under this Agreement as any Lender and may exercise the same as though it was not an Agent, and the terms "Lender" and "Lenders" shall include each Agent in its individual capacity.

Section 9.10 Successor Agents. Any Agent may, at any time, resign upon 30 days' written notice to the Lenders and the Borrower. If an Agent resigns under a Finance Document, the Required Lenders shall appoint from among the Lenders a successor Agent, which successor Agent shall be consented to by the Borrower at all times other than during the existence of an Event of Default (which consent of the Borrower shall not be unreasonably withheld or delayed). If no successor Agent shall have been so appointed by the Required Lenders, and shall have accepted such appointment prior to the effective date of the resignation of the resigning Agent, then the resigning Agent shall have the right, after consulting with the Lenders and the Borrower, to appoint a successor Agent; provided such successor is a Lender hereunder or an Eligible Assignee. If no successor Agent is appointed prior to the effective date of the resignation of the resigning Agent, the Administrative Agent may appoint, after consulting with the Lenders and the Borrower, a successor Agent from among the Lenders. Upon the acceptance of any appointment as an Agent hereunder by a successor, such successor Agent shall thereupon succeed to and become vested with all the rights, powers, privileges and duties of the retiring Agent, and the retiring Agent shall be discharged from its duties and obligations as an Agent, as appropriate, under this

Agreement and the other Finance Documents and the provisions of this Section 9.10 shall inure to its benefit as to any actions taken or omitted to be taken by it while it was an Agent under this Agreement. If no successor Administrative Agent has accepted appointment as Administrative Agent within 60 days after the retiring Administrative Agent's giving notice of resignation, the retiring Administrative Agent's resignation shall nevertheless become effective and the Lenders shall perform all duties of the Administrative Agent hereunder until such time, if any, as the Required Lenders appoint a successor Administrative Agent as provided for above. Likewise, if no successor Collateral Agent has accepted appointment as Collateral Agent within 60 days after the retiring Collateral Agent's giving notice of resignation, the retiring Collateral Agent's resignation shall nevertheless become effective and the Lenders shall perform all duties of the Collateral Agent under the Collateral Documents until such time, if any, as the Required Lenders appoint a successor Collateral Agent as provided for above.

Section 9.11 Certain Other Agents. None of the Lenders identified on the facing page or signature pages of this Agreement as a "syndication agents", "documentation agent", "co-agent", "bookrunner", "lead manager" or "arranger" shall have any right, power, obligation, liability, responsibility or duty under the Agreement other than those applicable to all Lenders as such. Without limiting the foregoing, none of the Lenders or any such Person so identified shall have or be deemed to have any fiduciary relationship to any Lender or Credit Party. Each Lender acknowledges that it has not relied, and will not rely, on any of the Lenders or other Persons so identified in deciding to enter into this Agreement or in taking or not taking action hereunder.

Section 9.12 Agents' Fees; Arranger Fee. The Borrower shall pay to each Agent or its Affiliates for such Person's own account and to the Lead Arrangers, in their capacity as Lead Arrangers, for their own account, fees in the amounts and at the times agreed upon from time to time between the Borrower and the Administrative Agent or its Affiliates, the Collateral Agent and the Lead Arrangers, respectively, in each case with respect to this Agreement, the other Finance Documents and the transactions contemplated hereby and thereby.

ARTICLE X
MISCELLANEOUS

Section 10.01 Notices and Other Communications.

(a) *General*. Unless otherwise expressly provided herein, all notices and other communications provided for hereunder shall be in writing (including by facsimile transmission) and mailed, faxed or delivered, to the address, facsimile number or (subject to subsection (c) below) electronic mail address specified for notices: (i) in the case of OH Holdings, Holdings, Intermediate Holdings, the Borrower, the Administrative Agent, or the Swingline Lender, as set forth on the signature pages hereof (in each case, with a copy to (which shall not constitute notice): Paul, Weiss, Rifkind, Wharton & Garrison LLP, Attention: Eric Goodison, Esq., 1285 Avenue of the Americas, New York, NY 10019-6064, Fax No. 212-757-3990), (ii) in the case of any Issuing Lender, as set forth on the signature pages hereto, or in any applicable agreement pursuant to which such Issuing Lender was designated as an Issuing Lender hereunder, (iii) in the case of any Lender, as set forth in Schedule 1.01E hereto or in any applicable Assignment and Assumption pursuant to which such Lender became a Lender hereunder, and (iv) in the case of any party, at such other address as shall be designated by such party in a notice to the Borrower, the Administrative Agent, any Issuing Lender and the Swingline Lender. All such notices and other communications shall be deemed to be given or made upon the earlier to occur of (i) actual receipt by the intended recipient and (ii) (A) if delivered by hand or by courier, when signed for by the intended recipient; (B) if delivered by mail, four Business Days after deposit in the mails, postage prepaid; (C) if delivered by facsimile, when sent and receipt has been confirmed by telephone; and (D) if delivered by electronic mail (which form of delivery is subject to the provisions of subsection (c) below), when

delivered; provided, however, that notices and other communications to the Administrative Agent, any Issuing Lender and the Swingline Lender pursuant to Article II shall not be effective until actually received by such Person. Any notice or other communication permitted to be given, made or confirmed by telephone hereunder shall be given, made or confirmed by means of a telephone call to the intended recipient at the number specified pursuant to this Section 10.01, it being understood and agreed that a voicemail message shall in no event be effective as a notice, communication or confirmation hereunder.

(b) *Effectiveness of Facsimile Documents and Signatures*. Finance Documents may be transmitted and/or signed by facsimile or signed and delivered by electronic mail in an Adobe PDF document. The effectiveness of any such documents and signatures shall, subject to requirements of Law, have the same force and effect as manually-signed originals and shall be binding on all Credit Parties, the Agents and the Lenders. The Administrative Agent may also require that any such documents and signatures be confirmed by a manually-signed original thereof; provided, however, that the failure to request or deliver the same shall not limit the effectiveness of any facsimile document, Adobe PDF document or signature.

(c) *Limited Use of Electronic Mail*. Except as expressly provided herein or as may be agreed by the Administrative Agent in its sole discretion, electronic mail and internet and intranet websites may be used only to distribute routine communications, such as financial statements and other information, and to distribute Finance Documents for execution by the parties thereto, to distribute executed Finance Documents in Adobe PDF format and may not be used for any other purpose.

(d) *Reliance by Agents and Lenders*. The Agents and the Lenders shall be entitled to rely and act upon any notices purportedly given by or on behalf of the Borrower or any other Credit Party even if (i) such notices were not made in a manner specified herein, were incomplete or were not preceded or followed by any other form of notice specified herein or (ii) the terms thereof, as understood by the recipient, varied from any confirmation thereof. The Borrower shall indemnify each Agent and each Lender from all losses, costs, expenses and liabilities resulting from the reliance by such Person on each notice purportedly given by or on behalf of the Borrower. All telephonic notices to and other communications with the Administrative Agent may be recorded by the Administrative Agent, and each of the parties hereto hereby consents to such recording.

Section 10.02 No Waiver; Cumulative Remedies. No failure or delay on the part of an Agent or any Lender in exercising any right, power or privilege hereunder or under any other Finance Document and no course of dealing between the Agents or any Lender and any of the Credit Parties shall operate as a waiver thereof; nor shall any single or partial exercise of any right, power or privilege hereunder or under any other Finance Document preclude any other or further exercise thereof or the exercise of any other right, power or privilege hereunder or thereunder. The rights and remedies provided herein are cumulative and not exclusive of any rights or remedies which the Agents or any Lender would otherwise have. No notice to or demand on any Credit Party in any case shall entitle the Credit Parties to any other or further notice or demand in similar or other circumstances or constitute a waiver of the rights of the Agents or the Lenders to any other or further action in any circumstances without notice or demand.

Section 10.03 Amendments, Waivers and Consents. Neither this Agreement nor any other Finance Document nor any of the terms hereof or thereof may be amended, changed, waived, discharged or terminated except, in the case of this Agreement pursuant to an agreement or agreements in writing entered into by OH Holdings, the Borrower, and the Required Lenders or, in the case of any other Finance Document, pursuant to an agreement or agreements in writing entered into by OH Holdings, the Borrower, any other Credit Parties party thereto and the Administrative Agent and/or the Collateral Agent, as applicable, party thereto; provided that (i) the foregoing shall not restrict the ability of the

Required Lenders to waive any Event of Default prior to the time the Administrative Agent shall have declared, or the Required Lenders shall have requested the Administrative Agent to declare, the Loans immediately due and payable pursuant to Article VIII and (ii) the Administrative Agent and the Borrower may, with the consent of the other, amend, modify or supplement this Agreement and any other Finance Document to cure any ambiguity, typographical error, defect or inconsistency if such amendment, modification or supplement does not adversely affect the rights of any Agent, any Lender or the Issuing Lender; provided, however, that:

(i) no such amendment, change, waiver, discharge or termination shall, without the consent of each Lender directly adversely affected thereby:

(A) extend the final maturity of any Loan or the time of payment of any reimbursement obligation, or any portion thereof, arising from drawings under Letters of Credit, or extend or waive any Principal Amortization Payment or any portion thereof (it being understood that only Required Lenders are necessary to consent to the amendment or waiver of any prepayment required under Section 2.09(b)); provided that this clause (A) shall not restrict the ability of the Required Lenders to waive any Event of Default (other than an Event of Default the waiver of which would effectively result in any such extension or waiver), prior to the time the Administrative Agent shall have declared, or the Required Lenders shall have requested the Administrative Agent to declare, the Loans immediately due and payable pursuant to Article VIII;

(B) reduce the rate, or extend the time of payment, of interest on any Loan (other than as a result of waiving the applicability of any post-default increase in interest rates) thereon or fees hereunder;

(C) reduce or waive the principal amount of any Loan or any LC Disbursement;

(D) increase the Commitment of a Lender from the amount thereof in effect (it being understood and agreed that a waiver of any Default or Event of Default or a mandatory reduction in the Commitments shall not constitute a change in the terms of any Commitment of any Lender);

(E) release all or substantially all of the Collateral securing the Senior Obligations hereunder (provided that the Collateral Agent may, without consent from any other Lender, release any Collateral that is sold or transferred by a Credit Party in compliance with Section 7.05 or released in compliance with Section 9.01(b));

(F) release the Borrower or substantially all of the other Credit Parties from its or their obligations under the Finance Documents (provided that the Administrative Agent may, without the consent of any other Lender, release any Guarantor that is sold or transferred in compliance with Section 7.05);

(G) amend, modify or waive any provision of Section 2.12, Section 2.13 or this Section 10.03, or reduce any percentage specified in, or otherwise modify, the definition of Required Lenders;

(H) consent to the assignment or transfer by the Borrower or all or substantially all of the other Credit Parties of any of its or their rights and obligations under (or in respect of) the Finance Documents, except as permitted thereby; or

(I) amend the priority of distributions to be made pursuant to Section 8.04(a) or amend, modify or waive any provision of Section 8.04(b);

(ii) no provision of Article IX may be amended without the consent of the Administrative Agent and the Collateral Agent, no provision of Section 2.05 may be amended without the consent of each Issuing Lender and no provision of Section 2.01(c) may be amended without the consent of the Swingline Lender;

(iii) no provisions of Section 10.06(b)(i) may be amended without the consent of the Sponsor; and

(iv) no provision affecting the rights or obligations of the Documentation Agent (solely in its capacity as such) may be amended without the consent of the Documentation Agent.

Notwithstanding the above, the right to deliver a notice of an Extension Period as defined in the Junior Debentures Indenture and the equivalent of a payment blockage notice under any other Subordinated Debt) shall reside solely with the Administrative Agent and the Administrative Agent shall deliver such notice only upon the direction of the Required Lenders.

Notwithstanding the fact that the consent of all the Lenders is required in certain circumstances as set forth above, (i) each Lender is entitled to vote as such Lender sees fit on any bankruptcy reorganization plan that affects the Loans or the Letters of Credit, and each Lender acknowledges that the provisions of Section 1126(c) of the Bankruptcy Code supersede the unanimous consent provisions set forth herein and (ii) the Required Lenders may consent to allow a Credit Party to use cash collateral in the context of a bankruptcy or insolvency proceeding.

The various requirements of this Section 10.03 are cumulative. Each Lender and each holder of a Note shall be bound by any waiver, amendment or modification authorized by this Section 10.03 regardless of whether its Note shall have been marked to make reference therein, and any consent by any Lender or holder of a Note pursuant to this Section 10.03 shall bind any Person subsequently acquiring a Note from it, whether or not such Note shall have been so marked.

Section 10.04 Expenses. Holdings and the Borrower, jointly and severally, agree (i) to pay or reimburse the Agents for all reasonable and documented out-of-pocket costs and expenses incurred in connection with the preparation, negotiation and execution of this Agreement and the other Finance Documents and any amendment, waiver, consent or other modification of the provisions hereof and thereof, and the consummation of the transactions contemplated hereby and thereby, including all reasonable and documented fees, disbursements and other charges of Latham & Watkins LLP, counsel for the Agents, and (ii) to pay or reimburse (without duplication of any amount paid pursuant to Section 10.05) each Agent and each Lender for all reasonable and documented out-of-pocket costs and expenses incurred in connection with the enforcement, attempted enforcement or preservation of any rights or remedies under this Agreement or the other Finance Documents (including all such costs and expenses incurred during any "workout" or restructuring in respect of the Senior Obligations and during any legal proceeding, including any proceeding under any bankruptcy or insolvency proceeding), including all reasonable and documented fees and disbursements of counsel, provided that the Borrower shall not be required to reimburse the legal fees and expenses of more than one outside counsel (in addition to up to one local counsel in each applicable local jurisdiction) for all Persons indemnified under this clause (ii) unless, in the written opinion of outside counsel reasonably satisfactory to the Borrower, representation of all such indemnified persons would be inappropriate due to the existence of an actual or potential conflict of interest. The foregoing costs and expenses shall include all search, filing, recording, title insurance and

appraisal charges and fees and taxes related thereto, and other reasonable and documented out-of-pocket expenses incurred by any Agent and the cost of independent public accountants and other outside experts retained by or on behalf of the Agents and the Lender. The agreements in this Section 10.04 shall survive the termination of the Commitments and repayment of all Senior Obligations.

Section 10.05 Indemnification. Whether or not the transactions contemplated hereby are consummated, the Credit Parties jointly and severally agree to indemnify, save and hold harmless each Agent, each other agent or co-agent (if any) designated with respect to the Finance Documents or the transactions contemplated thereby, each Lender and their respective Affiliates, partners, shareholders, controlling persons, directors, officers, employees, counsel, agents, representatives, trustees, investment advisors and attorneys-in-fact and their respective successors and assignors (collectively, the "Indemnitees") from and against: (i) any and all claims, demands, actions, causes of action, suits, proceedings (including any investigations or inquiries), losses, damages, liabilities or expenses (including legal expenses), joint or several, of any kind or nature whatsoever that are asserted against any Indemnitee by any Credit Party or any other Person or entity; (ii) any and all claims, demands, actions, causes of action suits proceedings (including any investigations or inquiries), losses, damages, liabilities or expenses (including legal expenses), joint or several, of any kind or nature whatsoever that may at any time (including at any time following repayment of the Senior Obligations and the resignation or removal of any Agent or the replacement of any Lender), be asserted, threatened or imposed by any Credit Party or any other Person or entity against any Indemnitee, arising out of or in any way relating to any Finance Document, the Commitments, the use of or contemplated use of the proceeds of any Credit Extension, or the relationship of any Credit Party or any Indemnitee, or from any actual or alleged presence or release of Hazardous Materials on or from any property owned or operated by any Group Company, or any Environmental Liability related in any way to any Group Company; (iii) any administrative or investigative proceeding by any Governmental Authority arising out of or related to any matter described in clause (i) or (ii) above; and (iv) any and all liabilities (including liabilities under indemnities), losses, costs or expenses (including fees and disbursements of counsel) that any Indemnitee suffers or incurs as a result of the assertion of any foregoing claim, demand, action, cause of action or proceeding, or as a result of the preparation of any defense in connection with any foregoing claim, demand, action, cause of action or proceeding, in all cases, and whether or not an Indemnitee is a party to such claim, demand, action, cause of action, or proceeding (all the foregoing, collectively, the "Indemnified Liabilities"); provided that no Indemnitee shall be entitled to indemnification for any claim to the extent such claim is determined by a court of competent jurisdiction in a final and nonappealable judgment to have been caused by its own gross negligence, bad faith, willful misconduct or its material breach in bad faith of a Finance Document and provided further that the Credit Parties shall not be required to reimburse the legal fees and expenses of more than one outside counsel (in addition to up to one local counsel in each applicable local jurisdiction) for all Indemnities unless, in the written opinion of outside counsel reasonably satisfactory to the Borrower, representation of all such Indemnitees would be inappropriate due to the existence of an actual or potential conflict of interest. In the case of any matter to which the indemnity in this Section 10.05 applies, such indemnity shall be effective whether or not such matter is brought by any Credit Party, its directors, shareholders or creditors or an Indemnitee or any other Person or any Indemnitee is otherwise a party thereto and whether or not the transactions contemplated hereby are consummated. Each Credit Party agrees not to assert or permit any of their respective Subsidiaries to assert any claim against any Indemnitee, and each of the Agents and the Lenders agrees not to assert or permit any of their respective Subsidiaries to assert any claim against any Credit Party or any Subsidiary of a Credit Party or any of their respective directors, officers, employees, attorneys, agents, trustees or advisors, on any theory of liability, for special, indirect, consequential or punitive damages arising out of or otherwise relating to the Finance Documents, any of the transactions contemplated herein or therein or the actual or proposed use of the proceeds of the Loans or the Letters of Credit. To the extent required by an applicable law, the Administrative Agent may withhold from any payment to any Lender an amount equivalent to any applicable withholding Tax. If the Internal Revenue Service or any other Governmental

Authority asserts a claim that the Administrative Agent did not properly withhold Tax from amounts paid to or for the account of any Lender because the appropriate form was not delivered or was not properly executed or because such Lender failed to notify the Administrative Agent of a change in circumstances which rendered the exemption from, or reduction of, withholding Tax ineffective or for any other reason, such Lender shall indemnify the Administrative Agent fully for all amounts paid, directly or indirectly, by the Administrative Agent as Tax or otherwise, including any penalties or interest, and together with all expenses (including legal expenses, allocated internal costs and out-of-pocket expenses) incurred. Without prejudice to the survival of any other agreement of the Credit Parties hereunder and under the other Finance Documents, the agreements and obligations of the Credit Parties contained in this Section 10.05 shall survive the repayment of the Loans, LC Obligations and other obligations under the Finance Documents and the termination of the Commitments hereunder.

Section 10.06 Successors and Assigns.

(a) *Generally*. This Agreement shall be binding upon and inure to the benefit of and be enforceable by the respective successors and assigns of the parties hereto; provided that none of the Credit Parties may assign or transfer any of its interests and obligations without the prior written consent of either the Required Lenders or the Lenders, as the terms set forth in Section 10.03 may require;

(b) *Assignments*. Any Lender may assign all or a portion of its rights and obligations under this Agreement (including all or a portion of its Loans, its Notes, its Commitments and any Participation Interest in Letters of Credit and Swingline Loans held by it); provided, however, that

(i) each such assignment shall be to an Eligible Assignee and if such Eligible Assignee is a Sponsor Affiliated Lender, each such assignment shall be subject to the following additional conditions: (1) such assignment shall be only with respect to Term Loans; (2) after giving effect to such assignment and to all other assignments and participations with all Sponsor Affiliated Lenders, the aggregate principal amount of all Loans acquired by all Sponsor Affiliated Lenders (whether by assignment, participation or other derivative transaction) shall not exceed 15% of the initial principal amount of the Term Loans; (3) except in the case of the Credit Parties, such Sponsor Affiliated Lender shall complete an Assignment and Assumption acknowledging that it shall have no right whatsoever so long as such Person is a Sponsor Affiliated Lender (A) to consent to any amendment, modification, waiver, consent or other such action with respect to any of the terms of this Agreement or any other Finance Document (other than any amendment, modification, waiver, consent or other action that would (x) result in (aa) an extension of the final maturity of any Loan of such Sponsor Affiliated Lender or (bb) an increase in the Commitment of such Sponsor Affiliated Lender from the amount thereof then in effect (it being understood and agreed that a waiver of any Default or Event of Default shall not constitute an increase in the Commitment of such Sponsor Affiliated Lender) or (y) require the consent of each Lender directly adversely affected thereby as set forth in Section 10.03(i) (other than with respect to any amendment, modification, waiver, consent or other action covered by clause (x) above) solely to the extent that any such amendment, modification, waiver, consent or other action would have a disproportionately adverse effect on such Sponsor Affiliated Lender), (B) to require any Agent or other Lender to undertake any action (or refrain from taking any action) with respect to this Agreement or any other Finance Document (other than matters requiring the vote of all Lenders or all directly adversely affected Lenders), (C) otherwise vote on any matter related to this Agreement or any other Finance Document, (D) to attend (or receive any notice of) any meeting, conference call or correspondence with any Agent or Lender or receive any information from any Agent or Lender, (E) to have access to the Platform (including that portion of the Platform that has been designated for "private-side" Lenders) or (F) to make or bring any claim in its capacity as a Lender against the Agent or any Lender with respect to the duties and

obligations of such Persons under the Finance Documents (provided that no amendment, modification or waiver of this Agreement or any other Finance Document shall deprive any Sponsor Affiliated Lender of its share of any payments which the Lenders are entitled to share on a pro rata basis hereunder); (4) no portion of the Revolving Loans may be used to fund any such purchase of Term Loans; (5) no Default or Event of Default shall have occurred and be continuing at the time of such assignment; (6) the purchase price for such purchased Term Loan, when taken together with all fees to the seller thereof and similar consideration, shall be less than the outstanding principal balance of such purchased Term Loan; (7) such assignment shall be effected through open market purchases and/or Dutch auction or similar procedures (including representations regarding the absence of material non-public information); and (8) if such Sponsor Affiliated Lender is a Credit Party, such purchased Term Loan shall immediately be cancelled and be deemed to be no longer outstanding for any purposes hereof or any Finance Document. By purchasing or being assigned the Loans and by its acceptance of the benefits of this Agreement, each Sponsor Affiliated Lender acknowledges and agrees that the Loans owned by it shall be non-voting under sections 1126 and 1129 of the Bankruptcy Code in the event that any proceeding thereunder shall be instituted by or against Holdings or any other Credit Party;

(ii) [reserved.]

(iii) [reserved.]

(iv) except in the case of an assignment to another Lender, an Affiliate of an existing Lender or any Approved Fund (A) the aggregate amount of the Revolving Commitment, Term Loan Commitment, New Term Loan Commitment, Term Loans or New Term Loans of an assigning Lender subject to each such assignments (determined as of the date the Assignment and Assumption with respect to such assignment is delivered to the Administrative Agent or, if a "Trade Date" is specified in the Assignment and Acceptance, as of the Trade Date) shall not, without the consent of the Administrative Agent and, if no Default or Event of Default has occurred and is continuing, the Borrower (provided that the Borrower shall be deemed to have consented thereto unless it shall have objected in writing thereto no later than five Business Days after notice thereof), be less (with respect to any such Revolving Commitment or Revolving Loan) than $5,000,000 or an integral multiple of $1,000,000 in excess thereof or be less (with respect to any Term Loan Commitment, New Term Loan Commitment, Term Loans or New Term Loans) than $1,000,000 or an integral multiple in excess thereof (or such lesser amount as shall equal the assigning Lender's entire Revolving Commitment, Term Loan Commitment, Revolving Loans, New Term Loan Commitment, Term Loans or New Term Loans) and (B) after giving effect to such assignment, unless otherwise consented to by the Borrower (provided that the Borrower shall be deemed to have consented thereto unless it shall have objected in writing thereto no later than five Business Days after notice thereof) if no Default or Event of Default has occurred and is continuing, the aggregate amount of the Revolving Commitment and Revolving Loans shall not be less than $5,000,000 and the aggregate amount of the Term Loan Commitment and Term Loans or New Term Loan Commitment, and New Term Loans at the time owing to the assigning Lender shall not be less than $1,000,000 (unless the assigning Lender shall have assigned its entire Revolving Commitment, Revolving Loans, Term Loan Commitment, New Term Loan Commitment, Term Loans and New Term Loans at the time owing it pursuant to such assignment or assignments otherwise complying with this Section 10.06 executed substantially simultaneously with such assignment);

(v) each such assignment by a Lender shall be of a constant, and not varying, percentage of all rights and obligations in respect of a particular Commitment or Loan under this Agreement and the other Finance Documents; and

(vi) the parties to such assignment shall execute and deliver to the Administrative Agent and, only with respect to any assignment of all or a portion of the Revolving Committed Amount, the Issuing Lenders for their acceptance an Assignment and Acceptance in the form of Exhibit C-1, together with any Note subject to such assignment and a processing fee of $3,500 (the "Assignment Fee"), payable or agreed between the assigning Lender and the assignee (and which shall not be required to be paid by the Borrower); provided however, if the parties of such assignment shall electronically execute and deliver to the Administrative Agent an Assignment and Acceptance via an electronic settlement system acceptable to the Administrative Agent in its sole discretion (which initially shall be Clearpar, LLC) the Assignment Fee shall be $500.

(c) *Assignment and Acceptance*. By executing and delivering an Assignment and Acceptance in accordance with this Section 10.06, the assigning Lender thereunder and the assignee thereunder shall be deemed to confirm to and agree with each other and the other parties hereto as follows: (i) such assigning Lender warrants that it is the legal and beneficial owner of the interest being assigned thereby free and clear of any adverse claim and the assignee warrants that it is an Eligible Assignee; (ii) except as set forth in clause (i) above, such assigning Lender makes no representation or warranty and assumes no responsibility with respect to any statements, warranties or representations made in or in connection with this Agreement, any of the other Finance Documents or any other instrument or document furnished pursuant hereto or thereto, or the execution, legality, validity, enforceability, genuineness, sufficiency or value of this Agreement, any of the other Finance Documents or any other instrument or document furnished pursuant hereto or thereto or the financial condition of the Credit Parties or the performance or observance by any Credit Party of any of its obligations under this Agreement, any of the other Finance Documents or any other instrument or document furnished pursuant hereto or thereto; (iii) such assignee represents and warrants that it is legally authorized to enter into such assignment agreement; (iv) such assignee confirms that it has received a copy of this Agreement, the other Finance Documents, together with copies of the most recent financial statements delivered pursuant to Section 6.01 and such other documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into such Assignment and Acceptance; (v) such assignee will independently and without reliance upon the Administrative Agent, any Issuing Lender, such assigning Lender or any other Lender, and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under this Agreement and the other Finance Documents; (vi) such assignee appoints and authorizes each of the Administrative Agent and the Collateral Agent to take such action on its behalf and to exercise such powers under this Agreement or any other Finance Document as are delegated to such Persons by the terms hereof or thereof, together with such powers as are reasonably incidental thereto; and (vii) such assignee agrees that it will perform in accordance with their terms all the obligations which by the terms of this Agreement and the other Finance Documents are required to be performed by it as a Lender. Upon execution, delivery, and acceptance of such Assignment and Acceptance, the assignee thereunder shall be a party hereto and, to the extent of such assignment, have the obligations, rights, and benefits of a Lender hereunder and the assigning Lender shall, to the extent of such assignment, relinquish its rights and be released from its obligations under this Agreement. Upon the consummation of any assignment pursuant to this Section 10.06(c), the assignor, the Administrative Agent and the Credit Parties shall make appropriate arrangements so that, if required, new Notes are issued to the assignor and the assignee. If the assignee is not a United States person under Section 7701(a)(30) of the Code, it shall deliver to the Credit Parties and the Administrative Agent certification as to exemption from deduction or withholding of Taxes in accordance with Section 3.01. In addition, if applicable, the assignee shall deliver to the Administrative Agent the information referred to in Section 10.20.

(d) *Register*. The Borrower hereby designates the Administrative Agent to serve as its agent, solely for purposes of this subsection 10.06(d), to (i) maintain a register (the "Register") on

which the Administrative Agent will record the Commitments from time to time of each Lender, the Loans made by each Lender and each repayment in respect of the principal amount of the Loans of each Lender and to (ii) retain a copy of each Assignment and Acceptance delivered to the Administrative Agent pursuant to this Section 10.06. Failure to make any such recordation, or any error in such recordation, shall not affect the Borrower's obligation in respect of such Loans. The entries in the Register shall be conclusive, in the absence of manifest error, and the Borrower, the Administrative Agent, the Issuing Lenders and the Lenders shall treat each Person in whose name a Loan and the Note evidencing the same is registered as the owner thereof for all purposes of this Agreement, notwithstanding notice or any provision herein to the contrary. With respect to any Lender, the assignment or other transfer of the Commitments of such Lender and the rights to the principal of, and interest on, any Loan made and any Note issued pursuant to this Agreement shall not be effective until such assignment or other transfer is recorded on the Register and, except to the extent provided in this subsection 10.06(d), otherwise complies with Section 10.06, and prior to such recordation all amounts owing to the transferring Lender with respect to such Commitments, Loans and Notes shall remain owing to the transferring Lender. The registration of assignment or other transfer of all or part of any Commitments, Loans and Notes for a Lender shall be recorded by the Administrative Agent on the Register only upon the acceptance by the Administrative Agent of a properly executed and delivered Assignment and Acceptance and payment of the administrative fee referred to in Section 10.06(b)(vi). The Register shall be available at the offices where kept by the Administrative Agent for inspection by the Borrower and any Lender at any reasonable time upon reasonable prior notice to the Administrative Agent. The Borrower may not replace any Lender pursuant to Section 2.10(d), unless, with respect to any Notes held by such Lender, the requirements of subsection 10.06(b) and this subsection 10.06(d) have been satisfied.

(e) *Participations*. Each Lender may, without the consent of the Borrower, the Issuing Lenders, the Swingline Lender or any Agent, sell participations to one or more Persons in all or a portion of its rights, obligations or rights and obligations under this Agreement (including all or a portion of its Loans, its Notes, its Commitments and any Participation Interest in Letters of Credit and Swingline Loans held by it); provided, however, that (i) such Lender's obligations under this Agreement shall remain unchanged, (ii) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations, (iii) the participant shall be entitled to the benefit of the right of setoff contained in Section 10.08 and the yield protection provisions contained in Sections 3.01, 3.04 and 3.05 and to the same extent that the Lender from which such participant acquired its participation would be entitled to the benefits of such yield protection provisions; provided that the Borrower shall not be required to reimburse any participant pursuant to Sections 3.01, 3.04 or 3.05 in an amount which exceeds the amount that would have been payable thereunder to such Lender had such Lender not sold such participation and (iv) the Credit Parties, the Agents, the Issuing Lenders, the Swingline Lender and the other Lenders shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under this Agreement, and such Lender shall retain the sole right to enforce the obligations of the Credit Parties relating to the Senior Obligations owing to such Lender and to approve any amendment, modification or waiver of any provision of this Agreement (other than amendments, modifications or waivers decreasing the amount of principal of or the rate at which interest is payable on such Loans or Notes, extending any scheduled principal payment date or date fixed for the payment of interest on such Loans or Notes or extending its Commitment).

(f) *Other Assignments*. Any Lender may at any time (i) assign all or any portion of its rights under this Agreement and any Notes to a Federal Reserve Bank or any central bank having jurisdiction over such Lender, (ii) pledge or assign a security interest in all or any portion of its interest and rights under this Agreement (including all or any portion of its Notes, if any) to secure obligations of such Lender (including any pledge or assignment to any holders of obligations owed, or securities issued, by such Lender as collateral security for such obligations or securities, or to any trustee for, or any other representative of such holders) and (iii) grant to an SPC referred to in subsection (h) below identified as

such in writing from time to time by such Lender to the Administrative Agent and the Borrower the option to provide to the Borrower all or any part of any Loans that such Lender would otherwise be obligated to make to the Borrower pursuant to this Agreement; provided that no such assignment, option, pledge or security interest shall release a Lender from any of its obligations hereunder or substitute any such Federal Reserve Bank or other Person to which such option, pledge or assignment has been made for such Lender as a party hereto.

(g) *Information*. Any Lender may furnish any information concerning any Credit Party or any of their respective Subsidiaries in the possession of such Lender from time to time to assignees and participants (including prospective assignees and participants), subject, however, to the provisions of Section 10.07.

(h) Other Funding Vehicles. Notwithstanding anything to the contrary contained herein, any Lender (a "Granting Lender") may grant to a special purpose funding vehicle (an "SPC") the option to fund all or any part of any Loan that such Granting Lender would otherwise be obligated to fund pursuant to this Agreement provided that (i) nothing herein shall constitute a commitment by any SPC to fund any Loan, (ii) if an SPC elects not to exercise such option or otherwise fails to fund all or any part of such Loan, the Granting Lender shall be obligated to fund such Loan pursuant to the terms hereof, (iii) no SPC shall have any voting rights pursuant to Section 10.01 and (iv) with respect to notices, payments and other matters hereunder, the Borrower, the Administrative Agent and the Lenders shall not be obligated to deal with an SPC, but may limit their communications and other dealings relevant to such SPC to the applicable Granting Lender. The funding of a Loan by an SPC hereunder shall utilize the applicable Commitment of the Granting Lender to the same extent that, and as if, such Loan were funded by such Granting Lender. Each party hereto hereby agrees that no SPC shall be liable for any indemnity or payment under this Agreement for which a Lender would otherwise be liable for so long as, and to the extent, the Granting Lender provides such indemnity or makes such payment. Notwithstanding anything to the contrary contained in this Agreement, any SPC may disclose on a confidential basis any non-public information relating to its funding of Loans to any rating agency, commercial paper dealer or provider of any surety or guarantee to such SPC. This subsection (h) may not be amended without the prior written consent of each Granting Lender, all or any part of whose Loan is being funded by an SPC at the time of such amendment.

Section 10.07 Confidentiality and Disclosure. (a) Each of the Administrative Agent and the Lenders agrees to maintain the confidentiality of the Information (as defined below), except that Information may be disclosed (i) to its and its Affiliates' directors, officers, employees, trustees and agents, including accountants, legal counsel and other advisors (it being understood that the Persons to whom such disclosure is made will be informed of the confidential nature of such Information and instructed to keep such Information confidential); (ii) to the extent requested by any regulatory authority (in which case the Administrative Agent or such Lender, as applicable, shall to the extent legally permitted use reasonable efforts to notify the Borrower prior to such disclosure) except if requested in the course of routine audits or reviews by any regulatory (including self-regulatory) authority; (iii) to the extent required by applicable Laws or regulations or by any subpoena or similar legal process (in which case the Administrative Agent or such Lender, as applicable, shall use reasonable efforts to notify the Borrower prior to such disclosure) or in connection with any assignment or pledge permitted under Section 10.06(f); (iv) to any other party to this Agreement; (v) in connection with the exercise of any remedies hereunder or any suit, action or proceeding relating to this Agreement or the enforcement of rights hereunder; (vi) subject to an agreement containing provisions substantially the same as those of this Section 10.07, to (A) any Eligible Assignee of or participant in, or any prospective Eligible Assignee of or participant in, any of its rights or obligations under this Agreement or (B) any direct or indirect contractual counterparty or prospective counterparty (or such contractual counterparty's or prospective counterparty's professional advisor) to any credit derivative transaction relating to obligations of the

Borrower; (vii) with the prior written consent of the Borrower; (viii) to the extent such information (A) becomes publicly available other than as a result of a breach of this Section 10.07 or (B) becomes available to an Agent or any Lender on a nonconfidential basis from a source other than the Borrower any other Credit Party or any Subsidiary thereof; or (ix) to the National Association of Insurance Commissioners or any other similar organization or any nationally recognized rating agency that requires access to information about a Lender's or its Affiliates' investment portfolio in connection with ratings issued with respect to such Lender or its Affiliates. For the purposes of this Section 10.07, "Information" means all information received from the Borrower or any of its Affiliates relating to the Borrower or any of its Affiliates or their respective businesses, other than any such information that is available to the Administrative Agent or any Lender on a nonconfidential basis prior to disclosure by the Borrower or any of its Affiliates. Any Person required to maintain the confidentiality of Information as provided in this Section 10.07 shall be considered to have complied with its obligation to do so if such Person has exercised the same degree of care to maintain the confidentiality of such Information as such Person would accord to its own confidential information (but in no event less than a reasonable degree of care). Notwithstanding the foregoing, any Agent and any Lender may place advertisements in financial and other newspapers and periodicals or on a home page or similar place for dissemination of information on the Internet or worldwide web as it may choose, and circulate similar promotional materials, after the closing of the transactions contemplated by this Agreement in the form of a "tombstone" or otherwise describing the names of the Credit Parties, or any of them, and the amount, type and Closing Date of such transactions, all at their sole expense.

(b) Notwithstanding the foregoing or any other contrary provision in this Agreement or any other Finance Documents, the parties hereto hereby agree that, from the commencement of discussions with respect to the Transactions and the Finance Documents, each of the parties hereto and each of their respective employees, representatives and other agents may disclose to any and all Persons, of any kind, the tax treatment and tax structure (as such terms are used in Sections 6011, 6111 and 6112 of the Code and the Treasury Regulations promulgated thereunder) of the Finance Documents and the Transaction and all materials of any kind (including opinions or other tax analyses) that are provided to any of the parties hereto relating to such tax treatment and tax structure, other than any information for which nondisclosure is reasonably necessary in order to comply with applicable securities laws; provided, however, that for this purpose the U.S. federal income tax treatment and U.S. federal income tax structure shall not include (i) the identity of any existing or future party (or Affiliate of such party) to this Agreement or (ii) any specific market pricing information, including the amount of any fees, expenses, rates or payments, arising in connection with this Agreement or the transactions contemplated hereby.

Section 10.08 Set-off. In addition to any rights now or hereafter granted under applicable law or otherwise, and not by way of limitation of any such rights, upon the occurrence and during the continuance of an Event of Default, each Lender (and each of its Affiliates) is authorized at any time and from time to time, without presentment, demand, protest or other notice of any kind (all of such rights being hereby expressly waived), to set-off and to appropriate and apply any and all deposits (general or specific, but excluding Exempt Deposit Accounts as defined in the Security Agreement) and any other indebtedness at any time held or owing by such Lender (including branches, agencies or Affiliates of such Lender wherever located) to or for the credit or the account of any Credit Party against obligations and liabilities of such Credit Party then due to the Lenders hereunder, under the Notes, under the other Finance Documents or otherwise. The Credit Parties hereby agree that to the extent permitted by law any Person purchasing a participation in the Loans, Commitments and LC Obligations hereunder pursuant to Section 2.01(c), 2.05(a) or (e), 2.13 or 10.06(e) may exercise all rights of set-off with respect to its participation interest as fully as if such Person were a Lender hereunder and any such set-off shall reduce the amount owed by such Credit Party to the Lender.

Section 10.09 Interest Rate Limitation. Notwithstanding anything herein to the contrary, if at any time the interest rate applicable to any Loan, together with all fees, charges and other amounts that are treated as interest on such Loan under applicable law (collectively, the "Charges"), shall exceed the maximum lawful rate (the "Maximum Rate") that may be charged or contracted for, charged or otherwise received by the Lender holding such Loan in accordance with applicable law, the rate of interest payable in respect of such Loan hereunder, together with all Charges payable in respect thereof, shall be limited to the Maximum Rate and, to the extent lawful, the interest and Charges that would have been payable in respect of such Loan but were not payable as a result of the operation of this Section 10.09, shall be cumulated and the interest and Charges payable to such Lender in respect of other Loans or periods shall be increased (but not above the Maximum Rate therefor) until such Lender shall have received such cumulated amount, together with interest thereon at the Federal Funds Rate to the date of payment.

Section 10.10 Counterparts. This Agreement may be executed in any number of counterparts, each of which when so executed and delivered shall be an original, but all of which shall constitute one and the same instrument. It shall not be necessary in making proof of this Agreement to produce or account for more than one such counterpart.

Section 10.11 Integration. This Agreement, together with the other Finance Documents, comprises the complete and integrated agreement of the parties on the subject matter hereof and thereof and supersedes all prior agreements, written or oral, on such subject matter. With the exception of those terms contained in Sections 3, 5, 8 and 9 of the Commitment Letter dated April 21, 2010, among the Commitment Parties and Holdings which by the terms of such Commitment Letter remain in full force and effect, all of the Commitment Parties' and their respective Affiliates obligations under the Commitment Letter shall terminate and be superseded by the Finance Documents and the Commitment Parties and their respective Affiliates shall be released from all liability in connection therewith, including any claim for injury or damages, whether consequential, special, direct, indirect, punitive or otherwise.

Section 10.12 Conflicts. In the event of any conflict between the provisions of this Agreement and those of any other Finance Document, the provisions of this Agreement shall control; provided that the inclusion of supplemental rights or remedies in favor of the Administrative Agent or the Lenders in any other Finance Document shall not be deemed a conflict with this Agreement. Each Finance Document was drafted with the joint participation of the respective parties thereto and shall be construed neither against nor in favor of any party, but rather in accordance with the fair meaning thereof.

Section 10.13 Survival of Representations and Warranties. All representations and warranties made hereunder and in any other Finance Document or other document delivered pursuant hereto or thereto or in connection herewith or therewith shall survive the execution and delivery hereof and thereof. Such representations and warranties have been or will be relied upon by the Agents and each Lender, regardless of any investigation made by any Agent or any Lender or on their behalf and notwithstanding that any Agent or any Lender may have had notice or knowledge of any Default or Event of Default at the time of any Credit Extension, and shall continue in full force and effect as long as any Loan or any other Senior Obligation (other than contingent indemnification obligations) shall remain unpaid or unsatisfied or any Letter of Credit shall remain outstanding.

Section 10.14 Severability. Any provision of this Agreement and the other Finance Documents to which any Credit Party is a party that is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions thereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

Section 10.15 Headings. The headings of the sections and subsections hereof are provided for convenience only and shall not in any way affect the meaning or construction of any provision of this Agreement.

Section 10.16 Governing Law; Submission to Jurisdiction.

(a) **THIS AGREEMENT AND THE OTHER FINANCE DOCUMENTS (OTHER THAN AS EXPRESSLY SET FORTH IN SUCH OTHER FINANCE DOCUMENTS) AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER AND THEREUNDER SHALL BE GOVERNED BY AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH THE LAW OF THE STATE OF NEW YORK WITHOUT REGARD TO PRINCIPLES OF CONFLICTS OF LAWS THAT WOULD RESULT IN THE APPLICATION OF ANY LAW OTHER THAN THE LAW OF THE STATE OF NEW YORK**. Any legal action or proceeding with respect to this Agreement or any other Finance Document may be brought in the courts of the State of New York in New York County, or of the United States for the Southern District of New York and, by execution and delivery of this Agreement, each party hereto hereby irrevocably accepts for itself and in respect of its property, generally and unconditional, the nonexclusive jurisdiction of such courts. Each of party hereto irrevocably waives, to the fullest extent permitted by law, any objection which it may now or hereafter have to the laying of the venue of any such proceeding brought in such court and any claim that any such proceeding brought in any such court has been brought in an inconvenient forum.

(b) Each of party hereto hereby irrevocably consents and agrees that any and all process which may be served in any suit, action or proceeding of the nature referred to in this Section 10.16 may be served by the mailing of a copy thereof by registered or certified mail, postage prepaid, return receipt requested, to such party's address referred to in Section 10.03, as the case may be. Each of party hereto agrees that such service (i) shall be deemed in every respect effective service of process upon it in any such suit, action or proceeding and (ii) shall, to the fullest extent permitted by law, be taken and held to be valid personal service upon and personal delivery to it. Nothing in this Section 10.16 shall affect the right of any party hereto to serve process in any manner permitted by law or limit the right of any party hereto to bring proceedings against any other party in the courts of any jurisdiction or jurisdictions.

Section 10.17 Waiver of Jury Trial. **EACH PARTY TO THIS AGREEMENT HEREBY EXPRESSLY IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY RIGHT TO TRIAL BY JURY OF ANY CLAIM, COUNTERCLAIM, DEMAND, ACTION OR CAUSE OF ACTION ARISING UNDER ANY FINANCE DOCUMENT OR IN ANY WAY CONNECTED WITH OR RELATED OR INCIDENTAL TO THE DEALINGS OF THE PARTIES HERETO OR ANY OF THEM WITH RESPECT TO ANY FINANCE DOCUMENT, OR THE TRANSACTIONS RELATED THERETO, IN EACH CASE WHETHER NOW EXISTING OR HEREAFTER ARISING, AND WHETHER FOUNDED IN CONTRACT OR TORT OR OTHERWISE; AND EACH PARTY HEREBY AGREES AND CONSENTS THAT ANY SUCH CLAIM, COUNTERCLAIM, DEMAND, ACTION OR CAUSE OF ACTION SHALL BE DECIDED BY COURT TRIAL WITHOUT A JURY, AND THAT ANY PARTY TO THIS AGREEMENT MAY FILE AN ORIGINAL COUNTERPART OR A COPY OF THIS SECTION WITH ANY COURT AS WRITTEN EVIDENCE OF THE CONSENT OF THE SIGNATORIES HERETO TO THE WAIVER OF THEIR RIGHT TO TRIAL BY JURY. EACH PARTY HERETO CERTIFIES TO THE OTHER PARTIES HERETO THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND ACKNOWLEDGES**

THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

Section 10.18 Binding Effect. This Agreement shall be binding upon and inure to the benefit of the Credit Parties, each Agent and each Lender and their respective permitted successors and assigns.

Section 10.19 Lenders' U.S. Patriot Act Compliance Certification. Each Lender or assignee or participant of a Lender that is not incorporated under the Laws of the United States or a State thereof (and is not excepted from the certification requirement contained in Section 313 of the U.S. Patriot Act and the applicable regulations because it is both (i) an Affiliate of a depository institution or foreign bank that maintains a physical presence in the United States or foreign country and (ii) subject to supervision by a banking regulatory authority regulating such Affiliated depository institution or foreign bank) shall deliver to the Administrative Agent the certification or, if applicable, recertification, certifying that such Lender is not a "shell" and certifying to other matters as required by Section 313 of the U.S. Patriot Act and the applicable regulations thereunder: (i) within 10 days after the Closing Date or, if later, the date such Lender, assignee or participant of a Lender becomes a Lender, assignee or participant of a Lender hereunder and (ii) at such other times as are required under the U.S. Patriot Act.

Section 10.20 U.S. Patriot Act Notice. Each Lender and the Administrative Agent (for itself and not on behalf of any other Lender) hereby notifies each Credit Party that, pursuant to the requirements of the U.S. Patriot Act, it is required to obtain, verify and record information that identifies each Credit Party, which information includes the name and address of each Credit Party and other information that will allow such or Administrative Agent, as applicable, to identify such Credit Party in accordance with the U.S. Patriot Act.

Section 10.21 Electronic Execution of Assignments. The words "execution," "signed," "signature," and words of like import in any Finance Document shall be deemed to include electronic signatures or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act.

Section 10.22 No Fiduciary Duty. Each Agent, each Lender and their respective Affiliates (collectively, solely for purposes of this paragraph, the "Lenders"), may have economic interests that conflict with those of the Credit Parties, their respective stockholders and/or their respective affiliates. Each Credit Party agrees that nothing in the Finance Documents or otherwise will be deemed to create an advisory, fiduciary or agency relationship or fiduciary or other implied duty between any Lender, on the one hand, and any Credit Party, its stockholders or its affiliates, on the other. The Credit Parties acknowledge and agree that (i) the transactions contemplated by the Finance Documents (including the exercise of rights and remedies hereunder and thereunder) are arm's-length commercial transactions between the Lenders, on the one hand, and such Credit Party, on the other, and (ii) in connection therewith and with the process leading thereto, (x) no Lender has assumed an advisory or fiduciary responsibility in favor of such Credit Party, its stockholders or its affiliates with respect to the transactions contemplated by the Finance Documents (or the exercise of rights or remedies with respect thereto) or the process leading thereto (irrespective of whether any Lender has advised, is currently advising or will advise such Credit Party, its stockholders or its affiliates on other matters) or any other obligation to such Credit Party except the obligations expressly set forth in the Finance Documents and

(y) each Lender is acting solely as principal and not as the agent or fiduciary of such Credit Party, its management, stockholders, affiliates, creditors or any other Person. Each Credit Party acknowledges and agrees that such Credit Party has consulted its own legal and financial advisors to the extent it deemed appropriate and that it is responsible for making its own independent judgment with respect to such transactions and the process leading thereto. Each Credit Party agrees that it will not claim that any Lender has rendered advisory services of any nature or respect, or owes a fiduciary or similar duty to such Credit Party, in connection with such transaction or the process leading thereto.

Section 10.23 **Joint and Several Liability**. From and after the delivery of the Borrower Assumption Agreement, each Borrower hereby agrees that it is jointly and severally liable under this Agreement for all Finance Obligations as further provided in the Borrower Assumption Agreement.

[Signature Pages Follow]

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

OHCP HM ACQUISITION CORP.

By: /s/ Michael Green
Name: Michael Green
Title: Vice President

c/o Oak Hill Capital Partners III, L.P.
65 East 55th Street
New York, New York 10022

OHCP HM MERGER SUB CORP.

By: /s/ Michael Green
Name: Michael Green
Title: Vice President

c/o Oak Hill Capital Partners III, L.P.
65 East 55th Street
New York, New York 10022

THE HILLMAN GROUP, INC.

By: /s/ James P. Waters
Name: James P. Waters
Title: Chief Financial Officer

10590 Hamilton Avenue
Cincinnati, Ohio 45231-0012

THE HILLMAN COMPANIES, INC.

By: /s/ James P. Waters
Name: James P. Waters
Title: Chief Financial Officer

10590 Hamilton Avenue
Cincinnati, Ohio 45231-0012

HILLMAN INVESTMENT COMPANY

By: /s/ James P. Waters
Name: James P. Waters
Title: Chief Financial Officer

10590 Hamilton Avenue
Cincinnati, Ohio 45231-0012

BARCLAYS BANK PLC,
as Administrative Agent, Issuing Lender,
Swingline Lender and a Lender

By: /s/ Craig Malloy
Name: Craig Malloy
Title: Director

BARCLAYS CAPITAL,
as Lead Arranger, Joint Bookrunner and
Syndication Agent

By: /s/ Craig Malloy
Name: Craig Malloy
Title: Director

MORGAN STANLEY BANK, N.A.
as Lead Arranger, Syndication Agent, Joint Bookrunner and Revolving Lender

By: /s/ Emily Johnson
Name: Emily Johnson
Title: Authorized Signatory

GE CAPITAL MARKETS, INC.,
as Joint Bookrunner

By: /s/ David Mahon
Name: David Mahon
Title: Duly Authorized Signatory

GENERAL ELECTRIC CAPITAL
CORPORATION,
as Documentation Agent and a Lender

By: /s/ Kristine M. Jurczyk
Name: Kristine M. Jurczyk
Title: Duly Authorized Signatory

Schedule 1.01A

Lenders and Commitments

Lender	Revolving Commitment Amount[1, 2]	Revolving Commitment Percentage	Term Loan Commitment Amount	Term Loan Commitment Percentage	Total Commitment	Commitment Date
Barclays Bank PLC	$8,333,333.33	27.78%	$247,000,000.00	85.17%	$255,333,333.33	May 28, 2010
Morgan Stanley Bank, N.A.	$8,333,333.33	27.78%	$0.00	0.00%	$8,333,333.33	May 28, 2010
General Electric Capital Corporation	$8,333,333.33	27.78%	$40,000,000.00	13.79%	$48,333,333.33	May 28, 2010
PNC Bank NA	$5,000,000.00	16.67%	$3,000,000.00	1.03%	$8,000,000.00	May 28, 2010
Total	$30,000,000.00	100.00%	$290,000,000.00	100.00%	$320,000,000.00	

[1] The Swingline Committed Amount is $5,000,000.
[2] The LC Committed Amount is $15,000,000.

Schedule 1.01C

Refinanced Agreements

1. Amended and Restated Credit Agreement, dated as of July 21, 2006, by and among The Hillman Group, Inc.("HGI"), The Hillman Companies, Inc. ("Holdings"), Hillman Investment Company ("Intermediate Holdings"), GE Business Financial Services Inc. ("GEBFS") and certain other financial institutions parties thereto as lenders thereunder, as amended through the date hereof.

2. Loan Agreement, dated as of March 31, 2004, among Holdings, Intermediate Holdings, HGI and Allied Capital Corporation ("Allied Capital"), as amended through the date hereof.

Schedule 1.01D

Management Group

1. Max W. Hillman, Jr.

2. Richard P. Hillman

3. James P. Waters

4. Gary Seeds

5. Dan Smercina

6. Terry Rowe

7. George Heredia

8. Richard Buller

9. John Marshall

10. Albert (Chip) Church

11. Ali Fartaj

12. John Helms

13. Andrea Borg

Schedule 1.01E

Lender Addresses

Lender	Address for Notices	Applicable Lending Offices for Base Rate Loans	Applicable Lending Offices for Eurodollar Loans
Barclays Bank PLC	Barclays Bank PLC 745 Seventh Avenue New York, NY 10019 Attn: Noam Azachi Tel: 212-526-1957 Fax: 212-526-5115	Barclays Bank PLC 70 Hudson Street Jersey City, New Jersey 07302, USA Attn: Patrick Kerner Tel: 201-499-5040 Fax: 917.522.0569	Barclays Bank PLC 70 Hudson Street Jersey City, New Jersey 07302, USA Attn: Patrick Kerner Tel: 201-499-5040 Fax: 917.522.0569
Morgan Stanley Bank, N.A.	Morgan Stanley Loan Servicing 1000 Lancaster Street Baltimore, MD 21202 Attn: Brad Dudley Tel: 443-627-4355 Fax: 718-233-2140	Morgan Stanley Bank, N.A. One Utah Center. 201 South Main Street, 5th Floor Salt Lake City, Utah 84111	Morgan Stanley Bank, N.A. One Utah Center. 201 South Main Street, 5th Floor Salt Lake City, Utah 84111
General Electric Capital Corporation	General Electric Capital Corporation Corporate Financial Services 500 W Monroe Attn: Hillman Account Officer Tel: 312-441-6761 Fax: 312-441-7920	GE Capital GENPAC JLN MARG Jaipur RJ 302017 India Attn: Piyush Bhatnagar Tel: 203-956-3837 Fax: 203-956-4783	GE Capital GENPAC JLN MARG Jaipur RJ 302017 India Attn: Piyush Bhatnagar Tel: 203-956-3837 Fax: 203-956-4783
PNC Bank, NA	PNC Bank, National Association 201 East Fifth Street, 3rd Floor Cincinnati, OH 45202 Attn: Jeffrey Stein Tel: (513) 651-8692 Fax: (513) 651-8951	PNC Bank, National Association 201 East Fifth Street, 3rd Floor Cincinnati, OH 45202 Attn: Jeffrey Stein Tel: (513) 651-8692 Fax: (513) 651-8951	PNC Bank, National Association 201 East Fifth Street, 3rd Floor Cincinnati, OH 45202 Attn: Jeffrey Stein Tel: (513) 651-8692 Fax: (513) 651-8951

Schedule 1.01F

Insignificant Subsidiaries[3]

Entity Name	Type of Credit Party	Jurisdiction of Organization or Formation
SunSource Integrated Services de Mexico SA de CV	Foreign Subsidiary	Mexico
The Hillman Group Canada Ltd.	Foreign Subsidiary	Canada
SunSub C Inc.	Subsidiary Guarantor	Delaware

[3] As of April 30, 2010, the aggregate asset value of these Subsidiaries was approximately $7.05 million.

Schedule 2.05

Existing Letters of Credit

Date of Issuance	*Issuer*	*Letter of Credit Number*	*Undrawn Amount*	*Names of Beneficiary*	*Date of Expiry*
11/06/09	PNC Bank, National Asssociation	18110694	$422,000	American Casualty Co.	11/06/10
11/27/09	PNC Bank, National Asssociation	18108323	$274,770	American Casualty Co.	11/27/10
10/18/05	PNC Bank, National Asssociation	18102336	$843,600	American Casualty Co.	10/18/10
11/09/04	PNC Bank, National Asssociation	18100805	$1,266,630	American Casualty Co.	11/09/10
10/08/03	PNC Bank, National Asssociation	261210	$400,000	American Casualty Co.	10/08/10
11/09/01	PNC Bank, National Asssociation	243649	$80,000	Lumbermens Mutual Casualty Co.	10/03/10
10/04/00	PNC Bank, National Asssociation	233709	$1,650,000	Legion Insurance Company	10/03/10
10/16/00	PNC Bank, National Asssociation	233749	$500,000	Mutual Indemnity Ltd.	12/15/10
04/08/09	PNC Bank, National Asssociation	18111322	$50,000	Disney	04/08/11

Schedule 4.01(k)(i)

Mortgaged Properties

List of Mortgaged Properties:

425 Church St. Goodlettsville, Tennessee 37072.

Schedule 5.02

Required Consents, Authorizations, Notices and Filings

1. Hart-Scott-Rodino approval.
2. See Authorization Schedule of Merger Agreement.

Schedule 5.07

Undisclosed Liabilities

None.

Schedule 5.15

ERISA

None.

Schedule 5.16

Subsidiaries

Name of Subsidiary	Jurisdiction of Formation	Subsidiary Guarantor	Authorized Shares	Outstanding Shares	Holder of Outstanding Equity Interests
The Hillman Companies, Inc.	Delaware	Yes	100 shares of common stock, par value $0.01	100 shares of common stock	OHCP HM Acquisition Corp.
Hillman Investment Company	Delaware	Yes	100 shares of common stock, par value $0.01	100 shares of common stock	The Hillman Companies, Inc.
The Hillman Group, Inc.	Delaware	No	200 shares of common stock, par value $0.01 per share	200 shares of common stock	Hillman Investment Company
SunSub C Inc.	Delaware	Yes	100 shares of common stock, par value $0.01 per share	100 shares of common stock	The Hillman Group, Inc.
All Points Industries, Inc.	Florida	Yes	100 shares of common stock, no par value	100 shares of common stock	The Hillman Group, Inc.
The Hillman Group Canada Ltd.	Canada	No	100 shares of common stock	100 shares of common stock	The Hillman Group, Inc.
SunSource Integrated Services de Mexico SA de CV	Mexico	No	150,000 series B shares and 25,690,000 Series B-1 shares	150,000 Series B shares and 25,690,000 Series B-1 shares	The Hillman Group, Inc.

Schedule 5.20

Environmental Matters

None.

Schedule 5.21

Intellectual Property

Part A

Copyrights and Copyright Applications

Debtor/Grantor	Title	Registration Date	Status	Application/ Registration No.
The Hillman Group, Inc.	Butterfly hanger	2/22/2005	Registered	VA1299548
The Hillman Group, Inc.	Police car hanger	2/2/2005	Registered	VA1300306
The Hillman Group, Inc.	Axxess Entry Technologies training tape	8/13/1993	Registered	SR178277
The Hillman Group, Inc.	Program 1 [Application title: Computer Software Program 1]	4/6/1988	Registered	TXu343214
The Hillman Group, Inc.	Computer software program—program 1. By Electron Information Systems Company [Application title: Computer Software Program – Program 2]	4/4/1988	Registered	TXu321719

Patents and Patent Applications

Debtor/Grantor	Title	Issued Date (Filing Date)	Status	Registration No. (Application No.).	Jurisdiction
The Hillman Group, Inc.	Method and apparatus for determining the bitting pattern of keys	7/8/2003	Issued	6588995	U.S.
The Hillman Group, Inc.	Feed spring	7/9/2002	Issued	6415931	U.S.
The Hillman Group, Inc.	Method and apparatus for using light to identify a key	5/16/2000	Issued	6064747	U.S.
The Hillman Group, Inc.	Key identifier method and apparatus	10/4/1994	Issued	5351409	U.S.
The Hillman Group, Inc.	Key storage tag	5/17/1994	Issued	5311758	U.S.
The Hillman Group, Inc.	Key storage container	5/3/1994	Issued	5308360	U.S.
The Hillman Group, Inc.	Character display system and method of making the same	(9/10/2007)	Pending	(2581030)	Canada

The Hillman Group, Inc.	Character display system and method of making the same	3/24/2009	Issued	7506464	U.S.
The Hillman Group, Inc.	Key positioning fixture for a key cutting machine	4/14/1998	Issued	2159048	Canada
The Hillman Group, Inc.	Key positioning fixture for a key cutting machine	9/17/1996	Issued	5556240	U.S.
The Hillman Group, Inc.	Method and apparatus for aligning and cutting single-sided and double-sided keys	3/4/1997	Issued	5607267	U.S.
The Hillman Group, Inc.	Method and apparatus for aligning and cutting single-sided and double-sided keys	8/22/1995	Issued	5443339	U.S.
The Hillman Group, Inc.	Method and apparatus for duplicating keys using tip-referenced alignment between key blank and master key	5/24/1994	Issued	5314274	U.S.
The Hillman Group, Inc.	Key cutting machine with a code selectable key duplicating system	12/21/1993	Issued	5271698	U.S.
The Hillman Group, Inc.	Key duplicating machine with bottom clearance	8/26/1997	Issued	5660509	U.S.
The Hillman Group, Inc.	Key duplicating machine and method	7/23/1996	Issued	5538374	U.S.
The Hillman Group, Inc.	Key identification system	(7/17/2001)	Pending	(2353165)	Canada
The Hillman Group, Inc.	Key identification system	11/20/2007	Issued	2403415	Canada
The Hillman Group, Inc.	Key identification system	5/17/2006	Issued	1191475	EP France
The Hillman Group, Inc.	Key identification system	8/16/2006	Issued	1298574	EP France
The Hillman Group, Inc.	Key identification system	5/17/2006	Issued	1191475	EP Germany
The Hillman Group, Inc.	Key identification system	8/16/2006	Issued	1298574	EP Germany
The Hillman Group, Inc.	Key identification system	5/17/2006	Issued	1191475	EP Great Britain
The Hillman Group, Inc.	Key identification system	8/16/2006	Issued	1298574	EP Great Britain
The Hillman Group, Inc.	Key identification system	5/17/2006	Issued	1191475	EP Italy
The Hillman Group, Inc.	Key identification system	8/16/2006	Issued	1298574	EP Italy
The Hillman Group, Inc.	Key identification system	5/17/2006	Issued	1191475	EP Spain
The Hillman Group, Inc.	Key identification system	8/16/2006	Issued	1298574	EP Spain
The Hillman Group, Inc.	Key identification system	(9/24/2002)	Pending	(2002-57875)	South Korea
The Hillman Group, Inc.	Key identification system	1/4/2005	Issued	6839451	U.S.
The Hillman Group, Inc.	Key identification system	1/4/2005	Issued	6839449	U.S.

The Hillman Group, Inc.	Key identification system	12/28/2004	Issued	6836553	U.S.
The Hillman Group, Inc.	System for carrying engraveable workpieces of different configurations	8/23/2006	Issued	1006006	EP France
The Hillman Group, Inc.	System for carrying engraveable workpieces of different configurations	8/23/2006	Issued	1006006	EP Germany
The Hillman Group, Inc.	System for carrying engraveable workpieces of different configurations	8/23/2006	Issued	1006006	EP Great Britain
The Hillman Group, Inc.	System for carrying engraveable workpieces of different configurations	8/23/2006	Issued	1006006	EP Italy
The Hillman Group, Inc.	System for carrying engraveable workpieces of different configurations	8/23/2006	Issued	1006006	EP Spain
The Hillman Group, Inc.	Workpiece carrying system	11/27/2001	Issued	6321430	U.S.
The Hillman Group, Inc.	Modular display system	3/12/1996	Issued	5497888	U.S.
The Hillman Group, Inc.	Key cutting machine and method	10/20/2009	Issued	2409784	Canada
The Hillman Group, Inc.	Key cutting method	12/2/2009	Issued	1373177	EP France
The Hillman Group, Inc.	Key cutting method	12/2/2009	Issued	1373177	EP Germany
The Hillman Group, Inc.	Key cutting method	12/2/2009	Issued	1373177	EP Great Britain
The Hillman Group, Inc.	Key cutting method	12/2/2009	Issued	1373177	EP Italy
The Hillman Group, Inc.	Key cutting machine and method	(3/26/2002)	Pending	(08009490)	European Patent
The Hillman Group, Inc.	Key cutting machine and method	(3/26/2002)	Pending	(08009489)	European Patent
The Hillman Group, Inc.	Key cutting method	12/2/2009	Issued	1373177	European Patent
The Hillman Group, Inc.	Key cutting machine and method	1/16/2008	Issued	4035054	Japan
The Hillman Group, Inc.	Key cutting method	(6/5/2007)	Pending	(2007-149261)	Japan
The Hillman Group, Inc.	Key cutting device	(3/26/2002)	Pending	(2002-579407)	Japan
The Hillman Group, Inc.	Key cutting machine and method	10/3/2006	Issued	7114894	U.S.
The Hillman Group, Inc.	Article dispensing apparatus	7/4/2000	Issued	6082580	U.S.
The Hillman Group, Inc.	Engraving system	5/9/2007	Issued	947355	EP France
The Hillman Group, Inc.	Engraving system	5/9/2007	Issued	947355	EP Germany
The Hillman Group, Inc.	Engraving system	5/9/2007	Issued	947355	EP Great Britain
The Hillman Group, Inc.	Engraving system	5/9/2007	Issued	947355	EP Italy

The Hillman Group, Inc.	Engraving system	5/9/2007	Issued	947355	EP Spain
The Hillman Group, Inc.	Inscribing system	11/16/2004	Issued	6817814	U.S.
The Hillman Group, Inc.	Inscribing system	11/12/2002	Issued	6478515	U.S.
The Hillman Group, Inc.	Engraving system	2/13/2001	Issued	6186711	U.S.
The Hillman Group, Inc.	Engraving apparatus	1/2/2007	Issued	2260666	Canada
The Hillman Group, Inc.	Engraving apparatus	8/11/2004	Issued	945284	EP France
The Hillman Group, Inc.	Engraving apparatus	8/11/2004	Issued	945284	EP Germany
The Hillman Group, Inc.	Engraving apparatus	8/11/2004	Issued	945284	EP Great Britain
The Hillman Group, Inc.	Engraving apparatus	8/11/2004	Issued	945284	EP Italy
The Hillman Group, Inc.	Engraving apparatus	8/11/2004	Issued	945284	EP Spain
The Hillman Group, Inc.	Engraving apparatus	(5/6/2009)	Pending	(2009-112400)	Japan
The Hillman Group, Inc.	Engraving apparatus	5/9/2000	Issued	6059495	U.S.
The Hillman Group, Inc.	Key identifier method and apparatus	7/6/1999	Issued	2178792	Canada
The Hillman Group, Inc.	Key identifier method and apparatus	4/1/1997	Issued	5617323	U.S.
The Hillman Group, Inc.	Key cutting machine with key tracing and electronic code cutting duplication modes	8/22/2000	Issued	2169142	Canada
The Hillman Group, Inc.	Key cutting machine with key tracing and electronic code cutting duplication modes	10/14/1997	Issued	5676504	U.S.
The Hillman Group, Inc.	Duel-sided engraving system	(11/9/2009)	Pending	(12614899)	U.S.
The Hillman Group, Inc.	Engraving machine	(11/16/2009)	Pending	(29350381)	U.S.
Axxess Entry Technologies, Inc.	Key cutting machine with a code selectable key duplicating system	(9/25/1992)	Pending	(1992-507001)	Japan
Axxess Entry Technologies, Inc.	Method and apparatus for duplicating keys using tip-referenced alignment between key blank and master key	5/22/2000	Issued	3042884	Japan
Axxess Entry Technologies, Inc.	Method and apparatus for duplicating keys using tip-referenced alignment between key blank and master key	5/1/2000	Issued	100254572	South Korea
Axxess Technologies, Inc.	Method and apparatus for aligning single-sided and double-sided keys	12/2/1993	Issued	644311	Australia
Axxess Technologies, Inc.	Method and apparatus for duplicating keys using tip-referenced alignment between key blank and master key	7/25/1996	Issued	670542	Australia

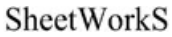
Axxess Technologies, Inc.	Key cutting machine with a code selectable key duplicating system	11/28/1996	Issued	673809	Australia
Axxess Technologies, Inc.	Method and apparatus for duplicating keys using tip-referenced alignment between key blank and master key	10/17/1995	Issued	2120245	Canada
Axxess Technologies, Inc.	Key cutting machine with a code selectable key duplicating system	10/17/1995	Issued	2120247	Canada
Axxess Technologies, Inc.	Key duplicating machine with bottom clearance	6/5/2001	Issued	2173422	Canada
Axxess Technologies, Inc.	Key identification system	11/24/2006	Issued	HK1046441	Hong Kong
Axxess Technologies, Inc.	Key identification system	(7/25/2001)	Pending	(2001-44956)	South Korea
Axxess Technologies, Inc.	Workpiece carrying system	(12/3/1999)	Pending	(1999-344045)	Japan
Axxess Technologies, Inc.	Article dispensing apparatus	11/2/2004	Issued	2260299	Canada
Axxess Technologies, Inc.	Article dispensing apparatus	9/30/2009	Issued	4335341	Japan
Axxess Technologies, Inc.	Engraving system	8/29/2002	Issued	751870	Australia
Axxess Technologies, Inc.	Engraving system	1/29/2008	Issued	2266917	Canada
Axxess Technologies, Inc.	Engraving system and aligning method for article to be worked	(4/2/1999)	Pending	(1999-095838)	Japan
Axxess Technologies, Inc.	Engraving apparatus	8/2/2001	Issued	736891	Australia
Axxess Technologies, Inc.	Engraving machine	(3/23/1999)	Pending	(1999-077083)	Japan
Axxess Technologies, Inc.	Key identifier method and apparatus	4/29/1999	Issued	704727	Australia
Axxess Technologies, Inc.	Key cutting machine with key tracing and electronic code cutting duplication modes	1/29/1998	Issued	686055	Australia
Axxess Technologies, Inc.	Key cutting machine with key tracing and electronic code cutting duplication modes	10/30/2002	Issued	779120	EP France
Axxess Technologies, Inc.	Key cutting machine with key tracing and electronic code cutting duplication modes	10/30/2002	Issued	779120	EP Germany
Axxess Technologies, Inc.	Key cutting machine with key tracing and electronic code cutting duplication modes	10/30/2002	Issued	779120	EP Great Britain
Axxess Technologies, Inc.	Key cutting machine with key tracing and electronic code cutting duplication modes	10/30/2002	Issued	779120	EP Italy
Axxess Technologies, Inc.	Key cutting machine and key copying method by this machine	1/24/2000	Issued	3001444	Japan

Trademarks and Trademark Applications

Debtor/Grantor	Title	Issued Date (Filing Date)	Status	Registration No. (Application No.).	Jurisdiction
The Hillman Group, Inc.	CREDITCARD KEYS	7/13/1993	Registered	413255	Colombia
The Hillman Group, Inc.	CREDITCARD KEYS	4/21/1988	Registered	88/3111	South Africa
The Hillman Group, Inc.	CREDITCARD KEYS	9/28/2000	Registered	P-223.819	Venezuela
The Hillman Group, Inc.	PC+	(9/18/1998)	Pending	(98053994)	Colombia
The Hillman Group, Inc.	PC+	9/18/1998	Registered	1998/1683	South Africa
The Hillman Group, Inc.	QUICK-SCRIBE	7/31/2000	Registered	234416	Colombia
Axxess Technologies Inc.	QUICK-SCRIBE	2/22/2000	Registered	467163	Indonesia
Axxess Technologies Inc.	PC+	12/13/1999	Registered	460638	South Korea
All Points Industries, Inc. DBA All Points Screw, Bolt & Specialty Co.	HARDWARE NOW	12/11/2007	Registered	3354288	U.S.
Axxess Technologies, Inc.	A.D. 2000	10/2/1997	Registered	TMA483554	Canada
Axxess Technologies, Inc.	QUICK-SCRIBE	1/5/2001	Registered	1815141	Argentina
The Hillman Group, Inc.	+GRAFICE	8/1/1993	Registered	141791	Colombia
The Hillman Group, Inc.	ACCESS PC	3/2/1993	Registered	1754900	U.S.
The Hillman Group, Inc.	AXXESS and Design 	1/23/1996	Registered	1950599	U.S.
The Hillman Group, Inc.	AXXESS KEY IDENTIFIER	7/19/1994	Registered	1845341	U.S.
The Hillman Group, Inc.	AXXESS+	11/23/1998	Registered	779156	Australia
The Hillman Group, Inc.	AXXESS+	5/14/2002	Registered	821348108	Brazil
The Hillman Group, Inc.	AXXESS+	6/13/2006	Registered	821348116	Brazil
The Hillman Group, Inc.	AXXESS+	11/25/2003	Registered	TMA595763	Canada
The Hillman Group, Inc.	AXXESS+	7/25/2000	Registered	995902	Community Trademark
The Hillman Group, Inc.	AXXESS+	5/30/2003	Registered	4677055	Japan

Axxess Technologies, Inc.	AXXESS+	2/25/1999	Registered	601776	Mexico
Axxess Technologies, Inc.	AXXESS+	2/25/1999	Registered	601778	Mexico
The Hillman Group, Inc.	AXXESS+	5/17/1999	Registered	301600	New Zealand
The Hillman Group, Inc.	AXXESS+	5/17/1999	Registered	301599	New Zealand
The Hillman Group, Inc.	AXXESS+	3/2/1993	Registered	1754854	U.S.
The Hillman Group, Inc.	AXXESS+	11/9/1999	Registered	2291087	U.S.
The Hillman Group, Inc.	AXXESS+ and Design	11/30/1999	Registered	2295652	U.S.
The Hillman Group, Inc.	AXXESS+ and Design	11/16/1999	Registered	2292512	U.S.
The Hillman Group, Inc.	BOLTMASTER	3/10/2009	Registered	3587016	U.S.
The Hillman Group, Inc.	CK and Design	2/28/1989	Registered	1526510	U.S.
The Hillman Group, Inc.	COLE	1/7/2004	Registered	TMA598677	Canada
Axxess Technologies, Inc.	COLE	2/25/1999	Registered	601777	Mexico
The Hillman Group, Inc.	COLE	12/26/1989	Registered	1572868	U.S.
The Hillman Group, Inc.	COLE	5/19/1984	Registered	1279617	U.S.
The Hillman Group, Inc.	COLOR-PLUS	5/18/2000	Registered	TMA527997	Canada
Axxess Technologies, Inc.	COLOR-PLUS	3/29/2000	Registered	648263	Mexico
The Hillman Group, Inc.	COLOR-PLUS	8/25/1981	Registered	1166110	U.S.
The Hillman Group, Inc.	CREDITCARD KEYS	3/9/1988	Registered	R448162	Benelux
Axxess Technologies, Inc.	CREDITCARD KEYS	2/25/1999	Registered	601779	Mexico
The Hillman Group, Inc.	CREDITCARD KEYS	11/5/1991	Registered	1243501 M5	Span
The Hillman Group, Inc.	CREDITCARD KEYS	8/14/1992	Registered	238812	Sweden
The Hillman Group, Inc.	CREDITCARD KEYS	5/3/1988	Registered	1486689	U.S.

The Hillman Group, Inc.	CREDITCARD KEYS	3/23/1988	Registered	B1339382	United Kingdom
The Hillman Group, Inc.	DUAL-TORQ	7/10/2001	Registered	2468273	U.S.
The Hillman Group, Inc.	F.I.D.O.	(8/24/2009)	Pending	(77/811021)	U.S.
The Hillman Group, Inc.	F.I.D.O. and Design 	(8/24/2009)	Pending	(77/811058)	U.S.
The Hillman Group, Inc.	FANATIX	11/14/2005	Registered	TMA652639	Canada
The Hillman Group, Inc.	FANATIX	2/27/2004	Registered	823553	Mexico
The Hillman Group, Inc.	FANATIX	2/1/2005	Registered	2923922	U.S.
The Hillman Group, Inc.	HANG RIGHT STUD FINDER PLUS	3/10/2009	Registered	3587062	U.S.
The Hillman Group, Inc.	HARDWARE ESSENTIALS	4/21/2009	Registered	3609227	U.S.
The Hillman Group, Inc.	HILLMAN and Design 	1/2/2001	Registered	2418296	U.S.
The Hillman Group, Inc.	HILLMAN and Design 	7/25/1995	Registered	1907047	U.S.
The Hillman Group, Inc.	HILLMAN DISTINCTIONS	12/18/2007	Registered	3357177	U.S.
The Hillman Group, Inc.	HUNG BY DESIGN	1/17/2006	Registered	3046058	U.S.
The Hillman Group, Inc.	KEYS MADE TO WORK	11/9/1999	Registered	2291086	U.S.
The Hillman Group, Inc.	KEYS MADE TO WORK	11/9/1999	Registered	2291088	U.S.
The Hillman Group, Inc.	LEDGERTITE	(12/2/2009)	Pending	(77/884834)	U.S.
The Hillman Group, Inc.	MINIMETALCENTER	1/30/2001	Registered	2425611	U.S.
The Hillman Group, Inc.	PC+	10/13/1999	Registered	TMA517815	Canada
The Hillman Group, Inc.	PC+	4/7/2000	Registered	933739	Community Trademark
The Hillman Group, Inc.	PC+	11/19/1999	Registered	4337181	Japan
Axxess Technologies, Inc.	PC+	11/30/1998	Registered	595238	Mexico
The Hillman Group, Inc.	PC+	5/10/2001	Registered	298429	New Zealand
The Hillman Group, Inc.	PC+ & Design	9/21/1999	Registered	2278994	U.S.

The Hillman Group, Inc.	PHILSTONE and Design 	4/29/1980	Registered	1133962	U.S.
The Hillman Group, Inc.	PMI and Design 	10/14/2003	Registered	2773157	U.S.
The Hillman Group, Inc.	POWER PICK MAGNET	(7/16/2009)	Pending	(77/782908)	U.S.
The Hillman Group, Inc.	POWER PRO	11/27/1990	Registered	1624427	U.S.
Axxess Technologies, Inc.	QUICK-SCRIBE	8/17/2000	Registered	668425	Mexico
The Hillman Group, Inc.	QUICK-SCRIBE	3/9/2000	Registered	315917	New Zealand
The Hillman Group, Inc.	QUICK-SCRIBE	2/1/2001	Registered	927470	Taiwan
The Hillman Group, Inc.	QUICK-SCRIBE	10/24/2000	Registered	2397105	U.S.
The Hillman Group, Inc.	RUBBERHEAD	7/8/2003	Registered	2734483	U.S.
The Hillman Group, Inc.	SABRE (Stylized) 	3/14/1961	Registered	0712471	U.S.
The Hillman Group, Inc.	SABRECLIP	7/29/2004	Registered	844894	Mexico
The Hillman Group, Inc.	SABRECLIP	2/27/2004	Registered	823552	Mexico
The Hillman Group, Inc.	SHARON and Design 	4/2/1991	Registered	1639505	U.S.
The Hillman Group, Inc.	SHEETWORKS 	7/17/2007	Registered	3264411	U.S.
The Hillman Group, Inc.	STEELWORKS	2/12/1991	Registered	1634639	U.S.
The Hillman Group, Inc.	T.H.G.	6/10/2004	Registered	TMA612640	Canada
The Hillman Group, Inc.	T.H.G.	10/28/2003	Registered	811406	Mexico
The Hillman Group, Inc.	T.H.G.	10/28/2003	Registered	811407	Mexico
The Hillman Group, Inc.	T.H.G.	8/20/2004	Registered	847994	Mexico
The Hillman Group, Inc.	T.H.G.	7/8/2003	Registered	2734461	U.S.
The Hillman Group, Inc.	TAG YOUR WORLD	9/14/1999	Registered	2277567	U.S.
The Hillman Group, Inc.	THE ANCHOR CENTER	10/3/2000	Registered	2391068	U.S.
The Hillman Group, Inc.	THE ANCHOR CENTER	9/19/2000	Registered	2387210	U.S.

The Hillman Group, Inc.	THE FASTENER CENTER	9/19/2000	Registered	2387209	U.S.
The Hillman Group, Inc.	THE KEY CENTER	9/19/2000	Registered	2387211	U.S.
The Hillman Group, Inc.	THE SLIDER	9/19/2000	Registered	2387208	U.S.
The Hillman Group, Inc.	THE SPECIALTY CENTER	5/14/1991	Registered	1644704	U.S.
The Hillman Group, Inc.	Three Dimensional Key Design 	7/3/1990	Registered	1604337	U.S.
The Hillman Group, Inc.	TIMBERTITE	10/15/2002	Registered	2637064	U.S.
The Hillman Group, Inc.	VISUAL IMPACT	9/7/2004	Registered	TMA618743	Canada
The Hillman Group, Inc.	VISUAL IMPACT	9/15/1992	Registered	1717101	U.S.
The Hillman Group, Inc.	WEATHER MAXX	11/13/2007	Registered	3334284	U.S.
The Hillman Group, Inc.	WEATHER-TUFF	11/20/1990	Registered	1623263	U.S.
The Hillman Group, Inc.	WESSEL	9/28/1993	Registered	1794653	U.S.
The Hillman Group, Inc.	WORKSHOP SERIES and Design 	2/4/2003	Registered	2683270	U.S.

Intellectual Property Licenses

1. License Agreement by and between Axxess Technologies, Inc. and Quick-Tag Holdings dated March 4, 1996 as amended on June 4, 1996, August 7, 1996, August 19, 1997, October 1, 1997, January 1, 1999, September 22, 1999 and January 1, 2001.
2. Agreement by and between Axxess Technologies, Inc. and Leisure Link Group, Ltd. dated July 7, 1999 for sale of equipment and exclusive sublicense and license in United Kingdom.
3. Distribution Agreement by and between The Hillman Group, Inc. and Siskiyou Buckle Co. effective September 1, 2002 for distribution of NFL logo keys.
4. Settlement and License Agreement by and between Axxess Technologies, Inc. and Quick-Tag Inc. on the one hand, and Robert Almblad, Donald Almblad, Yvonne Almblad and Laser Key II L.P., on the other hand, last signed on November 6, 1997.
5. Licensing Agreement by and between Almblad and Laser Key II on the one hand, and Axxess Technologies, Inc., on the other hand, dated October 29, 1997.

6. Distribution Agreement by and between The Hillman Group, Inc. and Barnes Distribution, an incorporated unit of Barnes Group, Inc., dated November 2, 1995.
7. Software license by and between Axxess Technologies and Bytware Software dated July 8, 1997. (Subject software: Bytware/Mplus – IS)
8. Computer Program Licensing Agreement by and between Axxess Technologies and Manhattan Associates dated March 28, 1998. (Subject Software: Standard Pickticket Management System "PkMS – Pick Module," Standard Inventory Management System, Standard Freight Management System, Standard Parcel Shipping System, Standard ASN Interface, and Standard Task Management System)
9. License Agreement by and between Marvel Enterprises, Inc. and The Hillman Group, Inc. dated March 25, 2003.
10. License Agreement by and between International Speedway Corporation and The Hillman Group, Inc. dated July 2, 2003
11. Exclusive License Agreement dated September 5, 2001 by and among Laser Key II L.P, Robert Almblad and The Hillman Group, Inc. and addendum dated September 7, 2001 for visual key identification technology.
12. Exclusive License Agreement by and between The Hillman Group, Inc. and AJAX Cooke Pty Ltd. dated December 31, 2001 and amended January 30, 2002.
13. Software License, Services, Support and Enhancements Agreement by and between Manhattan Associates and The Hillman Group, Inc. dated March 29, 2002 and addendum dated March 29, 2002 (WMS Software for Carrillon Ave. facility)
14. AT&T Master Agreement by and between AT&T Corp. and The Hillman Group, Inc. dated July 2, 2003 and the Non-Disclosure Agreement, dated July 2, 2003 by and among The Hillman Group, Inc. and AT&T Corp.
15. Master Customer Agreement by and between Activant Solutions, Inc. and The Hillman Group, Inc. dated June 16, 2009 for Electronic Data Interchange Services.
16. Master Software License Agreement by and between Information Builders, Inc. and The Hillman Group, Inc. dated November 15, 2004.
17. License Agreement by and between Mars, Inc. and The Hillman Group, Inc. dated September 8, 2009.
18. Software License and Support Agreement by and between Gains Systems, Inc. and The Hillman Group, Inc. dated February 16, 2006.
19. Software License and Services Agreement by and between Oracle USA, Inc. and The Hillman Group, Inc. dated February 13, 2008.

20. Professional Services and Licensing Agreement by and between Tagetik NA and The Hillman Group, Inc. dated May 11, 2009.

21. License, Services, Maintenance and Support Agreement by and between O4 Corporation, Inc. and The Hillman Group, Inc. dated June 18, 2009.

Part E

None.

Part F

None.

Schedule 5.24(c)

Mortgage Recordings

The list of Mortgages recorded with the appropriate Clerk of Court, County Recorder or other appropriate real estate filing office in the county set forth next to each property set forth below:

425 Church St. Goodlettsville, Tennessee 37072 (Davidson County)

Schedule 5.25

Ownership of Holdings

1. Stockholders Agreement, dated as of the date hereof, by and among OHCP HM Acquisition Corp., Oak Hill Capital Partners III, L.P., Oak Hill Capital Management Partners III, L.P. and each Management Stockholder listed on Schedule 1 as party thereto.

	% of OHCP Equity	% of Total Equity	$ Amount of Equity	Issued Shares
Oak Hill				
OHCP III	96.82%	92.46%	$ 285,371,669	285,371.669
OHCMP III	3.18%	3.04%	9,372,268	9,372.268
Total Oak Hill	**100.00%**	**95.50%**	**$ 294,743,937**	**294,743.937**
Co-Investors				
Dave Jones	0.00%	0.32%	$ 1,000,000	1,000.000
Alan Lacy	0.00%	0.16%	500,000	500.000
Total Co-Investors	**0.00%**	**0.49%**	**$ 1,500,000**	**1,500.000**
Management Rollover				
Max W. Hillman, Jr.	0.00%	0.65%	$ 2,000,000	2,000.000
Richard Hillman	0.00%	0.52%	1,600,000	1,600.000
Gary Seeds	0.00%	0.45%	1,400,000	1,400.000
Terry Rowe	0.00%	0.42%	1,300,000	1,300.000
James P. Waters	0.00%	0.42%	1,300,000	1,300.000
George Heredia	0.00%	0.49%	1,500,000	1,500.000
Richard Buller	0.00%	0.32%	1,000,000	1,000.000
John Marshall	0.00%	0.32%	1,000,000	1,000.000
Albert (Chip) Church	0.00%	0.11%	350,000	350.000
Ali Fartaj	0.00%	0.05%	150,000	150.000
John Helms	0.00%	0.06%	175,000	175.000
Dan Smercina	0.00%	0.12%	380,000	380.000
Andrea Borg	0.00%	0.08%	242,286	242.286
Total Management Rollover	**0.00%**	**4.02%**	**$ 12,397,286**	**12,397.286**
Total	**100.00%**	**100.00%**	**$ 308,641,223**	**308,641.223**

Note: 10% of the total number of shares of Common Stock outstanding at closing is reserved for the 2010 Stock Option Plan.

Schedule 7.09

Transaction with Affiliates

1. Letter Agreement, by and between The Hillman Group, Inc. and Max W. Hillman, Jr., effective as of the Closing Date.
2. Letter Agreement, by and between The Hillman Group, Inc. and Richard P. Hillman, effective as of the Closing Date.
3. Amended and Restated Employment Agreement, dated as of December 22, 2008 and effective March 31, 2008, by and between The Hillman Group, Inc. and Max W. Hillman, Jr.
4. Amended and Restated Employment Agreement, dated as of December 22, 2008 and effective March 31, 2008, by and between The Hillman Group, Inc. and Richard P. Hillman.
5. Expense Reimbursement Agreement, dated May 28, 2010, by and between The Hillman Companies, Inc. and Oak Hill Capital Management, LLC.

EXHIBIT A-1

Form of Notice of Borrowing

[Date]

Barclays Bank PLC,
as Administrative Agent
745 Seventh Avenue
New York, NY 10019
Attn:

Ladies and Gentlemen:

Reference is made to the Credit Agreement dated as of May 28, 2010 (as amended, restated, modified or supplemented, from time to time, the "Credit Agreement") among OHCP HM Acquisition Corp., OHCP HM Merger Sub Corp., The Hillman Companies, Inc., Hillman Investment Company, The Hillman Group, Inc., the banks and other lending institutions from time to time party thereto, Barclays Bank PLC, as Administrative Agent, Issuing Lender and Swingline Lender, Barclays Capital and Morgan Stanley Senior Funding, Inc., as Lead Arrangers and Syndication Agents, Barclays Capital, Morgan Stanley Senior Funding, Inc. and GE Capital Markets, Inc., together as Joint Bookrunners and General Electric Capital Corporation, as Documentation Agent. Capitalized terms defined in the Credit Agreement and not otherwise defined herein have, as used herein, the respective meanings provided for therein.

This notice constitutes a Notice of Borrowing pursuant to Section 2.02(a) of the Credit Agreement.

(1) The date of the Borrowing will be_____, _____.

(2) The aggregate principal amount of the Borrowing will be $____.

(3) The Borrowing will consist of [Revolving] [Term [B]] Loans.

(4) The Borrowing will consist of [Base Rate] [Eurodollar] Loans.

(5) [The initial Interest Period for the Loans comprising such Borrowing will be_____.]

The wire instructions and other account information with respect to the Borrower's account into which proceeds of the Borrowing should be disbursed are as follows:

[BORROWER WIRE INSTRUCTIONS]

The Borrowing requested herein complies with Section 2.01 of the Credit Agreement.

[OHCP HM MERGER SUB CORP.

By: _____
Name:
Title:]

[THE HILLMAN GROUP, INC.

By: _____
Name:
Title:]

EXHIBIT A-2

Form of Notice of Extension/Conversion

[Date]

Barclays Bank PLC,
as Administrative Agent
745 Seventh Avenue
New York, NY 10019
Attn:

Ladies and Gentlemen:

This notice shall constitute a "Notice of Extension/Conversion" pursuant to Section 2.07(a) of the Credit Agreement dated as of May 28, 2010 (as amended, restated, modified or supplemented from time to time, the "Credit Agreement") among OHCP HM Acquisition Corp., OHCP HM Merger Sub Corp., The Hillman Companies, Inc., Hillman Investment Company, The Hillman Group, Inc., the banks and other lending institutions from time to time party thereto, Barclays Bank PLC, as Administrative Agent, Issuing Lender and Swingline Lender, Barclays Capital and Morgan Stanley Senior Funding, Inc., as Lead Arrangers and Syndication Agents, Barclays Capital, Morgan Stanley Senior Funding, Inc. and GE Capital Markets, Inc., together as Joint Bookrunners and General Electric Capital Corporation, as Documentation Agent. Capitalized terms defined in the Credit Agreement and not otherwise defined herein have, as used herein, the respective meanings provided for therein.

(1) The Loans (or portion thereof) to which this notice applies is [all or a portion of all Base Rate Loans currently outstanding] [all or a portion of all Eurodollar Loans currently outstanding having an Interest Period of months and ending on the Election Date specified below].

(2) The date on which the conversion/continuation selected hereby is to be effective is_____, ____(the "Election Date").

(3) The principal amount of the Loans (or portion thereof) to which this notice applies is $____.

(4) [The Loans (or portion thereof) which are to be converted will [bear interest based upon the [Base Rate] [Eurodollar Rate].]

(5) [The Interest Period for such Loans will be_____.]

[THE HILLMAN GROUP, INC.

By: _____
Name:
Title:]

[THE HILLMAN COMPANIES, INC.

By: _____
Name:
Title:]

EXHIBIT A-3

Form of Letter of Credit Request

[Date]

Barclays Bank PLC,
as Administrative Agent
745 Seventh Avenue
New York, NY 10019
Attn:

Ladies and Gentlemen:

This notice shall constitute a "Letter of Credit Request" pursuant to Section 2.05(c) of the Credit Agreement dated as of May 28, 2010 (as amended, restated, modified or supplemented from time to time, the "Credit Agreement") among OHCP HM Acquisition Corp., OHCP HM Merger Sub Corp., The Hillman Companies, Inc., Hillman Investment Company, The Hillman Group, Inc., the banks and other lending institutions from time to time party thereto, Barclays Bank PLC, as Administrative Agent, Issuing Lender and Swingline Lender, Barclays Capital and Morgan Stanley Senior Funding, Inc., as Lead Arrangers and Syndication Agents, Barclays Capital, Morgan Stanley Senior Funding, Inc. and GE Capital Markets, Inc., together as Joint Bookrunners and General Electric Capital Corporation, as Documentation Agent. Capitalized terms defined in the Credit Agreement and not otherwise defined herein have, as used herein, the respective meanings provided for therein.

[The undersigned hereby requests that the Issuing Lender issue a Letter of Credit on [_____] in the aggregate amount of $[____].

The beneficiary of the requested Letter of Credit will be [INSERT NAME AND ADDRESS OF BENEFICIARY] and such Letter of Credit will be in support of [_____] and will have a stated termination date of [_____].

Copies of all documentation with respect to the supported transaction are attached hereto.]

[The Letter of Credit to be amended is [ ].

The proposed date of amendment is [ ] and the nature of the proposed amendment is to [ ].]

THE HILLMAN GROUP, INC.

By: _____
Name:
Title:

[1] Insert in the case of a request for an initial issuance of a Letter of Credit.
[2] Insert in the case of a request for an amendment of any outstanding Letter of Credit.

EXHIBIT A-4

Form of Swingline Loan Request

[Date]

Barclays Bank PLC,
as Administrative Agent
745 Seventh Avenue
New York, NY 10019
Attn:

Ladies and Gentlemen:

Reference is made to the Credit Agreement dated as of May 28, 2010 (as amended, restated, modified or supplemented from time to time, the "Credit Agreement"), among OHCP HM Acquisition Corp., OHCP HM Merger Sub Corp., The Hillman Companies, Inc., Hillman Investment Company, The Hillman Group, Inc., the banks and other lending institutions from time to time party thereto, Barclays Bank PLC, as Administrative Agent, Issuing Lender and Swingline Lender, Barclays Capital and Morgan Stanley Senior Funding, Inc., as Lead Arrangers and Syndication Agents, Barclays Capital, Morgan Stanley Senior Funding, Inc. and GE Capital Markets, Inc., together as Joint Bookrunners and General Electric Capital Corporation, as Documentation Agent. Capitalized terms defined in the Credit Agreement and not otherwise defined herein have, as used herein, the respective meanings provided for therein.

The undersigned hereby requests a Swingline Loan:

On _____(a Business Day).

In the amount of $____.

The wire instructions and other account information with respect to the Borrower's account into which proceeds of the Borrowing should be disbursed are as follows:

[BORROWER WIRE INSTRUCTIONS]

The Swingline Loan requested herein complies with the requirements of Section 2.01(c) of the Credit Agreement.

THE HILLMAN GROUP, INC.

By: _____
Name:
Title:

EXHIBIT B-1

Form of Revolving Note

Lender:
Principal Sum: $

[Dated after the Closing Date]

For value received, The Hillman Group, Inc., a Delaware corporation (the "Borrower"), hereby promises to pay to the order of the Lender set forth above (the "Lender") for the account of its Applicable Lending Office, at the office of Barclays Bank PLC (the "Administrative Agent") as set forth in the Credit Agreement dated as of May 28, 2010 (as amended, restated, modified or supplemented from time to time, the "Credit Agreement") among OHCP HM Acquisition Corp., OHCP HM Merger Sub Corp., The Hillman Companies, Inc., Hillman Investment Company, The Hillman Group, Inc., the banks and other lending institutions from time to time party thereto, Barclays Bank PLC, as Administrative Agent, Issuing Lender and Swingline Lender, Barclays Capital and Morgan Stanley Senior Funding, Inc., as Lead Arrangers and Syndication Agents, Barclays Capital, Morgan Stanley Senior Funding, Inc. and GE Capital Markets, Inc., together as Joint Bookrunners and General Electric Capital Corporation, as Documentation Agent, the Principal Sum set forth above (or such lesser amount as shall equal the aggregate unpaid principal amount of all Revolving Loans made by the Lender to the Borrower under the Credit Agreement), in lawful money of the United States of America and in immediately available funds, on the dates and in the principal amounts provided in the Credit Agreement, and to pay interest on the unpaid principal amount of each such Revolving Loan, at such office, in like money and funds, for the period commencing on the date of such Revolving Loan until such Revolving Loan shall be paid in full, at the rates per annum and on the dates provided in the Credit Agreement. If any amount is not paid in full when due hereunder, such unpaid amount shall bear interest, payable on demand, from the due date thereof until the date of actual payment (and before as well as after judgment) computed at the rates per annum set forth in the Credit Agreement.

This note is one of the Revolving Notes referred to in the Credit Agreement and evidences Revolving Loans made by the Lender thereunder. Capitalized terms used in this Revolving Note and not otherwise defined shall have the respective meanings assigned to them in the Credit Agreement and the terms and conditions of the Credit Agreement are expressly incorporated herein and made a part hereof.

The Credit Agreement provides for the acceleration of the maturity of the Revolving Loans evidenced by this Revolving Note upon the occurrence of certain events (and for payment of collection costs in connection therewith) and for prepayments of Revolving Loans upon the terms and conditions specified therein. In the event this Revolving Note is not paid when due at any stated or accelerated maturity, the Borrower agrees to pay, in addition to the principal and interest, all costs of collection, including reasonable attorney fees.

The date, amount, Type and duration of Interest Period (if applicable) of each Revolving Loan made by the Lender to the Borrower, and each payment made on account of the principal thereof, shall be recorded by the Lender on its books and, if the Lender so elects in connection with any transfer or enforcement hereof, appropriate notations to evidence the foregoing information with respect to each Revolving Loan then outstanding shall be endorsed

by the Lender on the schedule attached to and made a part hereof; provided that the failure of the Lender to make any such recordation or endorsement shall not affect the obligations of the Borrower to make a payment when due of any amount owing under the Credit Agreement or under this Revolving Note in respect of the Revolving Loans to be evidenced by this Revolving Note, and each such recordation or endorsement shall be prima facie evidence of such information.

The Borrower, for itself, its successors and assigns, hereby waives diligence, presentment, protest and demand and notice of protest, demand, dishonor and non-payment of this Revolving Note.

This Revolving Note and the Revolving Loans evidenced hereby may be transferred in whole or in part only by registration of such transfer on the Register maintained for such purpose by or on behalf of the Borrower as provided in Section 10.06 of the Credit Agreement.

THIS REVOLVING NOTE SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK WITHOUT REGARD TO PRINCIPLES OF CONFLICTS OF LAWS THAT WOULD RESULT IN THE APPLICATION OF ANY LAW OTHER THAN THE LAW OF THE STATE OF NEW YORK.

IN WITNESS WHEREOF, the Borrower has caused this Revolving Note to be executed as of the date first above written.

[OHCP HM MERGER SUB CORP.

By: _____
Name:
Title:]

[THE HILLMAN GROUP, INC.

By: _____
Name:
Title:]

LOANS AND PAYMENTS OF PRINCIPAL

Date	Amount of Loan	Type	Interest Period (If Applicable)	Amount of Principal Repaid	Notation Made By

EXHIBIT B-2

Form of Term Note

Lender:
Principal Sum: $

[Dated on or before the Closing Date]

For value received, OHCP HM Merger Sub. Corp., a Delaware corporation (the "Borrower"), hereby promises to pay to the order of the Lender set forth above (the "Lender"), for the account of its Applicable Lending Office, and its registered assigns, at the office of Barclays Capital PLC (the "Administrative Agent") as set forth in the Credit Agreement dated as of May 28, 2010 among OHCP HM Acquisition Corp., OHCP HM Merger Sub Corp., The Hillman Companies, Inc., Hillman Investment Company, The Hillman Group, Inc., the banks and other lending institutions from time to time party thereto, Barclays Bank PLC, as Administrative Agent, Issuing Lender and Swingline Lender, Barclays Capital and Morgan Stanley Senior Funding, Inc., as Lead Arrangers and Syndication Agents, Barclays Capital, Morgan Stanley Senior Funding, Inc. and GE Capital Markets, Inc., together as Joint Bookrunners and General Electric Capital Corporation, as Documentation Agent, (as amended, restated, modified or supplemented from time to time, the "Credit Agreement"), the Principal Sum set forth above (or such lesser amount as shall equal the aggregate unpaid principal amount of the Term Loan made by the Lender to the Borrower under the Credit Agreement), in lawful money of the United States of America and in immediately available funds, on the dates and in the principal amounts provided in the Credit Agreement, and to pay interest on the unpaid principal amount of such Term Loan, at such office, in like money and funds, for the period commencing on the date of such Term Loan until such Term Loan shall be paid in full, at the rates per annum and on the dates provided in the Credit Agreement. If any amount is not paid in full when due hereunder, such unpaid amount shall bear interest, payable on demand, from the due date thereof until the date of actual payment (and before as well as after judgment) computed at the rates per annum set forth in the Credit Agreement.

This note is one of the Term Notes referred to in the Credit Agreement and evidences the Term Loan made by the Lender thereunder. Capitalized terms used in this Term Note and not otherwise defined shall have the respective meanings assigned to them in the Credit Agreement and the terms and conditions of the Credit Agreement are expressly incorporated herein and made a part hereof.

The Credit Agreement provides for the acceleration of the maturity of the Term Loan evidenced by this Term Note upon the occurrence of certain events (and for payment of collection costs in connection therewith) and for prepayments of such Term Loan upon the terms and conditions specified therein. In the event this Term Note is not paid when due at any stated or accelerated maturity, the Borrower agrees to pay, in addition to the principal and interest, all costs of collection, including reasonable attorney fees.

The date, amount, Type and duration of Interest Period (if applicable) of the Term Loan made by the Lender to the Borrower, and each payment made on account of the principal thereof, shall be recorded by the Lender on its books; provided that the failure of the Lender to make any such recordation or endorsement shall not affect the obligations of the Borrower to make a payment when due of any amount owing under the Credit Agreement or under this Term Note in respect of the Term Loan to be evidenced by this Term Note, and each such recordation or endorsement shall be prima facie evidence of such information.

The Borrower, for itself, its successors and assigns, hereby waives diligence, presentment, protest and demand and notice of protest, demand, dishonor and non-payment of this Term Note.

This Term Note and the Term Loan evidenced hereby may be transferred in whole or in part only by registration of such transfer on the Register maintained for such purpose by or on behalf of the Borrower as provided in Section 10.06 of the Credit Agreement.

THIS TERM NOTE SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK WITHOUT REGARD TO PRINCIPLES OF CONFLICTS OF LAWS THAT WOULD RESULT IN THE APPLICATION OF ANY LAW OTHER THAN THE LAW OF THE STATE OF NEW YORK.

IN WITNESS WHEREOF, the Borrower has caused this Term Note to be executed as of the date first above written.

OHCP HM MERGER SUB CORP.

By: _____
Name:
Title:

EXHIBIT B-3

Form of Swingline Note

$[SWINGLINE COMMITTED AMOUNT]

[Dated after the Closing Date]

For value received, The Hillman Group, Inc., a Delaware corporation (the "Borrower"), hereby promises to pay to the order of Barclays Bank PLC (the "Swingline Lender") and its registered assigns, at the office of Barclays Bank PLC (the "Administrative Agent") as set forth in the Credit Agreement dated as of May 28, 2010 among OHCP HM Acquisition Corp., OHCP HM Merger Sub Corp., The Hillman Companies, Inc., Hillman Investment Company, the Borrower, the banks and other lending institutions from time to time party thereto, Barclays Bank PLC, as Administrative Agent, Issuing Lender and Swingline Lender, Barclays Capital and Morgan Stanley Senior Funding, Inc., as Lead Arrangers and Syndication Agents, Barclays Capital, Morgan Stanley Senior Funding, Inc. and GE Capital Markets, Inc., together as Joint Bookrunners and General Electric Capital Corporation, as Documentation Agent (as amended, restated, modified or supplemented from time to time, the "Credit Agreement"), the principal amount of [SWINGLINE COMMITTED AMOUNT] DOLLARS ($____) (or such lesser amount as shall equal the aggregate unpaid principal amount of the Swingline Loans made by the Swingline Lender to the Borrower under the Credit Agreement), in lawful money of the United States of America and in immediately available funds, on the dates and in the principal amounts provided in the Credit Agreement, and to pay interest on the unpaid principal amount of each such Swingline Loan, at such office, in like money and funds, for the period commencing on the date of such Swingline Loan until such Swingline Loan shall be paid in full, at the rates per annum and on the dates provided in the Credit Agreement. If any amount is not paid in full when due hereunder, such unpaid amount shall bear interest, payable on demand, from the due date thereof until the date of actual payment (and before as well as after judgment) computed at the rates per annum set forth in the Credit Agreement.

This note is the Swingline Note referred to in the Credit Agreement and evidences the Swingline Loans made by the Swingline Lender thereunder. Capitalized terms used in this Swingline Note and not otherwise defined shall have the respective meanings assigned to them in the Credit Agreement and the terms and conditions of the Credit Agreement are expressly incorporated herein and made a part hereof.

The Credit Agreement provides for the acceleration of the maturity of the Swingline Loans evidenced by this Swingline Note upon the occurrence of certain events (and for payment of collection costs in connection therewith) and for prepayments of such Swingline Loans upon the terms and conditions specified therein. In the event this Swingline Note is not paid when due at any stated or accelerated maturity, the Borrower agrees to pay, in addition to the principal and interest, all costs of collection, including reasonable attorney fees.

The date and amount of the Swingline Loans made by the Swingline Lender to the Borrower, and each payment made on account of the principal thereof, shall be recorded by the Swingline Lender on its books and, if the Swingline Lender so elects in connection with any transfer or enforcement hereof, appropriate notations to evidence the foregoing information with

respect to each Swingline Loan then outstanding shall be evidenced by the Swingline Lender on the schedule attached to and made a part hereof; provided that the failure of the Swingline Lender to make any such recordation or endorsement shall not affect the obligations of the Borrower to make a payment when due of any amount owing under the Credit Agreement or under this Swingline Note in respect of the Swingline Loans to be evidenced by this Swingline Note, and each such recordation or endorsement shall be prima facie evidence of such information.

The Borrower, for itself, its successors and assigns, hereby waives diligence, presentment, protest and demand and notice of protest, demand, dishonor and non-payment of this Swingline Note.

This Swingline Note and the Swingline Loans evidenced hereby may be transferred in whole or in part only by registration of such transfer on the Register maintained for such purpose by or on behalf of the Borrower as provided in Section 10.06 of the Credit Agreement.

THIS SWINGLINE NOTE SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK WITHOUT REGARD TO PRINCIPLES OF CONFLICTS OF LAWS THAT WOULD RESULT IN THE APPLICATION OF ANY LAW OTHER THAN THE LAW OF THE STATE OF NEW YORK.

IN WITNESS WHEREOF, the Borrower has caused this Swingline Note to be duly executed as of the date first above written.

THE HILLMAN GROUP, INC.

By: _____
Name:
Title:

LOANS AND PAYMENTS OF PRINCIPAL

Date	Amount of Loan	Amount of Principal Repaid	Notation Made By

EXHIBIT C-1

Form Of
Assignment And Assumption

This Assignment and Assumption Agreement (the "Assignment and Assumption") is dated as of the Effective Date set forth below and is entered into by and between [*Insert name of Assignor*] (the "Assignor") and [*Insert name of Assignee*] (the "Assignee"). Capitalized terms used but not defined herein shall have the meanings given to them in the Credit Agreement identified below (as amended, restated, modified or supplemented from time to time, the "Credit Agreement"), receipt of a copy of which is hereby acknowledged by the Assignee. The Standard Terms and Conditions set forth in Annex 1 attached hereto (the "Standard Terms and Conditions") are hereby agreed to and incorporated herein by reference and made a part of this Assignment and Assumption as if set forth herein in full.

For an agreed consideration, the Assignor hereby irrevocably sells and assigns to the Assignee, and the Assignee hereby irrevocably purchases and assumes from the Assignor, subject to and in accordance with the Standard Terms and Conditions and the Credit Agreement, as of the Effective Date inserted by the Administrative Agent as contemplated below (i), the interest in and to all of the Assignor's rights and obligations under the Credit Agreement and any other documents or instruments delivered pursuant thereto (including all or a portion of its Loans, its Notes, its commitments and any Participation interest in Letters of Credit and Swingline Loans held by it and identified below) and (ii) to the extent permitted to be assigned under applicable law, all claims, suits, causes of action and any other right of the Assignor (in its capacity as a Lender) against any Person, whether known or unknown, arising under or in connection with the Credit Agreement, any other documents or instruments delivered pursuant thereto or the loan transactions governed thereby or in any way based on or related to any of the foregoing, including contract claims, tort claims, malpractice claims, statutory claims and all other claims at law or in equity related to the rights and obligations sold and assigned pursuant to clause (i) above (the rights and obligations sold and assigned pursuant to clauses (i) and (ii) above being referred to herein collectively as the "Assigned Interest"). Such sale and assignment is without recourse to the Assignor and, except as expressly provided in this Assignment and Assumption and the Credit Agreement, without representation or warranty by the Assignor.

1.	Assignor:	_____
2.	Assignee:	_____ [and is an Affiliate/Approved Fund/Sponsor Affiliated Lender[3]]
3.	Borrower:	[The Hillman Companies, Inc.] [The Hillman Group, Inc.]
4.	Administrative Agent:	Barclays Bank PLC, as the administrative agent under the Credit Agreement
5.	Credit Agreement:	The $320,000,000 Credit Agreement dated as of May 28, 2010 among OHCP HM Acquisition Corp., OHCP HM Merger Sub Corp., The Hillman Companies, Inc., Hillman

[3] Select as applicable

Investment Company, The Hillman Group, Inc., the banks and other lending institutions from time to time party thereto, Barclays Bank PLC, as Administrative Agent, Issuing Lender and Swingline Lender, Barclays Capital and Morgan Stanley Senior Funding, Inc., as Lead Arrangers and Syndication Agents, Barclays Capital, Morgan Stanley Senior Funding, Inc. and GE Capital Markets, Inc., together as Joint Bookrunners and General Electric Capital Corporation, as Documentation Agent.

6. Assigned Interest:

Facility Assigned[1]	Aggregate Amount of Commitment/Loans for all Lenders	Amount of Commitment/Loans Assigned	Percentage Assigned of Commitment/Loans[2]
_____	$_____	$_____	_____%
_____	$_____	$_____	_____%
_____	$_____	$_____	_____%

Effective Date: _____, 20__ [TO BE INSERTED BY ADMINISTRATIVE AGENT AND WHICH SHALL BE THE EFFECTIVE DATE OF RECORDATION OF TRANSFER IN THE REGISTER THEREFOR.]

The Assignee agrees to deliver to the Administrative Agent a completed administrative questionnaire in which the Assignee designates one or more credit contacts to whom all syndicate level information (which may contain material non-public information about the Credit Parties and their related parties or their respective securities) will be made available and who may receive such information in accordance with the Assignee's compliance procedures and applicable laws, including Federal and state securities laws.

[1] Fill in the appropriate terminology for the types of facilities under the Credit Agreement that are being assigned under this Assignment (e.g. "Revolving Loan Commitment", "Term Loan Commitment", etc.)

[2] Set forth, to at least 9 decimals, as a percentage of the Commitment/Loans of all Lenders thereunder.

7. Notice and Wire Instructions:

[NAME OF ASSIGNOR]

Notices:

Attention:
Telecopier:

with a copy to:

Attention:
Telecopier:

Wire Instructions:

[NAME OF ASSIGNEE]

Notices:

Attention:
Telecopier:

with a copy to:

Attention:
Telecopier:

Wire Instructions:

The terms set forth in this Assignment and Assumption are hereby agreed to:

ASSIGNOR
[NAME OF ASSIGNOR]

By: _____
Title:

ASSIGNEE
[NAME OF ASSIGNEE]

By: _____
Title:

[Consented to and][1] Accepted:

BARCLAYS BANK PLC, as
Administrative Agent

By: _____
Title:

[1] To be added only if the consent of the Administrative Agent is required by the terms of the Credit Agreement.

[Consented to:][2]

[THE HILLMAN GROUP, INC.] [THE HILLMAN COMPANIES, INC.]

By: _____
Title:]

[Accepted:][3]

BARCLAYS BANK PLC,
as Issuing Bank

By: _____
Title:

[2] To be added only if the consent of the Borrower is required by the terms of the Credit Agreement.
[3] To be added only if acceptance by the Issuing Bank is required by the terms of the Credit Agreement.

STANDARD TERMS AND CONDITIONS FOR ASSIGNMENT
AND ASSUMPTION AGREEMENT

1. Representations and Warranties.

1.1 Assignor. The Assignor (a) represents and warrants that (i) it is the legal and beneficial owner of the Assigned Interest, (ii) the Assigned Interest is free and clear of any lien, encumbrance or other adverse claim and (iii) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and Assumption and to consummate the transactions contemplated hereby; and (b) assumes no responsibility with respect to (i) any statements, warranties or representations made in or in connection with the Credit Agreement or any other Finance Document, (ii) the execution, legality, validity, enforceability, genuineness, sufficiency or value of the Finance Documents, or any collateral thereunder, (iii) the financial condition of the Borrower, any of its Subsidiaries or Affiliates or any other Person obligated in respect of any Finance Document or (iv) the performance or observance by the Borrower, any of its Subsidiaries or Affiliates or any other Person of any of their respective obligations under any Finance Document.

1.2 Assignee. The Assignee (a) represents and warrants that (i) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and Assumption and to consummate the transactions contemplated hereby and to become a Lender under the Credit Agreement, (ii) it satisfies the requirements specified in the Credit Agreement that are required to be satisfied by it in order to acquire the Assigned Interest and become a Lender and upon becoming a Lender as of the Effective Date, it is not a Defaulting Lender, (iii) from and after the Effective Date, it shall be bound by the provisions of the Credit Agreement as a Lender thereunder and, to the extent of the Assigned Interest, shall have the obligations of a Lender thereunder, (iv) it has received and/or had the opportunity to review a copy of the Credit Agreement to the extent it has in its sole discretion deemed necessary, together with copies of the most recent financial statements delivered pursuant to Section 6.01 thereof, as applicable, and such other documents and information as it has in its sole discretion deemed appropriate to make its own credit analysis and decision to enter into this Assignment and Assumption and to purchase the Assigned Interest on the basis of which it has made such analysis and decision independently and without reliance on the Administrative Agent or any other Lender, and (v) if it is a Non-U.S. Lender, attached to the Assignment and Assumption is any documentation required to be delivered by it pursuant to the terms of the Credit Agreement, duly completed and executed by the Assignee; (b) agrees that (i) it will, independently and without reliance on the Administrative Agent, the Assignor or any other Lender, and

based on such documents and information as it shall deem appropriate at that time, continue to make its own credit decisions in taking or not taking action under the Finance Documents, and (ii) it will perform in accordance with their terms all of the obligations which by the terms of the Finance Documents are required to be performed by it as a Lender; and (c) appoints and authorizes (i) the Administrative Agent and (ii) the Collateral Agent to take such action as agent in their respective capacities on its behalf and to exercise such powers and discretion under the Credit Agreement, the other Finance Documents and any other instrument or document furnished pursuant hereto or thereto as are delegated to the Administrative Agent and the Collateral Agent, as applicable, by the terms thereof, together with such powers as are incidental thereto.

2. From and after the Effective Date, the Administrative Agent shall make all payments in respect of the Assigned Interest (including payments of principal, interest, fees and other amounts) to the Assignor for amounts that have accrued to but excluding the Effective Date and to the Assignee for amounts that have accrued from and after the Effective Date.

[3. Other Agreements of Sponsor Affiliated Lenders. The Assignee hereby acknowledges that it shall have no right whatsoever so long as it is a Sponsor Affiliated Lender (A) to consent to any amendment, modification, waiver, consent or other such action with respect to any of the terms of the Credit Agreement or any other Finance Document (other than any amendment, modification, waiver, consent or other action that would (x) result in (aa) an extension of the final maturity of any Loan of such Assignee or (bb) an increase in the Commitment of such Assignee from the amount thereof then in effect (it being understood and agreed that a waiver of any Default or Event of Default shall not constitute an increase in the Commitment of such Assignee) or (y) require the consent of each Lender directly adversely affected thereby as set forth in Section 10.03(i) of the Credit Agreement (other than with respect to any amendment, modification, waiver, consent or other action covered by clause (x) above) solely to the extent that any such amendment, modification, waiver, consent or other action would have a disproportionately adverse effect on such Assignee), (B) to require any Agent or other Lender to undertake any action (or refrain from taking any action) with respect to the Credit Agreement or any other Finance Document (other than matters requiring the vote of all Lenders or all directly adversely affected Lenders), (C) otherwise vote on any matter related to the Credit Agreement or any other Finance Document, (D) to attend (or receive any notice of) any meeting, conference call or correspondence with any Agent or Lender or receive any information from any Agent or Lender, (E) to have access to the Platform (including that portion of the Platform that has been designated for "private-side" Lenders) or (F) to make or bring any claim in its capacity as a Lender against the Agent or any Lender with respect to the duties and obligations of such Persons under the Finance Documents (provided that no amendment, modification or waiver of the Credit Agreement or any other Finance Document shall deprive any Sponsor Affiliated Lender of its share of any payments which the Lenders are entitled to share on a pro rata basis hereunder).]

[3][4.] General Provisions. This Assignment and Assumption shall be binding upon, and inure to the benefit of, the parties hereto and their respective successors and assigns. This Assignment and Assumption may be executed in any number of counterparts, which together shall constitute one instrument. Delivery of an executed counterpart of a signature page of this Assignment and Assumption by telecopy shall be effective as delivery of a manually executed counterpart of this Assignment and Assumption. This Assignment and Assumption shall be governed by and construed in accordance with the law of the State of New York without regard to principles of conflicts of laws that would result in the application of any law other than the law of the State of New York.

[Remainder of page intentionally left blank]

EXHIBIT C-2

Form of Borrower Assumption Agreement

To come.

EXHIBIT D-1

Form of Opinion of Counsel for the Borrower and the Other Credit Parties

EXHIBIT D-2

Form of Opinion of Special Local Counsel for the Borrower and the Other Credit Parties

Form of Opinion of Special Local Counsel for the Borrower and the Other Credit Parties (Real Property Collateral)

EXHIBIT E

Form of Perfection Certificate

EXHIBIT F

Form of Mortgage

EXHIBIT G

Form of Intercompany Note

No._____

INTERCOMPANY NOTE

[City of Closing]
[Date]

_____

For value received, [PAYOR NAME], [PAYOR DESCRIPTION] (together with its successors and permitted assigns, the "Payor"), hereby promises to pay on demand to the order of [PAYEE NAME], [PAYEE DESCRIPTION] (together with its successors and permitted assigns, the "Payee"), the unpaid principal amount of all loans and advances made by the Payee to the Payor. The Payor promises to pay interest on the unpaid principal amount hereof from the date hereof until paid at such rate per annum as shall be agreed upon from time to time by the Payor and the Payee. All such payments of principal and interest shall be made without offset, counterclaim or deduction of any kind in lawful money of the United States of America in immediately available funds at such location in the United States of America as the Payee shall designate from time to time.

Upon the commencement by or against the Payor of any case or other proceeding seeking liquidation, reorganization or other relief with respect to the Payor or its debts under any bankruptcy, insolvency or other similar law now or hereafter in effect or seeking the appointment of a trustee, receiver, liquidator, custodian or other similar official of it or any substantial part of its property, the unpaid principal amount hereof shall become immediately due and payable without presentment, demand, protest or notice of any kind, all of which are hereby waived by the Payor.

The Payee is hereby authorized (but not required) to record all loans and advances made by it to the Payor (all of which shall be evidenced by this Intercompany Note), and all repayments or prepayments thereof, in its books and records, such books and records constituting prima facie evidence of the accuracy of the information contained therein.

This Intercompany Note is one of the Intercompany Notes referred to in the Credit Agreement dated as of May 28, 2010 (as amended, restated, modified or supplemented, from time to time, the "Credit Agreement") among OHCP HM Acquisition Corp., OHCP HM Merger Sub Corp., The Hillman Companies, Inc., Hillman Investment Company, The Hillman Group, Inc., the banks and other lending institutions from time to time party thereto, Barclays Bank PLC, as Administrative Agent, Issuing Lender and Swingline Lender, Barclays Capital and Morgan Stanley Senior Funding, Inc., as Lead Arrangers and Syndication Agents, Barclays Capital, Morgan Stanley Senior Funding, Inc. and GE Capital Markets, Inc., together as Joint Bookrunners and General Electric Capital Corporation, as Documentation Agent. This Intercompany Note shall be pledged by the Payee pursuant to the Pledge Agreement (as defined in the Credit Agreement). Each Payor hereby acknowledges and agrees that the Collateral Agent pursuant to and as defined in the Pledge Agreement may exercise all rights provided therein with respect to this Intercompany Note.

THIS INTERCOMPANY NOTE SHALL BE GOVERNED BY AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH THE LAW OF THE STATE OF NEW YORK, WITHOUT REGARD TO PRINCIPLES OF CONFLICTS OF LAWS THAT WOULD RESULT IN THE APPLICATION OF ANY LAW OTHER THAN THE LAW OF THE STATE OF NEW YORK.

[PAYOR NAME]

By: _____
Name:
Title:

Pay to the order of

[PAYEE NAME]

By: _____
Name:
Title:

EXHIBIT H

Form of Intercompany Note Subordination Provisions

EACH PROMISSORY NOTE EVIDENCING AN INTERCOMPANY LOAN OR ADVANCE INCURRED BY THE BORROWER OR A WHOLLY-OWNED DOMESTIC SUBSIDIARY OF THE BORROWER OWING TO ANY FOREIGN SUBSIDIARY OF THE BORROWER OR ANY NON-WHOLLY-OWNED SUBSIDIARY OF THE BORROWER SHALL HAVE INCLUDED ON ITS FACE THE FOLLOWING PROVISION AND SHALL HAVE "ANNEX A TO INTERCOMPANY NOTE" ATTACHED THERETO AND MADE A PART THEREOF.

"This Intercompany Note, and the obligations of the Payor hereunder, shall be subordinate and junior in right of payment to all Senior Debt (as defined in Section 1 of Annex A hereto) on the terms and conditions set forth in Annex A hereto. Annex A hereto is incorporated herein by reference in its entirety and is a part of this Intercompany Note to the same extent as if it had been set forth in its entirety in this Intercompany Note."

ANNEX A
TO
INTERCOMPANY NOTE

Section 1. Definitions. Capitalized terms defined in the Credit Agreement (as defined in the promissory note to which this Annex A is attached (the "Intercompany Note")) and not otherwise defined herein have, as used in this Annex A, the respective meanings provided for therein. The following additional terms, as used herein, have the following respective meanings:

"Senior Debt" means the Finance Obligations, including any Finance Obligations the proceeds of which are used to refinance other Finance Obligations, in each case whether now owed or hereafter arising, whether fixed or contingent, whether for principal, premium (if any), interest (including, without limitation, any interest which accrues after the commencement of any case, proceeding or other action relating to the bankruptcy, insolvency or reorganization of any Credit Party), expenses, indemnifications, reimbursement obligations or otherwise, together with all renewals, extensions, increases or rearrangements thereof.

"Subordinated Debt" means all principal of and interest on all obligations, liabilities and indebtedness of the Payor now or hereafter owing to the Payee or any other holder from time to time of the Intercompany Note under the Intercompany Note, whether fixed or contingent and whether for principal, interest (including, without limitation, any interest which accrues after the commencement of any case, proceeding or other action relating to the bankruptcy, insolvency or reorganization of the Payor, whether or not allowed or allowable as a claim in any such proceeding), fees, expenses, indemnifications, reimbursement obligations, subrogation or contribution claims or otherwise, together with all renewals, extensions, increases or rearrangements thereof.

Section 2. Subordination by the Payee. Each of the Payee and each other holder from time to time of the Intercompany Note by its acceptance thereof hereby covenants and agrees that the payment of the Subordinated Debt shall be subordinate and subject in right of payment, to the extent set forth herein, to the prior payment in full in cash of the Senior Debt. The provisions of this Annex A shall constitute a continuing offer to all Persons who, in reliance upon such provisions, become holders of, or continue to hold, Senior Debt, and such provisions are made for the benefit of the holders of the Senior Debt. The holders of the Senior Debt are hereby made obligees hereunder with the same force and effect as if their names were written herein as such, and they and/or each of them may proceed to enforce such provisions.

Section 3. Priority and Payment Over in Certain Events.

(a) *Priority and Payment Over Upon Insolvency and Dissolution*. In the event of (x) any insolvency or bankruptcy case or proceeding or any receivership, liquidation, reorganization or similar case or proceeding in connection therewith relative to the Payor or its creditors, as such, or to its assets, or (y) any liquidation, dissolution or other winding up of the Payor, whether voluntary or involuntary and whether or not involving insolvency or bankruptcy or (z) any assignment for the benefit of creditors or other marshaling of assets and liabilities of the Payor, then and in any such event:

(i) the holders of the Senior Debt shall be entitled to receive payment in full in cash of all amounts due or to become due on or in respect of all Senior Debt before the Payee shall be entitled to receive and retain any direct or indirect payment on account of the principal, interest or other amounts due or to become due on the Subordinated Debt, including, without limitation, by exercise of any right of set off and any payment which might be payable or deliverable by reason of any other indebtedness being subordinated in right of payment to the Subordinated Debt (other than in the form of securities permitted to be paid in accordance with the first parenthetical in clause (ii) below);

(ii) any payment or distribution of any kind or character, whether in cash, property or securities which may be payable or deliverable in respect of the Subordinated Debt in any such case, proceeding, dissolution, liquidation or other winding up or event, including any such payment or distribution which may be payable or deliverable by reason of the payment of any other indebtedness of the Payor which is subordinated to the payment of the Subordinated Debt (except for any such payment or distribution (each an "Excepted Payment") (A) authorized by an unstayed, final, nonappealable order or decree stating that effect is being given to the subordination of the Subordinated Debt to the Senior Debt and made by a court of competent jurisdiction in a reorganization proceeding under any applicable bankruptcy law and (B) of securities which, if debt securities, are subordinated to at least the same extent as the Subordinated Debt is to (y) the Senior Debt or (z) any securities issued in exchange for the Senior Debt; provided, however, that (i) the final maturity date of such securities shall not be earlier than one year following the maturity date of the last to mature of the Senior Debt (including any securities issued in exchange therefor) at the time outstanding, (ii) such securities shall contain covenants and shall not contain greater defaults than as are contained in such instruments and (iii) such securities shall bear interest at a rate per annum less than or equal to **[6]**% per annum), shall be paid by the Payor or by the trustee in bankruptcy, debtor-in-possession, receiver, liquidating trustee, custodian, assignee, agent or other Person making payment or distribution of assets of the Payor directly to the Administrative Agent (or the Representative, the holders of the Derivative Obligations or all of the Creditors, as applicable) to the extent necessary to pay all Senior Debt in full in cash after giving effect to any concurrent payment or distribution to or for the benefit of the holders of the Senior Debt.

The consolidation of the Payor with, or the merger of the Payor into, another Person or the liquidation or dissolution of the Payor following the conveyance or transfer of its assets substantially as an entirety to another Person upon terms and conditions permitted under the Credit Agreement shall not be deemed a dissolution, winding up, liquidation, reorganization, assignment for the benefit of creditors or marshaling of assets and liabilities of the Payor for purposes of this Section 3(a) if the Person formed by such consolidation or into which the Payor is merged or the Person which acquires by conveyance or transfer such property and assets substantially as an entirety, as the case may be, shall comply with the conditions set forth in the Credit Agreement as a prerequisite for such consolidation, merger, conveyance or transfer.

(b) *Payment on Subordinated Debt Suspended When Senior Debt is in Default* In the event and during the continuation of any Default or Event of Default under the Credit Agreement or under any other agreement or instrument evidencing or securing any Senior

Debt, then unless and until such Default or Event of Default shall have been cured or waived or shall have ceased to exist and any resulting acceleration shall have been rescinded or annulled, or in the event any judicial proceeding shall be pending with respect to any such Default or Event of Default, then no direct or indirect payment, including any payment which may be payable by reason of the payment of any other indebtedness of the Borrower which is subordinated to the payment of the Subordinated Debt) (but excluding any Excepted Payment), shall be made by or on behalf of the Payor on account of the principal of or interest on the Subordinated Debt or on account of the purchase or other acquisition by it of the Subordinated Debt. The provisions of this Section 3(b) shall not apply to any payment with respect to which Section 3(a) would be applicable.

(c) *Rights and Obligations of the Payees*. If, notwithstanding the foregoing provisions of this Section 3, any Payee or other holder of the Subordinated Debt shall have received any payment or distribution of assets of the Payor of any kind or character, whether in cash, property or securities, including any such payment or distribution which may be payable or deliverable by reason of the payment of any other indebtedness of the Payor which is subordinated to the payment of the Subordinated Debt (but excluding any Excepted Payment), before all amounts due or to become due on or in respect of all Senior Debt have been irrevocably paid in full in cash, then and in such event such payment or distribution shall be received in trust for the Finance Parties and other holders of the Senior Debt and shall be forthwith paid over or delivered by the Payee or other holder of the Subordinated Debt receiving the same directly to the Administrative Agent (or the Representative, the Derivatives Creditors or all of the Finance Parties, as applicable) or, to the extent legally required, to the trustee in bankruptcy, debtor-in-possession, receiver, liquidating trustee, custodian, assignee, agent or other Person making such payment or distribution of assets of the Payor, for application to the payment of all Senior Debt remaining unpaid to the extent necessary to pay all Senior Debt in full after giving effect to any concurrent payment or distribution to or for the benefit of the holders of the Senior Debt.

Section 4. Rights of the Finance Parties Not to be Impaired No right of the Administrative Agent or any other Finance Party or any other present or future holder of the Senior Debt to enforce subordination as herein provided shall at any time in any way be prejudiced or impaired by any act or failure to act in good faith by the Administrative Agent or any other such Finance Party or other holder of the Senior Debt or by any noncompliance by any Payee with the terms and provisions and covenants herein regardless of any knowledge thereof the Administrative Agent or any other such Finance Party or other holder may have or otherwise be charged with. The Holders of the Senior Debt may, without in any way affecting the obligations of the Payee or any other holder of the Subordinated Debt with respect thereto, at any time or from time to time in their absolute discretion, change the manner, place or terms or payment of, change or extend the time or payment of or renew or alter any Senior Debt, or amend, supplement or modify any agreement or instrument governing or evidencing such Senior Debt or any other document referred to therein, or exercise or refrain from exercising any other of their rights under the Senior Debt including, without limitation, the waiver of any Default or Event of Default thereunder and the release of any collateral securing such Senior Debt, all without notice to or assent from the Payee or any other holder of the Subordinated Debt. The provisions of this Annex A are intended to be for the benefit of the Finance Parties and each other holder of the Senior Debt and shall be enforceable directly by the Administrative Agent, any Representative or the Derivatives Creditors or other Finance Parties, as applicable, or any other present or future holder or holders of the Senior Debt.

Section 5. Restriction on Assignment of Subordinated Debt. The Payee and each other holder from time to time of the Subordinated Debt by its acceptance thereof agrees not to sell, assign or transfer all or any part of the Subordinated Debt while any Senior Debt remains unpaid unless such sale, assignment or transfer is made expressly subject to the provisions of this Annex A. The Payee represents that no other subordination of the Subordinated Debt is in existence on the date hereof, and the Payee agrees that the Subordinated Debt will not be subordinated to any indebtedness other than the Senior Debt.

Section 6. Reliance on Subordination. The Payee and each other holder from time to time of the Subordinated Debt by its acceptance thereof consents and agrees that all Senior Debt shall be deemed to have been made or incurred at the request of the Payee and all other holders from time to time of the Subordinated Debt and in reliance upon the subordination of the Subordinated Debt pursuant to this Annex A.

Section 7. Actions Against the Payor; Exercise of Remedies. Neither the Payee nor any other holder of the Subordinated Debt will (i) commence (unless the Administrative Agent, Representative or Derivatives Creditors or other Finance Parties, as applicable, or other holders of the Senior Debt shall have commenced) any action or proceeding against the Payor to recover all or any part of the Subordinated Debt or (ii) join with any creditor (unless the Administrative Agent, Representative or Derivatives Creditors or other Finance Parties, as applicable, or other holders of the Senior Debt shall also join) in bringing any proceeding against the Payor under the United States Bankruptcy Code or any other state, federal or foreign insolvency statute unless and until, in each case, the Senior Debt shall have been irrevocably paid in full in cash. Neither the Payee nor any other holder of the Subordinated Debt will ask, demand, sue for, take or receive from the Payor, directly or indirectly, in cash, property or securities or by set off or in any other manner (including, without limitation, from or by way of attachment or seizure of or foreclosure upon any property or assets of the Payor which may now or hereafter constitute collateral for any Subordinated Debt), payment of all or any part of the Subordinated Debt if an Event of Default shall have occurred and be continuing under the Credit Agreement or under any other agreement or instrument evidencing or securing the Senior Debt unless and until all Senior Debt shall have been irrevocably paid in full in cash or the benefits of this sentence waived by or on behalf of the Finance Parties or the other holder or holders of the Senior Debt.

Section 8. Subrogation. The Payee or other holder from time to time of the Subordinated Debt shall be subrogated to the rights of the holders of the Senior Debt to receive payments or distributions of assets of the Payor applicable to the Senior Debt until all amount owing on the Subordinated Debt has been paid in full; provided that neither the Payee nor any other holder of the Subordinated Debt shall enforce any payment by way of subrogation (whether contractual, under Section 509 of the United States Bankruptcy Code or otherwise) until the Commitments have been terminated and the principal of and interest on the Notes and all other amounts payable under or with respect to the Senior Debt have been irrevocably paid in full in cash. For the purposes of the rights of subrogation set forth in this Section 8, no payments or distributions to any Finance Party or other holder or holders of the Senior Debt of any cash,

property or securities to which the Payee or other holder or holders of the Subordinated Debt would be entitled but for the provisions of this Annex A, and no payments over pursuant to the provisions of this Annex A to any Finance Party or other holder or holders of the Senior Debt by the Payee or other holder or holders of the Subordinated Debt, shall, as among the Payor, its creditors, (other than the Finance Parties and any other holder or holders of the Senior Debt) and the Payee and other holder or holders of the Subordinated Debt, be deemed to be a payment or distribution by the Payor to or on account of the Senior Debt, it being understood that the provisions of this Annex A are solely for the purpose of defining the relative rights of the Creditors or any other holder or holders of the Senior Debt and the Payee and any other holder or holders of the Subordinated Debt.

If any payment or distribution to which the Payee or other holder or holders of the Subordinated Debt would otherwise have been entitled but for the provisions of this Annex A shall have been applied, pursuant to the provisions of this Annex A, to the payment of all amounts payable under the Senior Debt, then the Payee or other holder or holders of the Subordinated Debt shall be entitled to receive from the Finance Parties or other holder or holders of the Senior Debt at the time outstanding any payments or distributions received by the Finance Parties or such holder or holders of the Senior Debt in excess of the amount sufficient to irrevocably pay all amounts under or in respect of the Senior Debt in full in cash.

Section 9. Waiver of UCC Provisions. If any applicable provisions of the Uniform Commercial Code as in effect in the State of New York or any other relevant jurisdiction (the "UCC") requires the Administrative Agent, the Collateral Agent or any other Finance Party or holder of the Senior Debt or any representative thereof to notify the Payee or other holder of the Subordinated Debt that the Administrative Agent, the Collateral Agent or such other Finance Party or holder or representative thereof will foreclose or otherwise realize upon any collateral or other property provided to secure the Senior Debt, whether pursuant to Article 5 of the UCC or otherwise, the Payee and each other holder from time to time of the Subordinated Debt by its acceptance thereof hereby waives, to the extent permitted by applicable law, all such required notice(s) and, to the extent such requirement of notice may not be waived under applicable law, agrees that five Business Days' written notice of any such foreclosure or other realization shall be commercially reasonable. The Payee and each other holder from time to time of the Subordinated Debt by its acceptance thereof further waives, to the extent permitted by applicable law, any and all rights it may have to require the Administrative Agent, the Collateral Agent or any other Finance Party or other holder of the Senior Debt or representative thereof to marshal any collateral or other property provided as security for the Senior Debt and any and all other rights and remedies now or hereafter available to the Payee or such other holder of the Subordinated Debt under Section 9-504 of the UCC. The Payee and each other holder from time to time of the Subordinated Debt by its acceptance thereof agrees that the Administrative Agent, the Collateral Agent and any other Finance Party or holder of the Senior Debt or representative thereof may sell inventory that constitutes collateral or other security for any Senior Debt pursuant to a repurchase agreement, that such sale shall not be deemed a transfer subject to Section 9-504(5) of the UCC or any similar provisions of any other applicable law (such provisions, to the extent otherwise applicable to such sale, being hereby waived), and that the repurchase of inventory by a seller under a repurchase agreement shall be a commercially reasonable method of disposition.

Section 10. Proofs of Claim. The Payee and each other holder from time to time of Subordinated Debt may file such proofs of claim and other papers or documents as may be necessary or advisable in order to have the claims of the Payee or such other holder allowed in any judicial proceedings relative to the Payor, its creditors or its property. If the Payor or any other holder from time to time of Subordinated Debt files any claim, proof of claim or similar instrument in any judicial proceeding referred to above and all Senior Debt has not been irrevocably paid in full in cash, the Payor or such other holder shall (i) file such claim, proof of claim or similar instrument on behalf of the Creditors and the other holder or holders of the Senior Debt as such Finance Parties' or other holder's or holders' interests may appear and (ii) take all such other actions as may be appropriate to ensure that all payments and distributions made in respect of any such proceedings are made to the Administrative Agent, the Representative or the Derivatives Creditors or other Finance Parties, as applicable, and any other holder or holders of the Senior Debt as its or their interests may appear.

Any term or provision of this Section 10 to the contrary notwithstanding, if any judicial proceeding referred to above is commenced by or against the Payor, and so long as all Senior Debt has not been irrevocably paid in full in cash: (i) the Administrative Agent, the Representative, the holders of at least 51% of the Derivatives Obligations or the Finance Parties, as applicable, or any other holder or holders of the Senior Debt or representatives thereof are hereby irrevocably authorized and empowered (in each case, in its own name, as administrative agent or representative on behalf of the Finance Parties or in the name of the Payee or any other holder or holders from time to time of the Subordinated Debt or otherwise), but shall have no obligation, to (A) demand, sue for, collect and receive every payment or distribution received in respect of any such proceeding and give acquittance therefor and to file claims and proofs of claims and (B) exercise any voting rights otherwise attributable to the Payee or other holders of the Subordinated Debt in any such proceeding; (ii) the Payee or such other holder or holders of the Subordinated Debt shall duly and promptly take, for the account of the Finance Parties and any other holders or holders of the Senior Debt, such action as the Administrative Agent, the Representative, the holders of at least 51% of the Derivatives Obligations or the Finance Parties, as applicable, or other holder or holders of the Senior Debt or representatives thereof may request to collect all amounts payable by the Payor in respect of the Subordinated Debt and to file the appropriate claims or proofs of claim in respect of the Subordinated Debt; and (iii) the Payee and each other holder of Subordinated Debt shall, at the request of the Administrative Agent, the Representative, the holders of at least 51% of the Derivatives Obligations or the Finance Parties, as applicable, or other holder or holders of the Senior Debt or representatives thereof duly and promptly consent to or join in or stipulate its agreement with any action or position which the Finance Parties and each other holder of the Senior Debt may take in any such judicial proceeding referred to above, including, without limitation, such actions and positions as the Creditors may take with respect to requests for relief from the automatic stay, for authority to use cash collateral or to use, sell or lease other property of the estate, for assumption, assignment or rejection of any executory contract and to obtain credit. The Payee and each other holder from time to time of Subordinated Debt by its acceptance thereof hereby appoints the Administrative Agent, the Collateral Agent, the Representative, the holders of at least 51% of the Derivatives Obligations or the other Creditors, as applicable, or other holder or holders of the Senior Debt or representatives thereof as its agent(s) and attorney(s) in fact, all acts of such attorney(s) being hereby ratified and confirmed and such appointment(s), being coupled with an interest, being irrevocable until the Senior Debt is irrevocably paid in full in cash, to exercise the

rights and file the claims referred to in this Section 10 and to execute and deliver any documentation necessary for the exercise of such rights or to file such claims. Notwithstanding anything to the contrary contained herein, neither the Payee nor any other holder of Subordinated Debt shall file any claim or take any action which competes or interferes with the rights and interests of the Finance Parties or any other holders of the Senior Debt under the Credit Agreement and other Finance Documents, the Derivatives Agreements or any other agreement or instrument evidencing or securing the Senior Debt. Until the Senior Debt has been irrevocably paid in full in cash, neither the Payee nor any other holder of the Subordinated Debt will (in any proceeding of the type described in Section 2(a)) discharge all or any portion of the obligations of the Payor in respect of the Subordinated Debt, whether by forgiveness, receipt of capital stock, exercise of conversion privileges or otherwise, without the prior written consent of the Administrative Agent, the Representative, the holders of at least 51% of the Derivatives Obligations or the Finance Parties, as applicable, or the holder or holders of the Senior Debt.

Section 11. Obligation of the Payor Unconditional. Nothing contained in this Annex A or in the Intercompany Note is intended to or shall impair, as between the Payor and the holder of the Intercompany Note, the obligation of the Payor, which is absolute and unconditional, to pay to the holder of the Intercompany Note the principal of and interest on the Intercompany Note as and when the same shall become due and payable in accordance with their terms, or is intended to or shall affect the relative rights of the holder of the Intercompany Note and creditors of the Payor other than the holders of the Senior Debt, nor shall anything herein or therein, except as expressly provided, prevent the holder of the Intercompany Note from exercising all remedies otherwise permitted by applicable law, subject to the rights, if any, under this Annex A of the holders of Senior Debt in respect of cash, property, or securities of the Payor received upon the exercise of any such remedy. Upon any distribution of assets of the Payor referred to in this Annex A, the holder of the Intercompany Note shall be entitled to rely upon any order or decree made by any court of competent jurisdiction in which such dissolution, winding up, liquidation or reorganization proceedings are pending, or a certificate of the liquidating trustee or agent or other Person making any distribution to the holder of the Intercompany Note, for the purpose of ascertaining the Persons entitled to participate in such distribution, the holders of the Senior Debt and other indebtedness of the Payor, the amount thereof or payable thereon, the amount or amounts paid or distributed thereon and all other facts pertinent thereto or to this Annex A.

Section 12. Reinstatements in Certain Circumstances. If, at any time, all or part of any payment with respect to Senior Debt theretofore made by the Payor or any other Person is rescinded or must otherwise be returned by the holders of Senior Debt for any reason whatsoever (including, without limitation, the insolvency, bankruptcy or reorganization of Payor or such other Persons), the subordination provisions set forth herein shall continue to be effective or be reinstated, as the case may be, all as though such payment had not been made.

EXHIBIT I

FORM OF CREDIT PARTY ACCESSION AGREEMENT

CREDIT PARTY ACCESSION AGREEMENT dated as of _____, __ among THE HILLMAN COMPANIES, INC., THE HILLMAN GROUP, INC., the NEW CREDIT PARTY referred to herein and BARCLAYS BANK PLC, as Administrative Agent and Collateral Agent.

OHCP HM Merger Sub Corp., a Delaware corporation ("Merger Sub"), entered into a Credit Agreement dated as of May 28, 2010 (as amended, restated, modified or supplemented, from time to time, the "Credit Agreement") among OHCP HM Acquisition Corp., The Hillman Companies, Inc., Hillman Investment Company, The Hillman Group, Inc., the banks and other lending institutions from time to time party thereto, Barclays Bank PLC, as Administrative Agent, Issuing Lender and Swingline Lender, Barclays Capital and Morgan Stanley Senior Funding, Inc., as Lead Arrangers and Syndication Agents, Barclays Capital, Morgan Stanley Senior Funding, Inc. and GE Capital Markets, Inc., together as Joint Bookrunners and General Electric Capital Corporation, as Documentation Agent. Capitalized terms defined in the Credit Agreement and not otherwise defined herein have, as used herein, the respective meanings provided for therein.

Certain Lenders and their affiliates (the "Derivatives Creditors") may from time to time provide forward rate agreements, options, swaps, caps, floors, other financial derivatives agreements and other combinations or hybrids of any of the foregoing (collectively, "Derivatives Agreements"). The Lenders, each Issuing Lender, the Swingline Lender, the Administrative Agent, the Syndication Agent, the Collateral Agent (as each such term is defined in the Credit Agreement) and each Derivatives Creditor and their respective successors and assigns are herein referred to individually as a "Finance Party" and collectively as the "Finance Parties".

[New Credit Party Name], [New Credit Party Description] (the "New Credit Party"), was [formed] [acquired] by [the Borrower] [[Name of Immediate Parent Company], [Description of Immediate Parent Company] and a [Wholly-Owned] Subsidiary of the Borrower], [DESCRIBE FORMATION OR ACQUISITION TRANSACTION, AS APPLICABLE].

Section 6.10 of the Credit Agreement requires each Subsidiary (other than Foreign Subsidiaries) formed or acquired by OH Holdings or the Borrower or any of their respective Subsidiaries after the Closing Date to become a party to the Guaranty as an additional "Guarantor", to become a party to the Security Agreement as an additional "Credit Party" and to become a party to the Pledge Agreement as an additional "Credit Party". The Guaranty, the Security Agreement and the Pledge Agreement specify that such additional Subsidiaries may become "Guarantors" under the Guaranty and "Credit Parties" under each of the Security Agreement and the Pledge Agreement by execution and delivery of a counterpart of each such Finance Documents. To induce the Lenders to make or maintain extensions of credit to the Borrower under the Credit Agreement and the other Finance Documents and the Derivatives Creditors to enter into or maintain the Derivatives Agreements, and as consideration for extensions of credit previously made to, and/or Derivatives Agreements previously entered into with, the Borrower, the New Credit Party has agreed to execute and deliver this Credit Party Accession Agreement (as the same may be amended, supplemented or modified from time to time, this "Agreement") in order to evidence its agreement to become a "Guarantor" under the

Guaranty and a "Credit Party" under each of the Security Agreement and the Pledge Agreement. Accordingly, the parties hereto agree as follows:

I. GUARANTY. In accordance with Section 5.11 of the Guaranty, the New Credit Party hereby (i) agrees that, by execution and delivery of a counterpart signature page to the Guaranty in the form attached hereto as Exhibit A, the New Credit Party shall become a "Guarantor" under the Guaranty with the same force and effect as if originally named therein as a Guarantor (as defined in the Guaranty), (ii) acknowledges receipt of a copy of and agrees to be obligated and bound as a "Guarantor" by all of the terms and provisions of the Guaranty, (iii) agrees to guarantee the payment and performance of the Finance Obligations and (iv) acknowledges and agrees that, from and after the date hereof, each reference in the Guaranty to a "Guarantor" or the "Guarantors" shall be deemed to include the New Credit Party. The New Credit Party hereby waives acceptance by the Administrative Agent and the Finance Parties of the guarantee by the New Credit Party under the Guaranty upon the execution and delivery by each of the New Credit Party of the counterpart signature referred to herein.

II. SECURITY AGREEMENT. In accordance with Section 7.10 of the Security Agreement, the New Credit Party hereby (i) agrees that, by execution and delivery of a counterpart signature page to the Security Agreement in the form attached hereto as Exhibit B, the New Credit Party shall become a "Credit Party" under the Security Agreement with the same force and effect as if originally named therein as a Credit Party (as defined in the Security Agreement), (ii) acknowledges receipt of a copy of and agrees to be obligated and bound as a "Credit Party" by all of the terms and provisions of the Security Agreement, (iii) grants to the Collateral Agent for the benefit of the Finance Parties a continuing security interest in the Collateral (as defined in the Security Agreement), in each case to secure the full and punctual payment of the Secured Obligations (as defined in the Security Agreement) in accordance with the terms thereof and to secure the performance of all of the obligations of each Credit Party under the Credit Agreement and the other Finance Documents, (iv) represents and warrants that each of Schedules 3.02, 3.06, 3.07 and 4.01 to the Security Agreement, as amended, supplemented and modified as set forth on Schedules 3.02, 3.06, 3.07 and 4.01 hereto, is complete and accurate with respect to the New Credit Party as of the date hereof after giving effect to the New Credit Party's accession to the Security Agreement as an additional Credit Party thereunder and (v) acknowledges and agrees that, from and after the date hereof, each reference in the Security Agreement to a "Credit Party" or the "Credit Parties" shall be deemed to include the New Credit Party.

III. PLEDGE AGREEMENT. In accordance with Section 8.10 of the Pledge Agreement, the New Credit Party hereby (i) agrees that, by execution and delivery of a counterpart signature page to the Pledge Agreement in the form attached hereto as Exhibit C, the New Credit Party shall become a "Credit Party" under the Pledge Agreement with the same force and effect as if originally named therein as a Credit Party (as defined in the Pledge Agreement), (ii) acknowledges receipt of a copy of and agrees to be obligated and bound as a "Credit Party" by all of the terms and provisions of the Pledge Agreement, (iii) grants to the Collateral Agent for the benefit of the Finance Parties a continuing security interest in the Collateral (as defined in the Pledge Agreement), in each case to secure the full and punctual payment of the Secured Obligations (as defined in the Pledge Agreement) in accordance with the terms thereof and to secure the performance of all of the obligations of each Credit Party under the Credit Agreement

and the other Finance Documents, (iv) represents and warrants that each of Schedules I, II, III, IV, V and 3.05 to the Pledge Agreement, as amended, supplemented and modified as set forth on Schedules I, II, III, IV, V and 3.05 hereto, is complete and accurate with respect to the New Credit Party as of the date hereof after giving effect to the New Credit Party's accession to the Pledge Agreement as an additional Credit Party thereunder and (v) acknowledges and agrees that, from and after the date hereof, each reference in the Pledge Agreement to a "Credit Party" or the "Credit Parties" shall be deemed to include the New Credit Party.

IV. REPRESENTATIONS AND WARRANTIES. The New Credit Party hereby represents and warrants that:

A. This Agreement has been duly authorized, executed and delivered by the New Credit Party, and each of this Agreement and the Guaranty, the Security Agreement and the Pledge Agreement, as acceded to hereby by the New Credit Party, constitutes a valid and binding agreement of the New Credit Party, enforceable against the New Credit Party in accordance with its terms, except in each case as such enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforceability of creditors' rights generally and by equitable principles of general applicability (regardless of whether such enforceability is considered in a proceeding in equity or at law).

B. Each of the representations and warranties contained in the Credit Agreement, the Guaranty, the Security Agreement, the Pledge Agreement and each of the other Finance Documents is true and correct in all material respects as of the date hereof (unless they specifically relate back to an earlier date, then such representations and warranties are true and correct as of such date), with the same effect as though such representations and warranties had been made on and as of the date hereof after giving effect to the accession of the New Credit Party as an additional "Guarantor" under the Guaranty and an additional "Credit Party" under each of the Security Agreement and the Pledge Agreement.

C. Attached hereto as Exhibit D is a correct and complete Perfection Certificate relating to the New Credit Party and its Collateral.

V. EFFECTIVENESS. This Agreement and the accession of the New Credit Party to the Guaranty, the Security Agreement and the Pledge Agreement as provided herein shall become effective with respect to the New Credit Party when (i) the Administrative Agent **shall** have received a counterpart of this Agreement duly executed by such New Credit Party and (ii) the Administrative Agent and/or the Collateral Agent, as applicable, shall have received duly executed counterpart signature pages to each of the Guaranty, the Security Agreement and the Pledge Agreement as contemplated hereby.

VI. INTEGRATION; CONFIRMATION. On and after the date hereof, each of the Guaranty, the Security Agreement and the Pledge Agreement and the respective Schedules thereto shall be supplemented as expressly set forth herein; all other terms and provisions of each of the Guaranty, the Security Agreement, the Pledge Agreement, the other Finance Documents and the respective Schedules thereto shall continue in full force and effect and unchanged and are hereby confirmed in all respects.

VII. EXPENSES. The New Credit Party agrees to pay (i) all out-of-pocket expenses of the Agents, including reasonable fees and disbursements of special and local counsel for the Agents, in connection with the preparation, execution and delivery of this Agreement and any document or agreement contemplated hereby and (ii) all taxes which the Collateral Agent or any Finance Party may be required to pay by reason of the security interests granted in the Collateral (including any applicable transfer taxes).

VIII. GOVERNING LAW. THIS AGREEMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAW OF THE STATE OF NEW YORK WITHOUT REGARD TO PRINCIPLES OF CONFLICTS OF LAWS THAT WOULD RESULT IN THE APPLICATION OF ANY LAW OTHER THAN THE LAW OF THE STATE OF NEW YORK.

IX. COUNTERPARTS. This Agreement may be signed in any number of counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument. This Agreement may be transmitted and/or signed by facsimile and if so transmitted or signed, shall, subject to requirements of law, have the same force and effect as a manually signed original and shall be binding on the New Credit Party, the Agents and the Finance Parties. The Administrative Agent may also require that this Agreement be confirmed by a manually signed original hereof; provided, however, that the failure to request or deliver the same shall not limit the effectiveness of any facsimile document or signature.

[Signature Pages to Follow]

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

THE HILLMAN GROUP, INC.

By: _____
Name:
Title:

THE HILLMAN COMPANIES, INC.

By: _____
Name:
Title:

[NEW CREDIT PARTY NAME]

By: _____
Name:
Title:

BARCLAYS BANK PLC, as Administrative Agent and Collateral Agent

By: _____
Name:
Title:

EXHIBIT A

COUNTERPART TO SUBSIDIARY GUARANTY

The undersigned hereby executes this counterpart to the Guaranty dated as of May 28, 2010 by the Subsidiary Guarantors party thereto from time to time in favor of Barclays Bank PLC, as Administrative Agent, and, as of the date hereof, assumes all of the rights and obligations of a "Subsidiary Guarantor" thereunder.

Date:_____

[NEW CREDIT PARTY NAME]

By: _____
Name:
Title:

[NEW CREDIT PARTY NOTICE ADDRESS]

EXHIBIT B

COUNTERPART TO SECURITY AGREEMENT

The undersigned hereby executes this counterpart to the Security Agreement dated as of May 28, 2010 by the Credit Parties party thereto from time to time in favor of Barclays Bank PLC, as Collateral Agent, and, as of the date hereof, assumes all of the rights and obligations of a "Credit Party" thereunder.

Date:_____

[NEW CREDIT PARTY NAME]

By: _____
Name:
Title:

EXHIBIT C

COUNTERPART TO PLEDGE AGREEMENT

The undersigned hereby executes this counterpart to the Pledge Agreement dated as of May 28, 2010 by Credit Parties party thereto from time to time in favor of Barclays Bank PLC, as Collateral Agent, and, as of the date hereof, assumes all of the rights and obligations of a "Credit Party" thereunder.

Date: _____

[NEW CREDIT PARTY NAME]

By: _____
Name:
Title:

EXHIBIT D

PERFECTION CERTIFICATE

SCHEDULE 3.02

EXCLUDED CONTRACTS

SCHEDULE 3.06

COLLATERAL INFORMATION

SCHEDULE 3.07

GRANTOR INFORMATION

SCHEDULE 4.01

SCHEDULE OF FILINGS TO PERFECT SECURITY INTERESTS

SCHEDULE I

LIST OF PLEDGED SHARES

[NEW CREDIT PARTY NAME]

Issuer	Class of Stock	Certificate Number, if Applicable	Par Value	Number of Shares	Percentage of Class Represented by Pledged Shares	Type of Investment Property

SCHEDULE II

LIST OF PLEDGED NOTES

[NEW CREDIT PARTY NAME]

Issuer	Original Principal Amount	Date	Maturity Date	Type of Investment Property

SCHEDULE III

LIST OF PLEDGED LLC INTERESTS

[NEW CREDIT PARTY NAME]

Issuer	Class of Interest	Certificate Numbers, if Applicable	Percentage of Class Represented by Pledged LLC Interests	Type of Investment Property

SCHEDULE IV

LIST OF PLEDGED PARTNERSHIP INTERESTS

[NEW CREDIT PARTY NAME]

Issuer	Class of Interest	Certificate Numbers, if Applicable	Percentage of Class Represented by Pledged Partnership Interests	Type of Investment Property

SCHEDULE V

SCHEDULE OF FILINGS TO PERFECT SECURITY INTERESTS

Name of Debtor	Filing Type	State	Filing Office	Filing Date	File Number

SCHEDULE 3.05

ARTICLE 8 SECURITIES

EXHIBIT J

Form of OFAC/Anti-Terrorism Compliance Certificate

[Closing Date]

Barclays Bank PLC,
as Administrative Agent
745 Seventh Avenue
New York, NY 10019
Attn:

Ladies and Gentlemen:

I, _____, of The Hillman Group, Inc., a Delaware corporation (the "HGI"), do hereby certify that, as _____ of HGI, I am authorized to execute this certificate on behalf of HGI. I do hereby further certify in my capacity as _____ and not in my individual capacity as follows:

1. This Certificate is furnished pursuant to Section 4.01(s) of the Credit Agreement dated as of May 28, 2010 (as amended, restated, modified or supplemented, from time to time, the "Credit Agreement") among OHCP HM Acquisition Corp., OHCP HM Merger Sub Corp., The Hillman Companies, Inc., Hillman Investment Company, The Hillman Group, Inc., the banks and other lending institutions from time to time party thereto, Barclays Bank PLC, as Administrative Agent, Issuing Lender and Swingline Lender, Barclays Capital and Morgan Stanley Senior Funding, Inc., as Lead Arrangers and Syndication Agents, Barclays Capital, Morgan Stanley Senior Funding, Inc. and GE Capital Markets, Inc., together as Joint Bookrunners and General Electric Capital Corporation, as Documentation Agent. Terms defined in the Credit Agreement and not otherwise defined herein have, as used herein, the respective meanings provided for therein.

2. To the knowledge of HGI based on reasonable investigation, no Group Company or any of its Affiliates is in violation of any Anti-Terrorism Law and the U.S. Patriot Act.

3. To the knowledge of HGI based on reasonable investigation, no Group Company or any of their respective direct or indirect constituents or Affiliates, any of their respective officers or directors (including officers or directors of any such constituents or Affiliates) or any of their respective brokers or other agents acting or benefiting in any capacity in connection with the Acquisition, the Credit Agreement, any Loans or other Credit Extensions thereunder or any other transactions contemplated in connection therewith is any of the following:

(i) a Person or entity that is listed in the annex to, or is otherwise subject to the provisions of, the Executive Order;

(ii) a Person or entity owned or controlled by, or acting for or on behalf of, any Person or entity that is listed in the annex to, or is otherwise subject to the provisions of, the Executive Order;

(iii) a Person or entity with which any Lender is prohibited from dealing or otherwise engaging in any transaction by any Anti-Terrorism Law;

(iv) a Person or entity that commits, threatens or conspires to commit or supports "terrorism" as defined in the Executive Order;

(v) a Person or entity that is named as a "specially designated national and blocked person" on the most current list published by the U.S. Treasury Department's Office of Foreign Assets Control "(OFAC") at its official website, http://www/treas/gov.ofactllsdn.pdf, or any replacement website or other replacement official publication of such list;

(vi) a Person covered by the International Emergency Economic Power Act, 50 U.S.C. §1701 et seq., OFAC or any other law, regulation or executive order relating to the imposition of economic sanctions against any country, region or individual pursuant to United States law or United Nations resolution; or

(vii) a Person that is an affiliate (including any principal, officer, immediate family member or close associate) of a Person described under one or more of clauses (i) through (vi) above.

4. To the knowledge of HGI based on reasonable investigation, no Group Company or any of their respective direct or indirect constituents or Affiliates, any of their respective officers or directors (including officers or directors of any such constituents or Affiliates) or any of their respective brokers or other agents acting or benefiting in any capacity in connection with the Acquisition, the Credit Agreement, any Loans or other Credit Extensions thereunder or any other transactions contemplated in connection therewith (i) conducts any business or engages in making or receiving any contribution of funds, goods or services to or for the benefit of any Person described in paragraph 3 above, (ii) deals in, or otherwise engages in any transaction relating to, any property or interests in property blocked pursuant to the Executive Order or (iii) engages in or conspires to engage in any transaction that evades or avoids, or has the purpose of evading or avoiding, or attempts to violate, any of the prohibitions set forth in any Anti-Terrorism Law.

5. To the knowledge of HGI, neither the extensions of credit to the Borrower under the Credit Agreement nor the use of the respective proceeds thereof will cause the Administrative Agent or any other Finance Party to violate any Anti-Terrorism Law or any rule, regulation or sanction promulgated thereunder or any enabling legislation or executive order relating thereto.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of HGI this [__] day of [____], 2010.

THE HILLMAN GROUP, INC.

By: _____

Name:
Title:

EXHIBIT K

Form of Solvency Certificate

I, the undersigned, the Chief Financial Officer of The Hillman Group, Inc., a Delaware corporation ("HGI"), do hereby certify on behalf of HGI that:

1. This Certificate is furnished pursuant to Section 4.01(n) of the Credit Agreement dated as of May 28, 2010 (as amended, restated, modified or supplemented, from time to time, the "Credit Agreement") among OHCP HM Acquisition Corp., OHCP HM Merger Sub Corp., The Hillman Companies, Inc., Hillman Investment Company, The Hillman Group, Inc., the banks and other lending institutions from time to time party thereto, Barclays Bank PLC, as Administrative Agent, Issuing Lender and Swingline Lender, Barclays Capital and Morgan Stanley Senior Funding, Inc., as Lead Arrangers and Syndication Agents, Barclays Capital, Morgan Stanley Senior Funding, Inc. and GE Capital Markets, Inc., together as Joint Bookrunners and General Electric Capital Corporation, as Documentation Agent. Unless otherwise defined herein, capitalized terms used in this Certificate have the meanings set forth in the Credit Agreement.

2. I am, and since [ ] have been, the duly qualified and acting Chief Financial Officer of HGI. In such capacity, I am a senior financial officer of HGI and I have participated actively in the management of its financial affairs and am familiar with the consolidated financial statements of HGI and its Subsidiaries. I have, together with other members of the management of HGI, acted on behalf of HGI in connection with the negotiation of the Credit Agreement and I am familiar with the terms and conditions thereof.

3. I have carefully reviewed the contents of this Certificate, and I have conferred with counsel for HGI (including, Paul, Weiss, Rifkind, Wharton & Garrison LLP) for the purpose of discussing the meaning of its contents.

4. In connection with preparing for the consummation of the transactions and financings contemplated by the Credit Agreement (the "Proposed Transactions"), I have participated in the preparation of, and I have reviewed, the pro forma consolidated projections of net income and cash flows of HGI and its Subsidiaries prepared on a quarterly basis for the period from the Closing Date through December 31, 2016 and on an annual basis for each of the following three fiscal years (the "Projected Financial Statements"). The Projected Financial Statements, which are attached hereto as Exhibit A, give effect to the consummation of the Proposed Transactions and assume that the debt obligations of the Borrower under the Credit Agreement will be paid from the cash flow generated by the operations of the Borrower and its Subsidiaries and other resources (including, without limitation, refinancings, asset sales and other capital market transactions available at the time). The Projected Financial Statements were prepared on the basis of information available at April 29, 2010. The Projected Financial Statements do not reflect (i) any potential changes in interest rates other than from those assumed in the Projected Financial Statements, (ii) any potential material, adverse changes in general business or economic conditions, or (iii) any potential changes in income tax laws.

5. I have also participated in the preparation of, and I have reviewed, a pro forma summary consolidated balance sheet of the Borrower and its Subsidiaries (the "Fair Value Summary Balance Sheet") as of March 31, 2010, giving effect to the Proposed Transactions. The Fair Value Summary Balance Sheet is attached hereto as Exhibit B.

6. In connection with the preparation of the Projected Financial Statements, I have relied on historical information with respect to revenues, expenses and other relevant items supplied by certain management of HGI and its Subsidiaries responsible for the various operations involved. Certain assumptions upon which the Projected Financial Statements are based are stated therein. Although any assumptions and any projections by necessity involve uncertainties and approximations, I believe, based on my discussions with other members of management, that the assumptions on which the Projected Financial Statements are based are reasonable in light of current conditions and facts known to me. However, it is understood that the Lenders and the Administrative Agent recognize that projections as to future events are not to be viewed as facts and that actual results during the periods covered by the Projected Financial Statements will differ from projected results and that such differences may be material.

7. The Fair Value Summary Balance Sheet has been prepared in a manner which I believe reflects an estimate of the present fair value (on a going concern basis) of the assets of HGI and its Subsidiaries on a consolidated basis ("Present Fair Value of Assets") and the probable liability on all of their existing debts of which I am aware, contingent or otherwise, as such debts become absolute and mature. For purposes of this Certificate, I understand "fair value" of any assets to mean the amount which may be realized within a reasonable time through sale of such assets and the related business as a going concern at the regular market value thereof, with the fair value also being the amount which could be obtained for the property in question within such period from an interested buyer who is willing to purchase under ordinary selling conditions.

8. Based on the foregoing, as of the date hereof, I have reached the following conclusions:

(a) HGI is not now, nor will the incurrence of the Senior Obligations under the Credit Agreement and the incurrence of the other obligations contemplated by the Proposed Transactions, on the date hereof, render HGI "insolvent" as defined in this paragraph 8(a). The recipients of this Certificate and I have agreed that, in this context, "insolvent" means that the Present Fair Value of Assets as determined in accordance with Paragraph 7 above is less than the amount that will be required to pay the probable liability on existing debts of which I am aware as they become absolute and mature. We have also agreed that the term "debts" includes any legal liability, whether matured or unmatured, liquidated or unliquidated, absolute, fixed or contingent. My conclusion expressed above is reflected in the Fair Value Summary Balance Sheet.

(b) HGI and its Subsidiaries do not believe the incurrence of the Senior Obligations under the Credit Agreement and the incurrence of the other obligations contemplated by the Proposed Transactions on the date hereof, will cause them to have incurred debts beyond their ability to pay as such

debts mature (including, without limitation, through refinancings, asset sales and other capital market transactions available at the time).

(c) The incurrence of the Senior Obligations under the Credit Agreement and the incurrence of the other obligations contemplated by the Proposed Transactions, on the date hereof, will not leave HGI with property (including cash and rights under the Credit Agreement to borrow Revolving Loans) remaining in its hands constituting "unreasonably small capital." In reaching this conclusion, I understand that "unreasonably small capital" depends upon the nature of the particular business or businesses conducted or proposed to be conducted as of the date hereof, and I have reached my conclusion based on the needs and anticipated needs for capital of the businesses conducted or anticipated to be conducted by each of OH Holdings and HGI and its Subsidiaries in light of the Projected Financial Statements and available credit.

9. To the best of my knowledge, neither OH Holdings nor HGI has executed the Credit Agreement or any documents mentioned therein, or made any transfer or incurred any obligations thereunder, with actual intent to hinder, delay or defraud either present or future creditors.

10. I understand that Administrative Agent and Lenders are relying on the truth and accuracy of the foregoing in connection with the extension of credit to HGI pursuant to the Credit Agreement.

IN WITNESS WHEREOF, HGI has caused its duly authorized chief financial officer to execute and deliver this Certificate this 28th day of May, 2010.

THE HILLMAN GROUP, INC.

By: _____
Name:
Title: Chief Financial Officer

EXHIBIT L

Form of Secretary's Certificate

I, _____, hereby certify that I am the duly elected, qualified and acting Secretary of [CORPORATION NAME], [CORPORATION DESCRIPTION] (the "Corporation") and am authorized to execute this Certificate on behalf of the Corporation. This Certificate is delivered in connection with the Credit Agreement (the "Agreement"), dated May 28, 2010, among OHCP HM Acquisition Corp., OHCP HM Merger Sub Corp., The Hillman Companies, Inc., Hillman Investment Company, The Hillman Group, Inc., the banks and other lending institutions from time to time party thereto, Barclays Bank PLC, as Administrative Agent, Issuing Lender and Swingline Lender, Barclays Capital and Morgan Stanley Senior Funding, Inc., as Lead Arrangers and Syndication Agents, Barclays Capital, Morgan Stanley Senior Funding, Inc. and GE Capital Markets, Inc., together as Joint Bookrunners and General Electric Capital Corporation, as Documentation Agent. All capitalized terms used but not defined in this Certificate shall have the meanings set forth in the Agreement.

Solely in my capacity as Secretary, I certify that:

(a) Exhibit A annexed hereto is a true and complete copy of the Certificate of Incorporation of the Corporation (including any amendments thereto) that has been approved by the Board of Directors or the Stockholders of the Corporation and is in effect as of the date hereof. Except as attached hereto, no document with respect to an amendment thereto has been filed in the office of the Secretary of State of [JURISDICTION], and no such amendment or filing is pending.

(b) There are no proceedings pending for the dissolution or liquidation of the Corporation and, to the best of my knowledge, no such proceedings are threatened.

(c) Exhibit B annexed hereto is a true and complete copy of the By-laws of the Corporation (including any amendments thereto) in effect as of the date hereof.

(d) Exhibit C annexed hereto is a correct and complete copy of all of the resolutions adopted by the Board of Directors of the Corporation approving and authorizing the execution, delivery and performance of the Finance Documents to which it is a party on the date hereof, and the transactions contemplated thereby. Such resolutions have not been amended, rescinded or modified since their adoption and remain in effect as of the date hereof.

(e) The persons whose names appear on Exhibit D hereto are the duly elected, qualified and acting officers of the Corporation occupying the offices set forth below their respective names on Exhibit D at the respective times of the signing and delivery thereof, and the signatures set forth above their respective names and in the Finance Documents are their true signatures, and each such officer is duly authorized to execute and deliver on behalf of the Corporation the Finance Documents.

IN WITNESS WHEREOF, I have hereunto set my hand this__day of _____, 2010.

[CORPORATION NAME]

_____

Name:
Title: Secretary

The undersigned, being the duly elected and qualified_____of the Corporation, hereby certifies that_____is the duly elected and qualified Secretary of the Corporation and that the foregoing signature appearing above his name is his genuine signature.

IN WITNESS WHEREOF, I have hereunto set my hand on behalf of the Corporation as of this__day of _____, 2010.

[CORPORATION NAME]

_____

Name:
Title: [Certifying Officer]

EXHIBIT A

Certificate/Articles of Incorporation.

EXHIBIT B

By-laws

EXHIBIT C

Board Resolutions

EXHIBIT D

Officers

Name:
Title:

Name:
Title:

EXHIBIT M

THE HILLMAN COMPANIES, INC.

CLOSING DATE CERTIFICATE

I, [_____], hereby certify that I am the duly elected, qualified and acting Chief Financial Officer of The Hillman Companies, Inc., a Delaware corporation (the "Corporation") and am authorized to execute this Certificate on behalf of the Credit Parties. This Certificate is delivered pursuant to Section 4.01(d) of the Credit Agreement (the "Agreement"), dated May 28, 2010, among OHCP HM Acquisition Corp., OHCP HM Merger Sub Corp., The Hillman Companies, Inc., Hillman Investment Company, The Hillman Group, Inc., the banks and other lending institutions from time to time party thereto, Barclays Bank PLC, as Administrative Agent, Issuing Lender and Swingline Lender, Barclays Capital and Morgan Stanley Senior Funding, Inc., as Lead Arrangers and Syndication Agents, Barclays Capital, Morgan Stanley Senior Funding, Inc. and GE Capital Markets, Inc., together as Joint Bookrunners and General Electric Capital Corporation, as Documentation Agent. All capitalized terms used but not defined in this Certificate shall have the meanings set forth in the Agreement.

Solely in my capacity as Chief Financial Officer, I certify on behalf of each Credit Party that:

(a) the Borrower Representations and the representations and warranties made by the Credit Parties in the Finance Documents are true and correct as of the date hereof in all material respects except that such materiality qualifier shall not be applicable to any Borrower Representation or any representation or warranty in the Finance Documents that is already qualified by materiality and except to the extent such representations and warranties expressly relate to an earlier date.

(b) no Default or Event of Default exists or is continuing after giving effect to the Transactions.

****

IN WITNESS WHEREOF, I have hereunto set my hand this [__] day of [_____], 2010.

THE HILLMAN COMPANIES, INC.

Name:
Title: Chief Financial Officer

EXHIBIT N

FORM OF U.S. TAX COMPLIANCE CERTIFICATE

Reference is made to the Credit Agreement (the "Credit Agreement"), dated as of May __, 2010, among OHCP HM ACQUISITION CORP., OHCP HM MERGER SUB CORP., THE HILLMAN COMPANIES, INC., HILLMAN INVESTMENT COMPANY, THE HILLMAN GROUP, INC., the banks and other financial institutions from time to time party hereto (the "Lenders"), BARCLAYS BANK PLC, as Administrative Agent, Issuing Lender and Swingline Lender, BARCLAYS CAPITAL and MORGAN STANLEY SENIOR FUNDING, INC., together as the Joint Lead Arrangers and Syndication Agents, and BARCLAYS CAPITAL, MORGAN STANLEY SENIOR FUNDING, INC. and GE CAPITAL MARKETS, INC., together as the Joint Bookrunners.

Under penalties of perjury, the undersigned hereby certifies to the Administrative Agent and to the Borrower that:

1. The undersigned is the sole record and beneficial owner of the loans or the obligations evidenced by the Note(s) in respect of which it is providing this certificate.

2. The undersigned is not a bank (as such term is used in Section 881(c)(3)(A) of the Code). In this regard, the undersigned further represents and warrants that:

   a. the undersigned is not subject to regulatory or other legal requirements as a bank in any jurisdiction;

   b. the undersigned has not been treated as a bank for purposes of any tax, securities law or other filing or submission made to any Governmental Authority, any application made to a rating agency or qualification for any exemption from tax, securities law or other legal requirements;

3. The undersigned is not a "10-percent shareholder" of the Borrower (as such term is used in Section 881(c)(3)(B) of the Code); and

4. The undersigned is not a controlled foreign corporation related to the Borrower within the meaning of Section 864(d)(4) of the Code.

The undersigned has furnished you with a certificate of its non-U.S. person status on Internal Revenue Service Form W-8BEN. By executing this U.S. Tax Compliance Certificate, the undersigned agrees that (a) if the information provided on this certificate changes, the undersigned shall so inform the Borrower in writing within thirty days of such change and (b) the undersigned shall furnish the Borrower a properly completed and currently effective certificate in either the calendar year in which payment is to be made by the Borrower to the undersigned, or in either of the three calendar years preceding such payment.

Unless otherwise defined herein, terms defined in the Credit Agreement and used herein shall have the meanings given to them in the Credit Agreement.

[NAME OF LENDER]

By:
Title:

[ADDRESS]

Dated: [_____], 2010.

EXHIBIT O

FORM OF JOINDER AGREEMENT

This Joinder Agreement, dated as of [_____, 201__] (the "Joinder Agreement" or this "Agreement"), by and among [NEW LENDERS] (each, a "New Lender" and, collectively, the "New Lenders"), THE _____ COMPANIES, INC., THE HILLMAN GROUP, INC. ("HGI"), and BARCLAYS BANK PLC (the "Administrative Agent").

RECITALS:

WHEREAS, reference is hereby made to the Credit Agreement, dated as of May 28, 2010 (as amended, supplemented or otherwise modified from time to time, the "Credit Agreement"), among OHCP HM Acquisition Corp., OHCP HM Merger Sub Corp., The Hillman Companies, Inc., Hillman Investment Company, The Hillman Group, Inc., the banks and other lending institutions from time to time party thereto, Barclays Bank PLC, as Administrative Agent, Issuing Lender and Swingline Lender, Barclays Capital and Morgan Stanley Senior Funding, Inc., as Lead Arrangers and Syndication Agents, Barclays Capital, Morgan Stanley Senior Funding, Inc. and GE Capital Markets, Inc., together as Joint Bookrunners and General Electric Capital Corporation, as Documentation Agent (capitalized terms used but not defined herein having the meaning provided in the Credit Agreement); and

WHEREAS, subject to the terms and conditions of the Credit Agreement, the Borrower may establish New Term Loan Commitments by among other things, written notice to the Administrative Agent;

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

I. Each New Lender party hereto hereby agrees to commit to provide its New Term Loan Commitment, as set forth on Schedule A annexed hereto, on the terms and subject to the conditions set forth below:

II. Each New Lender (i) confirms that it has received a copy of the Credit Agreement and the other Finance Documents, together with copies of the financial statements referred to therein and such other documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into this Agreement; (ii) agrees that it will, independently and without reliance upon the Administrative Agent, or any other New Lender or any other Lender or Agent and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under the Credit Agreement; (iii) appoints and authorizes the Administrative Agent and/or the Collateral Agent, to take such action as agent on its behalf and to exercise such powers under the Credit Agreement and the other Finance Documents as are delegated to the Administrative Agent and the Collateral Agent, respectively, by the terms thereof, together with such powers as are reasonably incidental thereto; and (iv) agrees that it will perform in accordance with their terms all of the obligations which by the terms of the Credit Agreement are required to be performed by it as a New Lender.

III. Each New Lender hereby agrees to make its respective New Term Loan Commitment on the following terms and conditions:

1. **Applicable Margin**. The Applicable Margin for each New Term Loan shall mean, as of any date of determination, a percentage per annum as set forth below:

[INSERT PRICING]

2. **Principal Payments**. The Borrower shall make principal payments on the New Term Loan in installments on the dates and in the amounts set forth below:

(A) Principal Amortization Payment Date	(B) Principal Amortization Payment
	$_____
	$_____
	$_____
	$_____
	$_____
	$_____
	$_____
	$_____
	$_____
	$_____
	$_____
	$_____
	$_____
	$_____
	$_____

[3. **Maturity Date**. The Borrower shall repay the then unpaid principal amount of the New Term Loans outstanding, and the New Term Loan Commitments in respect thereof will terminate, on [•].**]**

[4**]. Proposed Borrowing**. This Agreement represents the Borrower's request to borrow New Term Loans from the New Lenders as follows (the "Proposed Borrowing"):

SECTION 1. Business Day of Proposed Borrowing: _____, ____

SECTION 2. Amount of Proposed Borrowing: $____

[SECTION 3. Interest rate option:

a. Base Rate Loan(s)
b. Eurodollar Loan(s) with an initial Interest Period of____ months]

[[5]. **New Lenders**. Each New Lender acknowledges and agrees that upon its execution of this Agreement and the making of New Term Loans, such New Lender shall become a "Lender" under, and for all purposes of, the Credit Agreement and the other Loan Documents, and shall be subject to and bound by the terms thereof, and shall perform all the obligations of and shall have all rights of a Lender thereunder.**]**

[6**]. Credit Agreement Governs**. Except as set forth in this Agreement, the New Term Loans shall otherwise be subject to the provisions of the Credit Agreement and the other Finance Documents.

[7**]. Certification**. By its execution of this Agreement, the undersigned officer on behalf of the Borrower certifies that:

i. each of the conditions in Section 4.02 have been satisfied as of the Increased Amount Date;

ii. the Borrower, upon the incurrence of the Proposed Borrowing, will be in pro forma compliance with the financial covenants set forth in Section 7.16 of the Credit Agreement as of the Increased Amount Date; and

iii. no Default or Event of Default shall exist on the Increased Amount Date before or after giving effect to such New Term Loan Commitments and to the making of any New Term Loans pursuant thereto and after giving effect to any Permitted Business Acquisition consummated in connection therewith.

[8**]. Notice**. For purposes of the Credit Agreement, the initial notice address of each New Lender shall be as set forth below its signature below.

[9**]. Non-U.S. Lenders**. For each New Lender that is a Non-U.S. Lender, delivered herewith to the Administrative Agent are such forms, certificates or other evidence with respect to United States federal income tax withholding matters as such New Lender may be required to deliver to Administrative Agent pursuant to Section 3.01 of the Credit Agreement.

[10**]. Recordation of the New Loans**. Upon execution and delivery hereof, the Administrative Agent will record the New Term Loans made by each New Lender in the Register.

[11**]. Amendment, Modification and Waiver**. This Agreement may not be amended, modified or waived except as provided by Section 10.03 of the Credit Agreement.

[12**]. Entire Agreement**. This Agreement, the Credit Agreement and the other Loan Documents constitute the entire agreement among the parties with respect to the subject matter hereof and thereof and supersede all other prior agreements and understandings, both written and verbal, among the parties or any of them with respect to the subject matter hereof.

[13**]. GOVERNING LAW. THIS AGREEMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES UNDER THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAW OF THE**

STATE OF NEW YORK WITHOUT REGARD TO PRINCIPLES OF CONFLICTS OF LAWS THAT WOULD RESULT IN THE APPLICATION OF ANY LAW OTHER THAN THE LAW OF THE STATE OF NEW YORK.

[14**]. Severability**. Any provision of this Agreement that is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

[15**]. Counterparts**. This Agreement may be executed by one or more of the parties to this Agreement on any number of separate counterparts, and all of said counterparts taken together shall be deemed to constitute one and the same instrument. Delivery of an executed signature page of this Agreement by facsimile or electronic (i.e., "pdf") transmission shall be effective as delivery of a manually executed counterpart hereof. A set of the copies of this Agreement signed by all the parties shall be lodged with the Borrower and the Administrative Agent.

IN WITNESS WHEREOF, each of the undersigned has caused its duly authorized officer to execute and deliver this Credit Party Accession Agreement as of [_____, ____].

[NAME OF NEW LENDER],

By: _____
Name:
Title:
Notice Address:
Attention:
Telephone:
Facsimile:

THE HILLMAN GROUP, INC.

By: _____
Name:
Title:

THE HILLMAN COMPANIES, INC.

By: _____
Name:
Title:

Consented to by:

BARCLAYS BANK PLC, as Administrative Agent

By: _____

Name:
Title:

SCHEDULE A
TO JOINDER AGREEMENT

Name of New Lender	New Term Loan Commitment
[_____]	$_____

EXHIBIT P

Post-Closing Undertakings

1. On or before the thirtieth day following the Closing Date, HGI shall cause to be released, pursuant to arrangements reasonably satisfactory to the Collateral Agent, certain liens in favor of PNC Bank, National Association, with respect to five patents held by the Credit Parties and previously identified to the Collateral Agent.

2. On or before the thirtieth day following the Closing Date, HGI shall deliver or cause to be delivered the Pledged Collateral, together with the documents contemplated by Section 4.01(i)(v) with respect thereto, with respect to Sun Source Integrated Services de Mexico S.A. de C.V., all in form and substance reasonably satisfactory to the Collateral Agent.

3. On or before the thirtieth day following the Closing Date, HGI shall use commercially reasonable efforts to cause to be delivered evidence reasonably satisfactory to the Collateral Agent that HGI has obtained the lender's loss payable endorsements required by Section 6.06(a).

Exhibit 10.2

Execution Version

FORM OF BORROWER ASSUMPTION AGREEMENT

BORROWER ASSUMPTION AGREEMENT dated as of June 1, 2010 among THE HILLMAN COMPANIES, INC., THE HILLMAN GROUP, INC. and BARCLAYS BANK PLC, as Administrative Agent and Collateral Agent.

RECITALS

WHEREAS, OHCP HM Merger Sub, a Delaware corporation ("Merger Sub"), entered into a Credit Agreement dated as of May 28, 2010 (as amended, restated, modified or supplemented, from time to time, the "Credit Agreement") among Merger Sub, OHCP HM Acquisition Corp., The Hillman Companies, Inc. ("HCI"), Hillman Investment Company, The Hillman Group, Inc. ("HGI"), the banks and other lending institutions from time to time party thereto, Barclays Bank PLC, as Administrative Agent, and the other parties thereto. Capitalized terms defined in the Credit Agreement and not otherwise defined herein have, as used herein, the respective meanings provided for therein;

WHEREAS, HGI wishes to become a co-borrower and obligor under the Credit Agreement; and

WHEREAS, to induce the Lenders to make extensions of credit to HGI under the Credit Agreement and the other Finance Documents and to maintain extensions of credit to HCI (as successor to Merger Sub) under the Credit Agreement and the other Finance Documents and to induce the Derivatives Creditors to enter into or maintain the Derivatives Agreements, and as consideration for extensions of credit previously made to, and/or Derivatives Agreements previously entered into with, HCI and HGI, as applicable, HGI has agreed to execute and deliver this Borrower Assumption Agreement (as the same may be amended, supplemented or modified from time to time, this "Agreement") in order to evidence its agreement to become a "Borrower" under the Credit Agreement.

NOW THEREFORE, in consideration of the premises and the agreements and provisions herein contained, the parties hereto agree as follows:

Section I. Joint and Several Liability. In accordance with Section 10.23 of the Credit Agreement, from and after the delivery of this Agreement, HGI will become a Borrower under the Credit Agreement. Each Borrower hereby agrees that it is fully and unconditionally, and jointly and severally liable, under this Agreement, the Credit Agreement and the Finance Documents to which it is a party for all Finance Obligations, regardless of the manner or amount in which proceeds of any Loans are used, allocated, shared or disbursed by or between the Borrowers or the manner in which the Administrative Agent and/or any Lender accounts for such Loans or other extensions of credit on its books and records. Each Borrower shall be fully liable with respect to the Finance Obligations regardless of which Borrower actually receives Loans or other extensions of credit under the Credit Agreement or the amount of such Loans and extensions of credit received or the manner in which the Administrative Agent and/or any Lender accounts for such Loans or other extensions of credit on its books and records. Each Borrower acknowledges and expressly agrees with the Administrative Agent and each Lender that the joint and several liability of each Borrower is required as a condition to, and is given as an inducement

for and in consideration of, credit or accommodations extended or to be extended under the Finance Documents and Derivatives Agreements with Derivatives Creditors to the other Borrower and is not required or given as a condition of extensions of credit to such Borrower. Each Borrower's Finance Obligations under this Agreement, the Credit Agreement and the Finance Documents to which it is a party shall, to the fullest extent permitted by law, be unconditional irrespective of (i) the validity or enforceability, avoidance, or subordination of the Finance Obligations of the other Borrower or of any promissory note or other document evidencing all or any part of the Finance Obligations of the other Borrower, (ii) the absence of any attempt to collect the Finance Obligations from the other Borrower or any other security therefore, or the absence of any other action to enforce the same, (iii) the waiver, consent, extension, forbearance or granting of any indulgence by the Administrative Agent and/or any Lender with respect to any provision of any instrument evidencing the Finance Obligations of the other Borrower, or any part thereof, or any other agreement now or hereafter executed by the other Borrower and delivered to the Administrative Agent and/or any Lender, (iv) the failure by the Administrative Agent and/or any Lender to take any steps to perfect and maintain its security interest in, or to preserve its rights to, any security or collateral for the Finance Obligations of the other Borrower, (v) the Administrative Agent's and/or any Lender's election, in any proceeding instituted under the Bankruptcy Code, of the application of Section 1111(b)(2) of the Bankruptcy Code, (vi) any borrowing or grant of a security interest by the other Borrower as debtor-in-possession under Section 364 of the Bankruptcy Code, (vii) the disallowance of all or any portion of the Administrative Agent's and/or any Lender's claim(s) for the repayment of the Finance Obligations of the other Borrower under Section 502 of the Bankruptcy Code or (viii) any other circumstance that might constitute a legal or equitable discharge or defense of a guarantor or of the other Borrower. As between HCI and HGI, but subject to the first sentence of this Section I, HGI shall be deemed to be the primary obligor under the Credit Agreement.

Section II. Collection; No Subrogation. The Administrative Agent may proceed directly and at once, without notice, against either Borrower to collect and recover the full amount, or any portion, of the Finance Obligations, without first proceeding against the other Borrower or any other Person, or against any security or Collateral for the Finance Obligations. Each Borrower consents and agrees that the Administrative Agent shall be under no obligation to marshal any assets in favor of either Borrower or against or in payment of any or all of the Finance Obligations. A Borrower making a payment due under any or all of the Finance Obligations shall not have any right of subrogation against the other Borrower. HGI shall not have any right of contribution against HCI with respect to any payment that it makes under any or all of the Finance Obligations.

Section III. Treatment as Assumption. The parties hereto shall treat the transaction effected through this Agreement as an assumption of the Finance Obligations by HGI.

Section IV. Representations and Warranties. HGI hereby represents and warrants that: **A.** This Agreement has been duly authorized, executed and delivered by HGI, and each of this Agreement and the Credit Agreement, as acceded to hereby by HGI, constitutes a valid and binding agreement of HGI, enforceable against HGI in accordance with its terms, except in each case as such enforceability may be limited by bankruptcy, insolvency,

reorganization, moratorium or similar laws affecting the enforceability of creditors' rights generally and by equitable principles of general applicability (regardless of whether such enforceability is considered in a proceeding in equity or at law).

B. Each of the representations and warranties contained in the Credit Agreement and each of the other Finance Documents is true and correct in all material respects as of the date hereof except that such materiality qualifier shall not be applicable to any representation or warranty in the Finance Documents that is already qualified by materiality and except to the extent such representations and warranties expressly relate to an earlier date with the same effect as though such representations and warranties had been made on and as of the date hereof after giving effect to the accession of HGI as a "Borrower" under the Credit Agreement.

Section V. Effectiveness. This Agreement and the accession of HGI to the Credit Agreement as provided herein shall become effective with respect to HGI when the Administrative Agent shall have received a counterpart of this Agreement duly executed by HGI and HCI.

Section VI. Integration; Confirmation. On and after the date hereof, the Credit Agreement shall be supplemented as expressly set forth herein; all other terms and provisions of the Credit Agreement and the other Finance Documents shall continue in full force and effect and unchanged and are hereby confirmed in all respects.

Section VII. Expenses. HGI agrees to pay (i) all out-of-pocket expenses of the Agents, including reasonable fees and disbursements of special and local counsel for the Agents, in connection with the preparation, execution and delivery of this Agreement and any document or agreement contemplated hereby and (ii) all taxes which the Collateral Agent or any Finance Party may be required to pay by reason of the security interests granted in the Collateral (including any applicable transfer taxes).

Section VIII. Governing Law. THIS AGREEMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAW OF THE STATE OF NEW YORK WITHOUT REGARD TO PRINCIPLES OF CONFLICTS OF LAWS THAT WOULD RESULT IN THE APPLICATION OF ANY LAW OTHER THAN THE LAW OF THE STATE OF NEW YORK.

Section IX. Counterparts. This Agreement may be signed in any number of counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument. This Agreement may be transmitted and/or signed by facsimile and if so transmitted or signed, shall, subject to requirements of law, have the same force and effect as a manually signed original and shall be binding on HGI, the Agents and the Finance Parties. The Administrative Agent may also require that this Agreement be confirmed by a manually signed original hereof; provided, however, that the failure to request or deliver the same shall not limit the effectiveness of any facsimile document or signature.

[Signature Pages to Follow]

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

THE HILLMAN COMPANIES, INC.

By: /s/ James P. Waters
Name: James P. Waters
Title: Chief Financial Officer

THE HILLMAN GROUP, INC.

By: /s/ James P. Waters
Name: James P. Waters
Title: Chief Financial Officer

BARCLAYS BANK PLC, as
Administrative Agent and Collateral Agent

By: /s/ Craig Malloy
Name: Craig Malloy
Title: Director

[Signature Page to Borrower Assumption Agreement]

Exhibit 10.3

EXECUTION VERSION

$150,000,000

THE HILLMAN GROUP INC.

10.875% *SENIOR NOTES DUE 2018*

PURCHASE AGREEMENT

May 18, 2010

BARCLAYS CAPITAL INC.
MORGAN STANLEY & CO. INCORPORATED,
As Representatives of the several
Initial Purchasers named in Schedule I attached hereto,
c/o Barclays Capital Inc.
745 Seventh Avenue
New York, New York 10019

Ladies and Gentlemen:

The Hillman Group Inc., a Delaware corporation (the "***Company***"), proposes, upon the terms and conditions set forth in this agreement (this "***Agreement***"), to issue and sell to you, as the initial purchasers (the "***Initial Purchasers***"), $150,000,000 in aggregate principal amount of its 10.875% Senior Notes due 2018 (the "***Notes***"). The Notes will (i) have terms and provisions that are summarized in the Offering Memorandum (as defined below), and (ii) are to be issued pursuant to an Indenture (the "***Indenture***") to be entered into among the Company, the Guarantors (as defined below) and Wells Fargo Bank, N.A., as trustee (the "***Trustee***"). The Company's obligations under the Notes, including the due and punctual payment of interest on the Notes, will be irrevocably and unconditionally guaranteed on a senior unsecured basis (the "***Guarantees***") by The Hillman Companies Inc. ("***Hillman Companies***"), Hillman Investment Company ("***Parent***") and the other guarantors listed in Schedule II hereto (collectively, the "***Guarantors***"). Prior to the execution of the Joinder Agreement (as defined below) by the Company and the Guarantors, any right, obligation or agreement of the Company or any Guarantor set forth in this Agreement shall belong to or be performed by, as applicable, OHCP HM Merger Sub Corp. ("***Merger Sub***"), and following the execution of the Joinder Agreement by the Company and the Guarantors, any such right, obligation or agreement shall belong to or be performed by, as applicable, the Company and the Guarantors, as applicable. As used herein, the term "Notes" shall include the Guarantees, unless the context otherwise requires. This Agreement is to confirm the agreement concerning the purchase of the Notes from the Company by the Initial Purchasers.

Pursuant to an Agreement and Plan of Merger, dated as of April 21, 2010 (as amended, the "***Merger Agreement***"), by and among OHCP HM Acquisition Corp. (the "***Acquisition Corp.***"), Merger Sub, Hillman Companies and THC Representative, LLC, Acquisition Corp. will acquire Hillman Companies primarily in exchange for cash consideration of approximately $815 million, subject to certain adjustments (the "***Acquisition***") pursuant to the merger of Merger Sub

with and into Hillman Companies (the "***Merger***"). Hillman Companies will be the surviving corporation of the Merger. Acquisition Corp. expects to finance the Acquisition with (i) approximately $290.0 million of borrowings under a $320.0 million credit facility to be entered into with a syndicate of financial institutions (the "***New Credit Facility***" and, together with any other documents, agreements or instruments delivered in connection therewith, the "***New Credit Facility Documentation***"), (ii) cash proceeds from the issuance of $150.0 million aggregate principal amount of the Notes and (iii) $304.6 million of common equity capital from Oak Hill Capital Partners III, L.P., Oak Hill Capital Management Partners III, L.P. and certain directors, officers and employees of Hillman Companies ((i), (ii) and (iii) collectively referred to herein as the "***Financing Transactions***"). In addition, $104.5 million of Junior Subordinated Debentures of Hillman Companies, issued to the Hillman Group Capital Trust, underlying a series of trust preferred securities issued by the Hillman Group Capital Trust, will remain outstanding.

The Merger Agreement and the New Credit Facility Documentation are referred to in this Agreement as the "***Transaction Agreements***".

Effective immediately prior to closing of the Transactions, the Company and the Guarantors shall enter into a joinder agreement (the "Joinder Agreement") to this agreement, substantially in the form of Exhibit A hereto, pursuant to which each such entity will observe and perform all of the rights, obligations and liabilities of the Company or a Guarantor, as applicable, and make all of the representations and warranties made by such party hereunder effective as of the date hereof and as of the date of the Joinder Agreement, as provided in this Agreement as if it were an original signatory hereto.

1. *Purchase and Resale of the Notes*. The Notes will be offered and sold to the Initial Purchasers without registration under the Securities Act of 1933, as amended (the "***Securities Act***"), in reliance on an exemption pursuant to Section 4(2) under the Securities Act. The Company and the Guarantors have prepared a preliminary offering memorandum, dated May 11, 2010 (the "***Preliminary Offering Memorandum***"), a pricing term sheet substantially in the form attached hereto as Schedule III (the "***Pricing Term Sheet***") setting forth the terms of the Notes omitted from the Preliminary Offering Memorandum and certain other information and an offering memorandum, dated May 18, 2010 (the "***Offering Memorandum***"), setting forth information regarding the Company, the Guarantors, the Notes, and the Exchange Notes (as defined herein), the Guarantees and the Exchange Guarantees (as defined herein). The Preliminary Offering Memorandum, as supplemented and amended as of the Applicable Time (as defined below), together with the Pricing Term Sheet and any of the documents listed on Schedule IV(A) hereto are collectively referred to as the "***Pricing Disclosure Package***". The Company and the Guarantors hereby confirm that they have authorized the use of the Pricing Disclosure Package and the Offering Memorandum in connection with the offering and resale of the Notes by the Initial Purchasers. "***Applicable Time***" means 4:00 p.m. (New York City time) on the date of this Agreement.

Any reference to the Preliminary Offering Memorandum, the Pricing Disclosure Package or the Offering Memorandum shall be deemed to refer to and include the Hillman Companies' most recent Annual Report on Form 10-K, as amended (the "***Form 10-K***"), and all subsequent documents filed with the United States Securities and Exchange Commission (the

"***Commission***") pursuant to Section 13(a), 13(c) or 15(d) of the United States Securities Exchange Act of 1934, as amended (the "***Exchange Act***"), on or prior to the date of the Preliminary Offering Memorandum, the Pricing Disclosure Package or the Offering Memorandum, as the case may be. Any reference to the Preliminary Offering Memorandum, Pricing Disclosure Package or the Offering Memorandum, as the case may be, as amended or supplemented, as of any specified date, shall be deemed to include any documents filed with the Commission pursuant to Section 13(a), 13(c) or 15(d) of the Exchange Act after the date of the Preliminary Offering Memorandum, Pricing Disclosure Package or the Offering Memorandum, as the case may be, and prior to such specified date. All documents filed under the Exchange Act and so deemed to be included in the Preliminary Offering Memorandum, Pricing Disclosure Package or the Offering Memorandum, as the case may be, or any amendment or supplement thereto are hereinafter called the "***Exchange Act Reports***".

You have advised the Company that you will offer and resell (the "***Exempt Resales***") the Notes purchased by you hereunder in private sales exempt from registration under the Securities Act on the terms set forth in each of the Pricing Disclosure Package and the Offering Memorandum, as amended or supplemented, solely to (i) persons whom you reasonably believe to be "qualified institutional buyers" as defined in Rule 144A under the Securities Act ("***QIBs***"), in accordance with Rule 144A under the Securities Act, and (ii) outside the United States to certain persons who are not U.S. Persons (as defined in Regulation S under the Securities Act ("***Regulation S***")) (such persons, "***Non-U.S. Persons***") in offshore transactions in reliance on Regulation S. As used herein, the terms "offshore transaction" and "United States" have the meanings assigned to them in Regulation S. Those persons specified in clauses (i) and (ii) are referred to herein as "***Eligible Purchasers***".

Holders (including subsequent transferees) of the Notes will have the registration rights set forth in a registration rights agreement, substantially in the form attached hereto as Exhibit B (the "***Registration Rights Agreement***"), among the Company, the Guarantors and the Initial Purchasers to be dated the Closing Date (as defined herein), for so long as such Notes constitute "***Transfer Restricted Securities***" (as defined in the Registration Rights Agreement). Pursuant to the Registration Rights Agreement, the Company and the Guarantors will agree to file with the Securities and Exchange Commission (the "***Commission***") under the circumstances set forth therein, a registration statement under the Securities Act relating to the Company's 10.875% Senior Notes due 2018 (the "***Exchange Notes***") and the Guarantors' Exchange Guarantees (the "***Exchange Guarantees***" to be offered in exchange for the Notes and the Guarantees. Such portion of the offering is referred to as the "***Exchange Offer***".

2. *Representations, Warranties and Agreements of the Company and the Guarantors.* Merger Sub, the Company and the Guarantors, jointly and severally, represent, warrant and agree as follows:

(a) When the Notes and Guarantees are issued and delivered pursuant to this Agreement, such Notes and Guarantees will not be of the same class (within the meaning of Rule 144A under the Securities Act) as securities of the Company or the Guarantors that are listed on a national securities exchange registered under Section 6 of the Exchange Act or that are quoted in a United States automated inter-dealer quotation system.

(b) Assuming the accuracy of your representations and warranties in Section 3(b), and your compliance with your agreements set forth in this Agreement, the purchase and resale of the Notes pursuant to and in the manner contemplated by this Agreement, the Pricing Disclosure Package and the Offering Memorandum (including pursuant to the Exempt Resales) are exempt from the registration requirements of the Securities Act.

(c) No form of general solicitation or general advertising within the meaning of Regulation D (including, but not limited to, advertisements, articles, notices or other communications published in any newspaper, magazine or similar medium or broadcast over television or radio, or any seminar or meeting whose attendees have been invited by any general solicitation or general advertising) was used by the Company, the Guarantors, any of their respective affiliates or any of their respective representatives (other than you and your affiliates, as to whom the Company and the Guarantors make no representation) in connection with the offer and sale of the Notes.

(d) No directed selling efforts within the meaning of Rule 902 under the Securities Act were used by the Company, the Guarantors or any of their respective representatives (other than you, as to whom the Company and the Guarantors make no representation) with respect to Notes sold outside the United States to Non-U.S. Persons, and the Company, any affiliate of the Company and any person acting on its or their behalf (other than you and your affiliates, as to whom the Company and the Guarantors make no representation) has complied with and will implement the "offering restrictions" required by Rule 902 under the Securities Act.

(e) Each of the Preliminary Offering Memorandum, the Pricing Disclosure Package and the Offering Memorandum, each as of its respective date, contains or will contain all the information specified in, and meet the requirements of, Rule 144A(d)(4) under the Securities Act.

(f) Neither the Company, any Guarantor nor any other person acting on behalf of the Company or any Guarantor has sold or issued any securities that would be integrated with the offering of the Notes contemplated by this Agreement pursuant to the Securities Act, the rules and regulations thereunder or the interpretations thereof by the Commission.

(g) The Preliminary Offering Memorandum, the Pricing Disclosure Package and the Offering Memorandum have been prepared by the Company and the Guarantors for use by the Initial Purchasers in connection with the Exempt Resales. No order or decree preventing the use of the Preliminary Offering Memorandum, the Pricing Disclosure Package or the Offering Memorandum, or any order asserting that the transactions contemplated by this Agreement are subject to the registration requirements of the Securities Act has been issued, and no proceeding for that purpose has commenced or is pending or, to the knowledge of Company or any of the Guarantors is contemplated.

(h) The Offering Memorandum will not, as of its date or as of the Closing Date, contain an untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not

misleading; *provided* that no representation or warranty is made as to information contained in or omitted from the Offering Memorandum in reliance upon and in conformity with written information furnished to the Company through the Representatives by or on behalf of any Initial Purchaser specifically for inclusion therein, which information is specified in Section 8(e).

(i) The Pricing Disclosure Package did not, as of the Applicable Time, contain an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; *provided* that no representation or warranty is made as to information contained in or omitted from the Pricing Disclosure Package in reliance upon and in conformity with written information furnished to the Company through the Representatives by or on behalf of any Initial Purchaser specifically for inclusion therein, which information is specified in Section 8(e).

(j) The Company has not made any offer to sell or solicitation of an offer to buy the Notes that would constitute a "free writing prospectus" (if the offering of the Notes was made pursuant to a registered offering under the Securities Act), as defined in Rule 405 under the Securities Act (a "***Free Writing Offering Document***"), without the prior consent of the Representatives; any such Free Writing Offering Document the use of which has been previously consented to by the Initial Purchasers is listed on Schedule IV.

(k) The Pricing Disclosure Package, when taken together with each Free Writing Offering Document listed in Schedule IV(B) hereto, did not, as of the Applicable Time, contain an untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; *provided* that no representation or warranty is made as to information contained in or omitted from the Pricing Disclosure Package (or Free Writing Offering Document listed in Schedule IV(B) hereto) in reliance upon and in conformity with written information furnished to the Company through the Representatives by or on behalf of any Initial Purchaser specifically for inclusion therein, which information is specified in Section 8(e).

(l) The Exchange Act Reports, when they were or are filed with the Commission, conformed or will conform in all material respects to the applicable requirements of the Exchange Act and the applicable rules and regulations of the Commission thereunder. The Exchange Act Reports did not and will not, when filed with the Commission, contain an untrue statement of material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(m) Each of the Company, the Guarantors and their respective subsidiaries has been duly organized, is validly existing and in good standing as a corporation or other business entity under the laws of its jurisdiction of organization and is duly qualified to do business and in good standing as a foreign corporation or other business entity in each jurisdiction in which its ownership or lease of property or the conduct of its businesses requires such qualification, except where the failure to be so qualified or in good standing could not, in the aggregate, reasonably be expected to have a material adverse effect on the condition (financial or otherwise), results of operations, stockholders' equity, properties or business of the Company and its subsidiaries taken as a whole (a "***Material Adverse Effect***"). Each of the Company, the Guarantors and their

respective subsidiaries has all power and authority necessary to own or hold its properties and to conduct the businesses in which it is engaged. The Company does not own or control, directly or indirectly, any corporation, association or other entity other than the subsidiaries listed on Schedule V hereto. None of the subsidiaries of the Company is a "significant subsidiary" (as defined in Rule 405 under the Securities Act).

(n) Hillman Companies has an authorized capitalization as set forth in each of the Pricing Disclosure Package and the Offering Memorandum. All of the issued shares of capital stock of the Company have been duly authorized and validly issued and are fully paid and non-assessable. All of the issued shares of capital stock of each subsidiary of the Company have been duly authorized and validly issued, are fully paid and non-assessable and are owned directly or indirectly by the Company, free and clear of all liens, encumbrances, equities or claims, except for such liens, encumbrances, equities or claims as could not, in the aggregate, reasonably be expected to have a Material Adverse Effect.

(o) The Company and each Guarantor has all requisite corporate power, partnership or limited liability company and authority, as applicable, to execute, deliver and perform its obligations under the Indenture. The Indenture has been duly and validly authorized by the Company and the Guarantors, and upon its execution and delivery on the Closing Date and, assuming due authorization, execution and delivery by the Trustee, will constitute the valid and binding agreement of the Company and the Guarantors, enforceable against the Company and the Guarantors in accordance with its terms, except as such enforceability may be limited by bankruptcy, fraudulent conveyance, insolvency, reorganization, moratorium, and other laws now or hereafter in effect relating to or affecting creditors' rights generally and by general equitable principles (regardless of whether such enforceability is considered in a proceeding in equity or at law). Assuming the accuracy of your representations and warranties in Section 3(b), and your compliance with your agreements set forth in this Agreement, no qualification of the Indenture under the Trust Indenture Act of 1939 (the "***Trust Indenture Act***") is required in connection with the offer and sale of the Notes contemplated hereby or in connection with the Exempt Resales. The Indenture will conform in all material respects to the description thereof in each of the Pricing Disclosure Package and the Offering Memorandum.

(p) The Company has all requisite corporate power and authority to execute, issue, sell and perform its obligations under the Notes. The Notes have been duly authorized by the Company and, when duly executed by the Company in accordance with the terms of the Indenture, assuming due authentication of the Notes by the Trustee, upon delivery to the Initial Purchasers against payment therefor in accordance with the terms hereof, will be validly issued and delivered and will constitute valid and binding obligations of the Company entitled to the benefits of the Indenture, enforceable against the Company in accordance with their terms, except as such enforceability may be limited by bankruptcy, fraudulent conveyance, insolvency, reorganization, moratorium, and other laws now or hereafter in effect relating to or affecting creditors' rights generally and by general equitable principles (regardless of whether such enforceability is considered in a proceeding in equity or at law). The Notes will conform in all material respects to the description thereof in each of the Pricing Disclosure Package and the Offering Memorandum.

(q) The Company has all requisite corporate power and authority to execute, issue and perform its obligations under the Exchange Notes. The Exchange Notes have been duly and validly authorized by the Company and if and when issued and authenticated in accordance with the terms of the Indenture and delivered in accordance with the Exchange Offer provided for in the Registration Rights Agreement, will be validly issued and delivered and will constitute valid and binding obligations of the Company entitled to the benefits of the Indenture, enforceable against the Company in accordance with their terms, except as such enforceability may be limited by bankruptcy, fraudulent conveyance, insolvency, reorganization, moratorium, and other laws now or hereafter in effect relating to or affecting creditors' rights generally and by general equitable principles (regardless of whether such enforceability is considered in a proceeding in equity or at law).

(r) Each Guarantor has all requisite corporate, partnership or limited liability company power and authority, as applicable, to execute, issue and perform its obligations under the Guarantees. The Guarantees have been duly and validly authorized by the Guarantors and when the Indenture is duly executed and delivered by the Guarantors on the Closing Date in accordance with the terms of the Indenture and upon the due execution, authentication and delivery of the Notes in accordance with the Indenture and the issuance of the Notes in the sale to the Initial Purchasers contemplated by this Agreement, will constitute valid and binding obligations of the Guarantors, enforceable against the Guarantors in accordance with their terms, except as such enforceability may be limited by bankruptcy, fraudulent conveyance, insolvency, reorganization, moratorium, and other laws now or hereafter in effect relating to or affecting creditors' rights generally and by general equitable principles (regardless of whether such enforceability is considered in a proceeding in equity or at law). The Guarantees will conform in all material respects to the description thereof in each of the Pricing Disclosure Package and the Offering Memorandum.

(s) Each Guarantor has all requisite corporate, partnership or limited liability company power and authority, as applicable, to execute, issue and perform its obligations under the Exchange Guarantees. The Exchange Guarantees have been duly and validly authorized by the Guarantors and if and when executed and delivered by the Guarantors in accordance with the terms of the Indenture and upon the due execution and authentication of the Exchange Notes in accordance with the Indenture and the issuance and delivery of the Exchange Notes in the Exchange Offer contemplated by the Registration Rights Agreement, will be validly issued and delivered and will constitute valid and binding obligations of the Guarantors entitled to the benefits of the Indenture, enforceable against the Guarantors in accordance with their terms, except as such enforceability may be limited by bankruptcy, fraudulent conveyance, insolvency, reorganization, moratorium, and other laws now or hereafter in effect relating to or affecting creditors' rights generally and by general equitable principles (regardless of whether such enforceability is considered in a proceeding in equity or at law).

(t) The Company and each Guarantor has all requisite corporate, partnership or limited liability company power and authority, as applicable, to execute, deliver and perform its obligations under the Registration Rights Agreement. The Registration Rights Agreement has been duly authorized by the Company and each Guarantor and, when executed and delivered by the Company and each Guarantor on the Closing Date in accordance with the terms hereof and thereof, will be validly executed and delivered and (assuming the due authorization, execution

and delivery thereof by you) will be the legally valid and binding obligation of the Company and each Guarantor in accordance with the terms thereof, enforceable against the Company and each Guarantor in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws now or hereafter in effect relating to or affecting creditor's rights generally, by general equitable principles (regardless of whether such enforceability is considered in a proceeding in equity or at law) and, as to rights of indemnification and contribution, by principles of public policy. The Registration Rights Agreement will conform in all material respects to the description thereof in each of the Pricing Disclosure Package and the Offering Memorandum.

(u) The Company and its subsidiaries, as applicable, have all requisite corporate power and authority to consummate the Merger and the Acquisition and to enter into and perform its obligations under the Transaction Agreements (to the extent a party thereto).

(v) Each of the Transaction Agreements has been duly and validly authorized, executed and delivered by the Company and its subsidiaries (to the extent a party thereto) and, assuming due authorization, execution and delivery by the other parties thereto, constitute the valid and binding agreement of the Company and its subsidiaries (to the extent a party thereto) enforceable against the Company and its subsidiaries (to the extent a party thereto) in accordance with its terms, except as such enforceability may be limited by bankruptcy, fraudulent conveyance, insolvency, reorganization, moratorium, and other laws now or hereafter in effect relating to or affecting creditors' rights generally and by general equitable principles (regardless of whether enforcement is sought in a proceeding in equity or at law).

(w) The Company and each Guarantor has all requisite corporate power to execute, deliver and perform its obligations under this Agreement. This Agreement has been duly and validly authorized, executed and delivered by the Company and each of the Guarantors. On the Closing Date, the Joinder Agreement has been duly and validly authorized, executed and delivered by the Company and each Guarantor.

(x) Except as set forth in the Offering Memorandum, and assuming the accuracy of, and the Initial Purchasers' compliance with, the representations, warranties and agreements of the Initial Purchasers set forth in Section 3 of this Agreement, the issue and sale of the Notes and the Guarantees, the execution, delivery and performance by the Company and the Guarantors of the Notes, the Guarantees, the Exchange Notes, the Exchange Guarantees, the Indenture, the Registration Rights Agreement, this Agreement and the Transaction Agreements, the application of the proceeds from the sale of the Notes as described under "Use of Proceeds" in each of the Pricing Disclosure Package and the Offering Memorandum and the consummation of the transactions contemplated hereby and thereby, will not (i) conflict with or result in a breach or violation of any of the terms or provisions of, impose any lien, charge or encumbrance upon any property or assets of the Company, the Guarantors or their respective subsidiaries, or constitute a default under, any indenture, mortgage, deed of trust, loan agreement, license, lease or other agreement or instrument to which the Company, the Guarantors or any of their respective subsidiaries is a party or by which the Company, the Guarantors or any of their respective subsidiaries is bound or to which any of the property or assets of the Company, the Guarantors or any of their respective subsidiaries is subject, (ii) result in any violation of the provisions of the charter or by-laws (or similar organizational documents) of the Company, the

Guarantors or any of their respective subsidiaries, or (iii) result in any violation of any statute or any judgment, order, decree, rule or regulation of any court or governmental agency or body having jurisdiction over the Company, the Guarantors or any of their respective subsidiaries or any of their properties or assets, except, with respect to clauses (i) and (iii), breaches or defaults that would not reasonably be expected to have a Material Adverse Effect.

(y) Assuming the accuracy of the representations and warranties of the Initial Purchasers contained herein and the compliance by the Initial Purchasers with their agreements contained herein, no consent, approval, authorization or order of, or filing, registration or qualification with any court or governmental agency or body having jurisdiction over the Company, the Guarantors or any of their respective subsidiaries or any of their properties or assets is required for the issue and sale of the Notes and the Guarantees, the execution, delivery and performance by the Company and the Guarantors of the Notes, the Guarantees, the Exchange Notes, the Exchange Guarantees, the Indenture, the Registration Rights Agreement, this Agreement and the Transaction Agreements, the application of the proceeds from the sale of the Notes as described under "Use of Proceeds" in each of the Pricing Disclosure Package and the Offering Memorandum and the consummation of the transactions contemplated hereby and thereby, except (i) such as have been or will be obtained or made on or prior to the Closing Date, (ii) consents, approvals, authorizations, orders, filings registrations or qualifications permitted to be obtained, made or completed after the Closing Date pursuant to the terms of the New Credit Facility Documentation, (iii) for the filing of a registration statement by the Company with the Commission pursuant to the Securities Act as required by the Registration Rights Agreement, and qualification of the Indenture under the Trust Indenture Act in connection with the issuance of the Exchange Notes and the Exchange Guarantees, (iv) such consents, approvals, authorizations, orders, filings, registrations or qualifications as may be required under state securities or Blue Sky laws in connection with the purchase and distribution of the Notes by the Initial Purchasers, each of which had been obtained and is in full force and effect and (v) where the failure to obtain such consents, approvals, authorizations or orders of, filings, registrations or qualifications could not, in the aggregate, reasonably be expected to have a Material Adverse Effect.

(z) The historical financial statements (including the related notes and supporting schedules) included or incorporated by reference in the Pricing Disclosure Package and the Offering Memorandum present fairly in all material respects the financial condition, results of operations and cash flows of the entities purported to be shown thereby, at the dates and for the periods indicated, and have been prepared in conformity with accounting principles generally accepted in the United States applied on a consistent basis throughout the periods involved (except as disclosed therein).

(aa) The unaudited pro forma financial information and related notes thereto included in the Pricing Disclosure Package and the Offering Memorandum has been prepared in accordance with the Commission's rules and guidance with respect to pro forma financial information, and the assumptions underlying such pro forma financial information are reasonable and are set forth in each of the Pricing Disclosure Package and the Offering Memorandum.

(bb) Grant Thornton LLP, who have certified certain financial statements of the Company, whose report appears in the Pricing Disclosure Package and the Offering

Memorandum and who have delivered the initial letter referred to in Section 8(e) hereof, are independent registered public accountants as required by the Securities Act and the rules and regulations thereunder.

(cc) Except as otherwise disclosed in the Pricing Disclosure Package and the Offering Memorandum, the Company and the Guarantors maintain a system of internal control over financial reporting (as such term is defined in Rule 13a-15(f) of the Exchange Act) that complies in all material respects with the requirements of the Exchange Act and that has been designed by, or under the supervision of, the Company's and each Guarantors' respective principal executive and principal financial officers, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles in the United States. Except as otherwise disclosed in or contemplated by the Pricing Disclosure Package and the Offering Memorandum, the Company and the Guarantors maintain internal accounting controls sufficient to provide reasonable assurance that (i) transactions are executed in accordance with management's general or specific authorization, (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with accounting principles generally accepted in the United States and to maintain accountability for its assets, (iii) access to assets is permitted only in accordance with management's general or specific authorization, and (iv) the recorded accountability for assets is compared with existing assets at reasonable intervals and appropriate action is taken with respect to any differences. As of the date of the most recent balance sheet of Hillman Companies and its consolidated subsidiaries reviewed or audited by Grant Thornton LLP and the audit committee of the board of directors of Hillman Companies, except as otherwise disclosed in or contemplated by the Pricing Disclosure Package and the Offering Memorandum, there were no material weaknesses in Hillman Companies' internal controls.

(dd) Except as otherwise disclosed in or contemplated by the Pricing Disclosure Package and the Offering Memorandum, (i) the Company and the Guarantors maintain disclosure controls and procedures (as such term is defined in Rule 13a-15(e) under the Exchange Act), (ii) such disclosure controls and procedures are designed to ensure that the information required to be disclosed by Hillman Companies in the reports it files or submits under the Exchange Act is accumulated and communicated to management of Hillman Companies, including its principal executive officer and principal financial officer, to allow timely decisions regarding required disclosure to be made; and (iii) such disclosure controls and procedures are effective in all material respects to perform the functions for which they were established.

(ee) Except as would not have a Material Adverse Effect, the section entitled "Management's Discussion and Analysis of Financial Condition and Results of Operations – Critical Accounting Policies" set forth or incorporated by reference in the Preliminary Offering Memorandum contained in the Pricing Disclosure Package and the Offering Memorandum accurately and fully describes (i) the accounting policies that Hillman Companies believes are the most important in the portrayal of Hillman Companies' financial condition and results of operations and that require management's most difficult, subjective or complex judgments; (ii) the judgments and uncertainties affecting the application of critical accounting policies; and (iii) the likelihood that materially different amounts would be reported under different conditions or using different assumptions and an explanation thereof.

(ff) There is and has been no failure on the part of Hillman Companies and any of Hillman Companies' directors or officers, in their capacities as such, to comply with any provision of the Sarbanes-Oxley Act of 2002 and the rules and regulations promulgated in connection therewith.

(gg) Since the date of the latest audited financial statements included in the Pricing Disclosure Package and the Offering Memorandum, and except as otherwise disclosed in the Offering Memorandum, neither the Company, the Guarantors nor any of their respective subsidiaries has (i) sustained any loss or interference with its business from fire, explosion, flood or other calamity, whether or not covered by insurance, or from any labor disturbance or dispute or court or governmental action, order or decree, (ii) issued or granted any securities, (iii) incurred any material liability or obligation, direct or contingent, other than liabilities and obligations that were incurred in the ordinary course of business, (iv) entered into any material transaction not in the ordinary course of business, (v) declared or paid any dividend on its capital stock, and (vi) since such date, there has not been any change in the capital stock, partnership or limited liability interests as applicable, or long-term debt of the Company, the Guarantors or any of their respective subsidiaries or any adverse change, or any development involving a prospective adverse change, in or affecting the condition (financial or otherwise), results of operations, stockholders' equity, properties, management or business of the Company and its subsidiaries, taken as a whole, in each case except as could not, in the aggregate, reasonably be expected to have a Material Adverse Effect.

(hh) Except as would not have a Material Adverse Effect, the Company, the Guarantors and each of their respective subsidiaries has good and marketable title in fee simple to all real property and good and marketable title to all personal property owned by them, in each case free and clear of all liens, encumbrances and defects, except such liens, encumbrances and defects as are described in the Pricing Disclosure Package and the Offering Memorandum and such as do not materially affect the value of such property and do not materially interfere with the use made and proposed to be made of such property by the Company, the Guarantors or any of their respective subsidiaries are held by them under valid, subsisting and enforceable leases, with such exceptions as do not materially interfere with the use made and proposed to be made of such assets by the Company, the Guarantors or any of their respective subsidiaries.

(ii) The Company and each of its subsidiaries have such permits, licenses, patents, franchises, certificates of need and other approvals or authorizations of governmental or regulatory authorities ("***Permits***") as are necessary under applicable law to own their properties and conduct their businesses in the manner described in the Pricing Disclosure Package and the Offering Memorandum, except for any of the foregoing that could not, in the aggregate, reasonably be expected to have a Material Adverse Effect. Hillman Companies and each of its subsidiaries have fulfilled and performed all of its obligations with respect to the Permits, and no event has occurred that allows, or after notice or lapse of time would allow, revocation or termination thereof or results in any other impairment of the rights of the holder or any such Permits, except for any of the foregoing that could not reasonably be expected to have a Material Adverse Effect. Neither the Company, nor any of its subsidiaries has received notice of any revocation or modification of any such Permits, except for any notice that could not reasonably be expected to have a Material Adverse Effect.

(jj) Except as could not reasonably be expected to have a Material Adverse Effect, the Company and the Guarantors own or possess adequate rights to use all material patents, patent applications, trademarks, service marks, trade names, trademark registrations, service mark registrations, copyrights, licenses, know-how, software, systems and technology (including trade secrets and other unpatented and/or unpatentable proprietary or confidential information, systems or procedures) necessary for the conduct of their respective businesses and have not received any notice of any claim of infringement or other violation of, any such rights of others.

(kk) Except as otherwise disclosed in the Offering Memorandum, there are no legal or governmental proceedings pending to which the Company or any of its subsidiaries is a party or of which any property or assets of the Company or any of its subsidiaries is the subject that could, in the aggregate, reasonably be expected to have a Material Adverse Effect or could, in the aggregate, reasonably be expected to have a material adverse effect on the performance by the Company and the Guarantors of the performance of this Agreement, the Indenture, the Notes, the Guarantees or the consummation of any of the transactions contemplated hereby. To the Company's and each Guarantors' knowledge, no such proceedings are threatened or contemplated by governmental authorities or others.

(ll) There are no contracts or other documents that would be required to be described in a registration statement filed under the Securities Act or filed as exhibits to a registration statement of the Company pursuant to Item 601(10) of Regulation S-K that have not been described in the Pricing Disclosure Package and the Offering Memorandum. The statements made in the Pricing Disclosure Package and the Offering Memorandum, insofar as they purport to constitute summaries of the terms of the contracts and other documents that are so described, constitute accurate summaries of the terms of such contracts and documents in all material respects. Neither the Company, the Guarantors nor any of their respective subsidiaries has knowledge that any other party to any such contract or other document has any intention not to render full performance as contemplated by the terms thereof.

(mm) The Company and each Guarantor carries, or are covered by, insurance from insurers of recognized financial responsibility in such amounts and covering such risks as is adequate for the conduct of their respective businesses and the value of their respective properties and as is customary for companies engaged in similar businesses in similar industries, except where the failure to maintain such insurance could not, individually or in the aggregate, have a Material Adverse Effect. The Company and the Guarantors are in compliance with the terms of such policies, neither the Company nor any Guarantor has received notice from any insurer or agent of such insurer that capital improvements or other expenditures are required or necessary to be made in order to continue such insurance, there are no claims by the Company or the Guarantors under any such policy or instrument as to which any insurance company is denying liability or defending under a reservation of rights clause, and neither the Company nor any Guarantor has any reason to believe that it will not be able to renew its existing insurance coverage as and when such coverage expires or to obtain similar coverage from similar insurers as may be necessary to continue its business, in each case other than as could not reasonably be expected to have a Material Adverse Effect.

(nn) No labor disturbance by or dispute with the employees of the Company or any of its subsidiaries exists or, to the knowledge of any officer of the Company or any Guarantor is imminent that could reasonably be expected to have a Material Adverse Effect.

(oo) Neither the Company nor any of the Guarantors (i) is in violation of its charter or by-laws (or similar organizational documents), (ii) is in default, and no event has occurred that, with notice or lapse of time or both, would constitute such a default, in the due performance or observance of any term, covenant, condition or other obligation contained in any indenture, mortgage, deed of trust, loan agreement, license or other agreement or instrument to which it is a party or by which it is bound or to which any of its properties or assets is subject, or (iii) is in violation of any statute or any order, rule or regulation of any court or governmental agency or body having jurisdiction over it or its property or assets or has failed to obtain any license, permit, certificate, franchise or other governmental authorization or permit necessary to the ownership of its property or to the conduct of its business, except in the case of clauses (ii) and (iii), to the extent any such conflict, breach, violation, failure or default could not, in the aggregate, reasonably be expected to have a Material Adverse Effect.

(pp) (i) There are no proceedings that are pending, or known to be threatened, against the Company or any of its subsidiaries under any laws, regulations, ordinances, rules, orders, judgments, decrees, permits or other legal requirements of any governmental authority, including without limitation any international, foreign, national, state, provincial, regional, or local authority, relating to pollution, the protection of human health or safety, the environment, or natural resources, or to use, handling, storage, manufacturing, transportation, treatment, discharge, disposal or release of or exposure to hazardous or toxic substances or wastes, pollutants or contaminants ("***Environmental Laws***") in which a governmental authority is also a party, other than such proceedings regarding which it is reasonably believed no monetary sanctions of $100,000 or more will be imposed and (ii) the Company, the Guarantors and their respective subsidiaries are not aware of any issues regarding compliance with Environmental Laws, including any pending or proposed Environmental Laws, or liabilities or other obligations under Environmental Laws or concerning hazardous or toxic substances or wastes, pollutants or contaminants, that could reasonably be expected to have a Material Adverse Effect.

(qq) The Company, the Guarantors and each of their respective subsidiaries have filed all federal, state, local and foreign tax returns required to be filed through the date hereof, subject to permitted extensions, and have paid all taxes due, and no tax deficiency has been determined adversely to the Company, the Guarantors or any of their respective subsidiaries. Neither the Company nor any Guarantor has any knowledge of any tax deficiencies that have been, or could reasonably be expected to be asserted against the Company, the Guarantors and each of their respective subsidiaries, that could, in the aggregate, reasonably be expected to have a Material Adverse Effect.

(rr) (i) Each "employee benefit plan" (within the meaning of Section 3(3) of the Employee Retirement Security Act of 1974, as amended ("***ERISA***")) that is sponsored or maintained within the United States and with respect to which the Company has any direct or

indirect liability, whether contingent or otherwise (each a "***Plan***") has been established and administered in all material respects in compliance with its terms and with the requirements of all applicable statutes, rules and regulations including ERISA and the Code; (ii) with respect to each Plan, no prohibited transaction, within the meaning of Section 406 of ERISA or Section 4975 of the Code, has occurred with respect to any Plan excluding transactions effected pursuant to a statutory or administrative exemption or that have been corrected, that would result in a material liability to the Company ; (iii) no Plan is subject to Title IV of ERISA; and (iv) each Plan that is intended to be qualified under Section 401(a) of the Code has received a favorable determination letter from the Internal Revenue Service or is in the form of a prototype plan with respect to which the IRS has issued a favorable opinion letter, in each case to the effect that the Plan satisfies the requirements of Section 401(a) of the Code and that its related trust is exempt from tax under Section 501(a) of the Code and nothing has occurred, whether by action or by failure to act, which would be reasonably be expected to cause the loss of such qualification.

(ss) No subsidiary of the Company is currently prohibited, directly or indirectly, from paying any dividends to the Company, from making any other distribution on such subsidiary's capital stock, from repaying to the Company any loans or advances to such subsidiary from the Company or from transferring any of such subsidiary's property or assets to the Company or any other subsidiary of the Company, except as described in the Pricing Disclosure Package and the Offering Memorandum and as could not be reasonably expected to impact the ability of the Company or the Guarantors to make payments on the Notes when due.

(tt) The statistical and market-related data included in the Pricing Disclosure Package and the Offering Memorandum and the consolidated financial statements of the Company and its subsidiaries included in the Pricing Disclosure Package and the Offering Memorandum are based on or derived from sources that the Company believes to be reliable in all material respects.

(uu) Neither of the Company nor any Guarantor is, and after giving effect to the offer and sale of the Notes and the application of the proceeds therefrom as described under "Use of Proceeds" in each of the Pricing Disclosure Package and the Offering Memorandum will be an "investment company" or a company "controlled by an "investment company" within the meaning of the Investment Company Act of 1940, as amended, and the rules and regulations of the Commission thereunder.

(vv) Immediately after the consummation of the Financing Transactions, the Company will be Solvent. As used in this paragraph, the term "***Solvent***" means, with respect to a particular date, that on such date (i) the Company is able to realize upon its assets and pay its debts and other liabilities, contingent obligations and commitments as they mature and become due in the normal course of business, (ii) assuming the sale of the Notes as contemplated by this Agreement, the Pricing Disclosure Package and the Offering Memorandum, the Company is not incurring debts or liabilities beyond its ability to pay as such debts and liabilities mature and (iii) the Company is not engaged in any business or transaction, and is not about to engage in any business or transaction, for which its property would constitute unreasonably small capital after giving due consideration to the prevailing practice in the industry in which the Company is engaged. In computing the amount of such contingent liabilities at any time, it is intended that such liabilities will be computed at the amount that, in the light of all the facts and circumstances existing at such time, represents the amount that can reasonably be expected to become an actual or matured liability.

(ww) The statements set forth in each of the Pricing Disclosure Package and the Offering Memorandum under the caption "Description of Notes," insofar as they purport to constitute a summary of the terms of the Notes and the Guarantees and under the captions "Certain United States Federal Income Tax Considerations," "The Transactions," "Description of Certain Other Indebtedness," "Management" and "Plan of Distribution," insofar as they purport to summarize the provisions of the laws and documents referred to therein, are accurate summaries in all material respects.

(xx) Except as described in the Offering Memorandum, there are no contracts, agreements or understandings between the Company, any Guarantor and any person granting such person the right to require the Company or any Guarantor to file a registration statement under the Securities Act with respect to any securities of the Company or any Guarantor (other than the Registration Rights Agreement) owned or to be owned by such person or to require the Company or any Guarantor to include such securities in the securities registered pursuant to the Registration Rights Agreement or in any securities being registered pursuant to any other registration statement filed by the Company or any Guarantor under the Securities Act.

(yy) Neither the Company nor any of its subsidiaries is a party to any contract, agreement or understanding with any person (other than this Agreement) that could give rise to a valid claim against any of them or the Initial Purchasers for a brokerage commission, finder's fee or like payment in connection with the offering and sale of the Notes.

(zz) Except as would not have a Material Adverse Effect, none of the transactions contemplated by this Agreement (including, without limitation, the use of the proceeds from the sale of the Notes), will violate or result in a violation of Section 7 of the Exchange Act, or any regulation promulgated thereunder, including, without limitation, Regulations T, U and X of the Board of Governors of the Federal Reserve System

(aaa) The Company and its affiliates have not taken, directly or indirectly, any action designed to or that has constituted or that could reasonably be expected to cause or result in the stabilization or manipulation of the price of any security of the Company or the Guarantors in connection with the offering of the Notes.

(bbb) Neither the Company nor any of its subsidiaries, nor, to the knowledge of the Company and the Guarantors, any director, officer, agent, employee or other person associated with or acting on behalf of the Company, the Guarantors or any of their respective subsidiaries, has (i) used any corporate funds for any unlawful contribution, gift, entertainment or other unlawful expense relating to political activity; (ii) made any direct or indirect unlawful payment to any foreign or domestic government official or employee from corporate funds; (iii) violated or is in violation of any provision of the Foreign Corrupt Practices Act of 1977; or (iv) made any bribe, rebate, payoff, influence payment, kickback or other unlawful payment.

(ccc) The operations of the Company and its subsidiaries are and have been conducted at all times in compliance with applicable financial recordkeeping and reporting

requirements of the Currency and Foreign Transactions Reporting Act of 1970, as amended, the money laundering statutes of all jurisdictions, the rules and regulations thereunder and any related or similar rules, regulations or guidelines, issued, administered or enforced by any governmental agency (collectively, the "***Money Laundering Laws***") and no action, suit or proceeding by or before any court or governmental agency, authority or body or any arbitrator involving the Company or any of its subsidiaries with respect to the Money Laundering Laws is pending or, to the knowledge of the Company, threatened.

(ddd) Neither the Company nor any of its subsidiaries nor, to the knowledge of the Company, any director, officer, agent, employee or affiliate of the Company or any of its subsidiaries is currently subject to any U.S. sanctions administered by the Office of Foreign Assets Control of the U.S. Treasury Department ("***OFAC***"); and the Company will not directly or indirectly use the proceeds of the offering, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other person or entity, for the purpose of financing the activities of any person currently subject to any U.S. sanctions administered by OFAC.

Any certificate signed by any officer of the Company or the Guarantors and delivered to the Representatives or counsel for the Initial Purchasers in connection with the offering of the Notes shall be deemed a representation and warranty by the Company or such Guarantor, jointly and severally, as to matters covered thereby, to each Initial Purchaser.

3. *Purchase of the Notes by the Initial Purchasers, Agreements to Sell, Purchase and Resell.*

(a) The Company and the Guarantors, jointly and severally hereby agree, on the basis of the representations, warranties, covenants and agreements of the Initial Purchasers contained herein and subject to all the terms and conditions set forth herein, to issue and sell to the Initial Purchasers and, upon the basis of the representations, warranties and agreements of the Company and the Guarantors herein contained and subject to all the terms and conditions set forth herein, each of the Initial Purchasers agree, severally and not jointly, to purchase from the Company, at a purchase price of 97.5% of the principal amount thereof, the total principal amount of Notes set forth opposite the name of such Initial Purchaser in Schedule I hereto. The Company and the Guarantors shall not be obligated to deliver any of the securities to be delivered hereunder except upon payment for all of the securities to be purchased as provided herein.

(b) Each of the Initial Purchasers, severally and not jointly hereby represents and warrants to the Company that it will offer the Notes for sale upon the terms and conditions set forth in this Agreement and in the Pricing Disclosure Package. Each of the Initial Purchasers, severally and not jointly, hereby represents and warrants to, and agrees with, the Company, on the basis of the representations, warranties and agreements of the Company and the Guarantors, that such Initial Purchaser: (i) is a QIB with such knowledge and experience in financial and business matters as are necessary in order to evaluate the merits and risks of an investment in the Notes; (ii) is purchasing the Notes pursuant to a private sale exempt from registration under the Securities Act; (iii) in connection with the Exempt Resales, will solicit offers to buy the Notes only from, and will offer to sell the Notes only to, the Eligible Purchasers in accordance with this

Agreement and on the terms contemplated by the Pricing Disclosure Package; (iv) will not offer or sell the Notes, nor has it offered or sold the Notes by, or otherwise engaged in, any form of general solicitation or general advertising (within the meaning of Regulation D, including, but not limited to, advertisements, articles, notices or other communications published in any newspaper, magazine, or similar medium or broadcast over television or radio, or any seminar or meeting whose attendees have been invited by any general solicitation or general advertising) and will not engage in any directed selling efforts within the meaning of Rule 902 under the Securities Act, in connection with the offering of the Notes; and (v) has offered the Notes and will offer and sell the Notes (A) as part of its distribution at any time and (B) otherwise until 40 days after the later of the commencement of the offering and the Closing Date, only in accordance with Rule 903 of Regulation S and, accordingly, neither it nor any persons acting on its behalf have engaged or will engage in any directed selling efforts (within the meaning of Regulation S) with respect to the Securities, and any such persons have complied and will comply with the offering restrictions requirement of Regulation S. The Initial Purchasers have advised the Company that they will offer the Notes to Eligible Purchasers at a price initially equal to 100% of the principal amount thereof, plus accrued interest, if any, from the date of issuance of the Notes. Such price may be changed by the Initial Purchasers at any time without notice.

(c) The Initial Purchasers have not nor, prior to the later to occur of (A) the Closing Date and (B) completion of the distribution of the Notes, will not, use, authorize use of, refer to or distribute any material in connection with the offering and sale of the Notes other than (i) the Preliminary Offering Memorandum, the Pricing Disclosure Package, the Offering Memorandum, (ii) any written communication that contains no "issuer information" (as defined in Rule 433(h)(2) under the Act) that was not included (including through incorporation by reference) in the Preliminary Offering Memorandum or any Free Writing Offering Document listed on Schedule IV hereto, (iii) the Free Writing Offering Documents listed on Schedule IV hereto, (iv) any written communication prepared by such Initial Purchaser and approved by the Company in writing, or (v) any written communication that contains the terms of the Notes in the Preliminary Offering Memorandum, the Pricing Disclosure Package or the Offering Memorandum.

(d) Each of the Initial Purchasers hereby acknowledges that upon original issuance thereof, and until such time as the same is no longer required under the applicable requirements of the Securities Act, the Notes (and all securities issued in exchange therefore or in substitution thereof) shall bear legends substantially in the forms as set forth in the "Notice to Investors" section of the Pricing Disclosure Package and Offering Memorandum (along with such other legends as the Company and its counsel deem necessary).

Each of the Initial Purchasers understands that the Company and, for purposes of the opinions to be delivered to the Initial Purchasers pursuant to Sections 7(c) and 7(d) hereof, counsel to the Company and counsel to the Initial Purchasers, will rely upon the accuracy and truth of the foregoing representations, warranties and agreements, and the Initial Purchasers hereby consent to such reliance.

4. *Delivery of the Notes and Payment Therefor.* Delivery to the Initial Purchasers of and payment for the Notes shall be made at the New York offices of Latham & Watkins LLP, at

10:00 A.M., New York City time, on May 28, 2010 (the "***Closing Date***"). The place of closing for the Notes and the Closing Date may be varied by agreement between the Initial Purchasers and the Company.

The Notes will be delivered to the Initial Purchasers, or the Trustee as custodian for The Depository Trust Company ("***DTC***"), against payment by or on behalf of the Initial Purchasers of the purchase price therefor by wire transfer in immediately available funds, by causing DTC to credit the Notes to the account of the Initial Purchasers at DTC. The Notes will be evidenced by one or more global securities in definitive form and will be registered in the name of Cede & Co. as nominee of DTC. The Notes to be delivered to the Initial Purchasers shall be made available to the Initial Purchasers in New York City for inspection and packaging not later than 10:00 A.M., New York City time, on the business day next preceding the Closing Date.

5. *Agreements of the Company and the Guarantors.* The Company and the Guarantors, jointly and severally, agree with each of the Initial Purchasers as follows:

(a) The Company and the Guarantors furnish to the Initial Purchasers, without charge, not later than the second business day following the date of the Offering Memorandum, such number of copies of the Offering Memorandum as may then be amended or supplemented as they may reasonably request.

(b) The Company and the Guarantors will prepare the Offering Memorandum in a form approved by the Initial Purchasers and will not make any amendment or supplement to the Pricing Disclosure Package or to the Offering Memorandum of which the Initial Purchasers shall not previously have been advised or to which they shall reasonably object in a timely manner after being so advised.

(c) Subject to the proviso in Section 5(f), the Company and each of the Guarantors consents to the use of the Pricing Disclosure Package and the Offering Memorandum in accordance with the securities or Blue Sky laws of the jurisdictions in which the Notes are offered by the Initial Purchasers and by all dealers to whom Notes may be sold, in connection with the offering and sale of the Notes.

(d) If, at any time prior to completion of the distribution of the Notes by the Initial Purchasers to Eligible Purchasers, any event occurs or information becomes known that, in the judgment of the Company or any of the Guarantors or in the reasonable opinion of counsel for the Initial Purchasers, should be set forth in the Pricing Disclosure Package or the Offering Memorandum so that the Pricing Disclosure Package or the Offering Memorandum, as then amended or supplemented, does not include any untrue statement of material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading, or if it is necessary to supplement or amend the Pricing Disclosure Package or the Offering Memorandum in order to comply with any law, the Company and the Guarantors will forthwith prepare an appropriate supplement or amendment thereto, and will expeditiously furnish to the Initial Purchasers and dealers a reasonable number of copies thereof.

(e) None of the Company nor any Guarantor will make any offer to sell or solicitation of an offer to buy the Notes that would constitute a Free Writing Offering Document without the prior consent of the Representatives, which consent shall not be unreasonably withheld or delayed. If at any time following issuance of a Free Writing Offering Document any event occurred or occurs as a result of which such Free Writing Offering Document conflicts with the information in the Preliminary Offering Memorandum, the Pricing Disclosure Package or the Offering Memorandum or, when taken together with the information in the Preliminary Offering Memorandum, the Pricing Disclosure Package or the Offering Memorandum, includes an untrue statement of a material fact or omits to state any material fact necessary in order to make the statements therein, in the light of the circumstances then prevailing, not misleading, as promptly as practicable after becoming aware thereof, the Company will give notice thereof to the Initial Purchasers through the Representatives and, if requested by the Representatives, will prepare and furnish without charge to each Initial Purchaser a Free Writing Offering Document or other document which will correct such conflict, statement or omission.

(f) Promptly from time to time to take such action as the Initial Purchasers may reasonably request to qualify the Notes for offering and sale under the securities or Blue Sky laws of such jurisdictions as the Initial Purchasers may request and to comply with such laws so as to permit the continuance of sales and dealings therein in such jurisdictions for as long as may be necessary to complete the distribution of the Notes; *provided* that in connection therewith the Company shall not be required to (i) qualify as a foreign corporation in any jurisdiction in which it would not otherwise be required to so qualify, (ii) file a general consent to service of process in any such jurisdiction, or (iii) subject itself to taxation in any jurisdiction in which it would not otherwise be subject.

(g) For a period commencing on the date hereof and ending on the 90th day after the date of the Offering Memorandum, the Company and the Guarantors agree not to, directly or indirectly, (i) offer for sale, sell, or otherwise dispose of (or enter into any transaction or device that is designed to, or would be expected to, result in the disposition by any person at any time in the future of) any debt securities of the Company substantially similar to the Notes or securities convertible into or exchangeable for such debt securities of the Company, or sell or grant options, rights or warrants with respect to such debt securities of the Company or securities convertible into or exchangeable for such debt securities of the Company, (ii) enter into any swap or other derivatives transaction that transfers to another, in whole or in part, any of the economic benefits or risks of ownership of such debt securities of the Company, whether any such transaction described in clause (i) or (ii) above is to be settled by delivery of debt securities of the Company or other securities, in cash or otherwise, (iii) file or cause to be filed a registration statement, including any amendments, with respect to the registration of debt securities of the Company substantially similar to the Notes or securities convertible, exercisable or exchangeable into debt securities of the Company, or (iv) publicly announce an offering of any debt securities of the Company substantially similar to the Notes or securities convertible or exchangeable into such debt securities, in each case without the prior written consent of Barclays Capital Inc., on behalf of the Initial Purchasers, except any offer or sale of Notes, Exchange Notes, Guarantees or Exchange Guarantees pursuant to the Registration Rights Agreement, and any filings with the SEC related thereto.

(h) So long as any of the Notes are outstanding and the Company and the Guarantors are so required pursuant to the Indenture, the Company and the Guarantors will, furnish at their expense to the Initial Purchasers, and, upon request, to the holders of the Notes and prospective purchasers of the Notes the information required by Rule 144A(d)(4) under the Securities Act (if any).

(i) The Company and the Guarantors will apply the net proceeds from the sale of the Notes to be sold by it hereunder substantially in accordance with the description set forth in the Pricing Disclosure Package and the Offering Memorandum under the caption "Use of Proceeds."

(j) The Company, the Guarantors and their respective affiliates will not take, directly or indirectly, any action designed to or that has constituted or that reasonably could be expected to cause or result in the stabilization or manipulation of the price of any security of the Company or the Guarantors in connection with the offering of the Notes.

(k) The Company and the Guarantors will use all commercially reasonable efforts to permit the Notes to be eligible for clearance and settlement through DTC.

(l) For a period of one year (calculated in accordance with paragraph (d) of Rule 144 under the Securities Act) from the Closing Date, the Company and the Guarantors will not, and will not permit any of their respective affiliates (as defined in Rule 144 under the Securities Act) to, resell any of the Notes that have been acquired by any of them, except (i) for Notes that are sold in a transaction registered under the Securities Act or (ii) in the opinion of counsel, the buyer of such Notes is not acquiring "restricted securities" under Rule 144 under the Securities Act.

(m) The Company and the Guarantors agree not to sell, offer for sale or solicit offers to buy or otherwise negotiate in respect of any security (as defined in the Securities Act) that would be integrated with the sale of the Notes in a manner that would require the registration under the Securities Act of the sale to the Initial Purchasers or the Eligible Purchasers of the Notes. The Company and the Guarantors will take reasonable precautions designed to insure that any offer or sale, direct or indirect, in the United States or to any U.S. person (as defined in Rule 902 under the Securities Act), of any Notes or any substantially similar security issued by the Company or any Guarantor, within six months subsequent to the date on which the distribution of the Notes has been completed (as notified to the Company by the Initial Purchasers), is made under restrictions and other circumstances reasonably designed not to affect the status of the offer and sale of the Notes in the United States and to U.S. persons contemplated by this Agreement as transactions exempt from the registration provisions of the Securities Act, including any sales pursuant to Rule 144A under, or Regulations D or S of, the Securities Act.

(n) The Company and the Guarantors agree to comply with all the terms and conditions of the Registration Rights Agreement and all agreements set forth in the representation letters of the Company and the Guarantors to DTC relating to the approval of the Notes by DTC for "book entry" transfer.

(o) The Company and the Guarantors will do and perform all things required or necessary to be done and performed under this Agreement by them prior to the Closing Date, and to satisfy all conditions precedent to the Initial Purchasers' obligations hereunder to purchase the Notes.

6. *Expenses.* Whether or not the transactions contemplated by this Agreement are consummated or this Agreement is terminated, the Company and the Guarantors, jointly and severally, agree to pay all expenses, costs, fees and taxes incident to and in connection with: (a) the preparation, printing, filing and distribution of the Preliminary Offering Memorandum, the Pricing Disclosure Package and the Offering Memorandum (including, without limitation, financial statements and exhibits) and all amendments and supplements thereto (including the fees, disbursements and expenses of the Company's and the Guarantors' accountants and counsel, but not, however, legal fees and expenses of the Initial Purchasers' counsel incurred in connection therewith); (b) the preparation, printing (including, without limitation, word processing and duplication costs) and delivery of this Agreement, the Indenture, the Registration Rights Agreement, all Blue Sky memoranda and all other agreements, memoranda, correspondence and other documents printed and delivered in connection therewith and with the Exempt Resales (but not, however, legal fees and expenses of the Initial Purchasers' counsel incurred in connection with any of the foregoing other than reasonable and documented fees of counsel plus reasonable disbursements incurred in connection with the preparation, printing and delivery of such Blue Sky memoranda); (c) the issuance and delivery by the Company of the Notes and by the Guarantors of the Guarantees and any taxes payable in connection therewith; (d) the qualification of the Notes and Exchange Notes for offer and sale under the securities or Blue Sky laws of the several states and any foreign jurisdictions as the Initial Purchasers may designate (including, without limitation, the reasonable and documented out of pocket fees and disbursements of the Initial Purchasers' counsel relating to such registration or qualification); (e) the furnishing of such copies of the Preliminary Offering Memorandum, the Pricing Disclosure Package and the Offering Memorandum, and all amendments and supplements thereto, as may be reasonably requested for use in connection with the Exempt Resales; (f) the preparation of certificates for the Notes (including, without limitation, printing and engraving thereof); (g) the approval of the Notes by DTC for "book-entry" transfer; (h) the rating of the Notes and the Exchange Notes; (i) the obligations of the Trustee, any agent of the Trustee and the counsel for the Trustee in connection with the Indenture, the Notes, the Guarantees, the Exchange Notes and the Exchange Guarantees; (j) the performance by the Company and the Guarantors of their other obligations under this Agreement; and (k) all of the travel expenses of the Company's officers and employees and any other expenses of the Company in connection with attending or hosting meetings with prospective purchasers of the Notes, and expenses associated with any electronic road show. For the avoidance of doubt, nothing in this section shall require the Company and the Guarantors to pay any fees or disbursements of counsel to the Initial Purchasers, other than those fees and disbursements described in clauses (b) and (d) above.

7. *Conditions to Initial Purchasers' Obligations.* The respective obligations of the Initial Purchasers hereunder are subject to the accuracy, when made and on and as of the Closing Date, of the representations and warranties of the Company and the Guarantors contained herein, to the performance by the Company and the Guarantors of their respective obligations hereunder, and to each of the following additional terms and conditions:

(a) All corporate proceedings and other legal matters incident to the authorization, form and validity of this Agreement, the Notes, the Guarantees, the Exchange Notes, the Exchange Guarantees, the Registration Rights Agreement, the Indenture, the Transaction Agreements, the Pricing Disclosure Package and the Offering Memorandum, and all other legal matters relating to this Agreement and the transactions contemplated hereby shall be reasonably satisfactory in all material respects to counsel for the Initial Purchasers, and the Company and the Guarantors shall have furnished to such counsel all documents and information that they may reasonably request to enable them to pass upon such matters.

(b) Paul, Weiss, Rifkind, Wharton & Garrison LLP shall have furnished to the Initial Purchasers its written opinion and negative assurance letter, as counsel to the Company and the Guarantors, addressed to the Initial Purchasers and dated the Closing Date, in form and substance reasonably satisfactory to the Initial Purchasers, substantially in the form of Exhibit C-1 and C-2 hereto.

(c) Holland & Knight LLP shall have furnished to the Initial Purchasers its written opinion, as counsel to the Company and the Guarantors, addressed to the Initial Purchasers and dated the Closing Date, in form and substance reasonably satisfactory to the Initial Purchasers, substantially in the form of Exhibit C-3 hereto.

(d) The Initial Purchasers shall have received from Latham & Watkins LLP, counsel for the Initial Purchasers, such opinion or opinions and negative assurance letter, dated the Closing Date, with respect to the issuance and sale of the Notes, the Pricing Disclosure Package, the Offering Memorandum and other related matters as the Initial Purchasers may reasonably require, and the Company shall have furnished to such counsel such documents and information as such counsel reasonably requests for the purpose of enabling them to pass upon such matters.

(e) At the time of execution of this Agreement, the Initial Purchasers shall have received from Grant Thornton LLP a letter, in form and substance reasonably satisfactory to the Initial Purchasers, addressed to the Initial Purchasers and dated the date hereof (i) confirming that it is an independent public accountant within the meaning of the Securities Act and are in compliance with the applicable requirements relating to the qualification of accountants under Rule 2-01 of Regulation S-X of the Commission and (ii) stating, as of the date hereof (or, with respect to matters involving changes or developments since the respective dates as of which specified financial information is given in the Pricing Disclosure Package, as of a date not more than three days prior to the date hereof), the conclusions and findings of such firm with respect to the financial information and (iii) covering such other matters as are ordinarily covered by accountants' "comfort letters" to underwriters in connection with registered public offerings.

(f) With respect to the letter of Grant Thornton LLP referred to in the preceding paragraph and delivered to the Initial Purchasers concurrently with the execution of this Agreement (the "***initial letter***"), Grant Thornton LLP shall have furnished to the Initial Purchasers a "bring-down letter" addressed to the Initial Purchasers and dated the Closing Date (i) confirming that they are independent public accountants within the meaning of the Securities Act and are in compliance with the applicable requirements relating to the qualification of

accountants under Rule 2-01 of Regulation S-X of the Commission, (ii) stating, as of the Closing Date (or, with respect to matters involving changes or developments since the respective dates as of which specified financial information is given in each of the Pricing Disclosure Package or the Offering Memorandum, as of a date not more than three days prior to the date of the Closing Date), the conclusions and findings of such firm with respect to the financial information and other matters covered by the initial letter, and (iii) confirming in all material respects the conclusions and findings set forth in the initial letter.

(g) (i) Neither the Company, any Guarantor nor any of their respective subsidiaries shall have sustained, since the date of the latest audited financial statements included in the Pricing Disclosure Package and the Offering Memorandum, any material loss or interference with its business from fire, explosion, flood or other calamity, whether or not covered by insurance, or from any labor dispute or court or governmental action, order or decree, or (ii) since such date, there shall not have been any change in the capital stock or long-term debt of the Company, any Guarantor or any of their respective subsidiaries or any change, or any development involving a prospective change, in or affecting the condition (financial or otherwise), results of operations, stockholders' equity, properties, management or business of the Company, the Guarantors and their respective subsidiaries, taken as a whole, the effect of which, in any such case described in clause (i) or (ii), is, individually or in the aggregate, in the judgment of the Representatives, so material and adverse as to make it impracticable or inadvisable to proceed with the offering or the delivery of the Notes being delivered on the Closing Date on the terms and in the manner contemplated in the Pricing Disclosure Package and the Offering Memorandum.

(h) The Company and each Guarantor shall have furnished or caused to be furnished to the Initial Purchasers dated as of the Closing Date a certificate of the Chief Executive Officer and Chief Financial Officer of the Company and each Guarantor, or other officers satisfactory to the Initial Purchasers, as to such matters as the Representatives may reasonably request, including, without limitation, a statement that the representations, warranties and agreements of the Company and the Guarantors in Section 2 are true and correct on and as of the Closing Date, and the Company has complied with all its agreements contained herein and satisfied all the conditions on its part to be performed or satisfied hereunder at or prior to the Closing Date.

(i) The Company and Parent shall have executed and delivered that certain Amended and Restated Promissory Note, dated May 28, 2010 (the "***Amended and Restated Note***"), and the Initial Purchasers shall have received a copy thereof.

(j) The Company and the Guarantors shall have executed and delivered the Joinder Agreement, and the Initial Purchasers shall have received an original copy thereof.

(k) The Notes shall be eligible for clearance and settlement through DTC.

(l) The Company and the Guarantors shall have executed and delivered the Registration Rights Agreement and the Initial Purchasers shall have received an original copy thereof, duly executed by the Company and the Guarantors.

(m) The Company, the Guarantors and the Trustee shall have executed and delivered the Indenture, and the Initial Purchasers shall have received an original copy thereof, duly executed by the Company, the Guarantors and the Trustee.

(n) Subsequent to the execution and delivery of this Agreement there shall not have occurred any of the following: (i) trading in securities generally on the New York Stock Exchange or the Nasdaq Stock Market, or trading in any securities of the Company on any exchange or in the over-the-counter market, shall have been suspended or materially limited or the settlement of such trading generally shall have been materially disrupted or minimum prices shall have been established on any such exchange or such market by the Commission, by such exchange or by any other regulatory body or governmental authority having jurisdiction, (ii) a general moratorium on commercial banking activities shall have been declared by federal or New York State authorities, (iii) the United States shall have become engaged in hostilities, there shall have been an escalation in hostilities involving the United States or there shall have been a declaration of a national emergency or war by the United States, or (iv) there shall have occurred such a material adverse change in general economic, political or financial conditions, including, without limitation, as a result of terrorist activities after the date hereof (or the effect of international conditions on the financial markets in the United States shall be such), as to make it, in the judgment of the Representatives, impracticable or inadvisable to proceed with the offering or delivery of the Notes being delivered on the Closing Date on the terms and in the manner contemplated in the Offering Memorandum or that, in the judgment of the Representatives, could materially and adversely affect the financial markets or the markets for the Notes and other debt securities.

(o) Concurrently with or prior to the issue and sale of the Notes by the Company, the Company shall have entered into the New Credit Facility, in form and substance reasonably satisfactory to the Representatives; the Representatives shall have received conformed counterparts thereof and all other documents and agreements entered into and received thereunder in connection with the closing of the New Credit Facility in form and substance reasonably satisfactory to the Representatives.

(p) (i) Substantially concurrent with the closing of the offering of the Notes, the Merger and the Acquisition shall be consummated in accordance with the terms of the Merger Agreement as set forth in the Pricing Disclosure Package and the Offering Memorandum and (ii) substantially concurrent with the closing of the offering of the Notes, the New Credit Facility shall have closed and approximately $290.0 million shall have been borrowed thereunder.

(q) There shall exist at and as of the Closing Date no condition that would constitute a default (or an event that with notice or the lapse of time, or both, would constitute a default) under the Indenture or the New Credit Facility Documentation or a material breach under the Amended and Restated Note as in effect at the Closing Date (or an event that with notice or lapse of time, or both, would constitute such a default or material breach). On the Closing Date, the New Credit Facility shall be in full force and effect, shall conform in all material respects to the description thereof contained in the Pricing Disclosure Package and the Offering Memorandum and shall not have been modified.

(r) On or prior to the Closing Date, the Company and the Guarantors shall have furnished to the Initial Purchasers such further certificates and documents as the Initial Purchasers may reasonably request.

All opinions, letters, evidence and certificates mentioned above or elsewhere in this Agreement shall be deemed to be in compliance with the provisions hereof only if they are in form and substance reasonably satisfactory to counsel for the Initial Purchasers.

8. *Indemnification and Contribution.*

(a) The Company and each Guarantor hereby agree, jointly and severally, to indemnify and hold harmless each Initial Purchaser, its affiliates, directors, officers and employees and each person, if any, who controls any Initial Purchaser within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act, from and against any loss, claim, damage or liability, joint or several, or any action in respect thereof (including, but not limited to, any loss, claim, damage, liability or action relating to purchases and sales of Notes), to which that Initial Purchaser, affiliate, director, officer, employee or controlling person may become subject, under the Securities Act or otherwise, insofar as such loss, claim, damage, liability or action arises out of, or is based upon, (i) any untrue statement or alleged untrue statement of a material fact contained (A) in any Free Writing Offering Document, the Preliminary Offering Memorandum, the Pricing Disclosure Package or the Offering Memorandum or in any amendment or supplement thereto, (B) in any Blue Sky application or other document prepared or executed by the Company or any Guarantor (or based upon any written information furnished by the Company or any Guarantor) specifically for the purpose of qualifying any or all of the Notes under the securities laws of any state or other jurisdiction (any such application, document or information being hereinafter called a "***Blue Sky Application***"), or (C) in any materials or information provided to investors by, or with the approval of, the Company or any Guarantor in connection with the marketing of the offering of the Notes ("***Marketing Materials***"), including any road show or investor presentations made to investors by the Company (whether in person or electronically) or (ii) the omission or alleged omission to state in any Free Writing Offering Document, the Preliminary Offering Memorandum, the Pricing Disclosure Package or the Offering Memorandum, or in any amendment or supplement thereto, or in any Blue Sky Application or in any Marketing Materials, any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading, and shall reimburse each Initial Purchaser and each such director, officer, employee or controlling person promptly upon demand for any legal or other expenses reasonably incurred by that Initial Purchaser, director, officer, employee or controlling person in connection with investigating or defending or preparing to defend against any such loss, claim, damage, liability or action as such expenses are incurred; *provided*, *however*, that the Company and the Guarantors shall not be liable in any such case to the extent that any such loss, claim, damage, liability or action arises out of, or is based upon, any untrue statement or alleged untrue statement or omission or alleged omission made in any Free Writing Offering Document, Preliminary Offering Memorandum, the Pricing Disclosure Package or Offering Memorandum, or in any such amendment or supplement thereto, or in any Blue Sky Application or in any Marketing Materials, in reliance upon and in conformity with written information concerning such Initial Purchaser furnished to the Company through the Representatives by or on behalf of any Initial Purchaser specifically for inclusion therein, which information consists solely of the

information specified in Section 8(e). The foregoing indemnity agreement is in addition to any liability that the Company or the Guarantors may otherwise have to any Initial Purchaser or to any affiliate, director, officer, employee or controlling person of that Initial Purchaser.

(b) Each Initial Purchaser, severally and not jointly, hereby agrees to indemnify and hold harmless the Company, each Guarantor, their respective officers and employees, each of their respective directors, and each person, if any, who controls the Company or any Guarantor within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act, from and against any loss, claim, damage or liability, joint or several, or any action in respect thereof, to which the Company, any Guarantor or any such director, officer, employee or controlling person may become subject, under the Securities Act or otherwise, insofar as such loss, claim, damage, liability or action arises out of, or is based upon, (i) any untrue statement or alleged untrue statement of a material fact contained (A) in any Free Writing Offering Document, Preliminary Offering Memorandum, the Pricing Disclosure Package or the Offering Memorandum or in any amendment or supplement thereto, (B) or in any Blue Sky Application or (C) in any Marketing Materials, or (ii) the omission or alleged omission to state in any Free Writing Offering Document, Preliminary Offering Memorandum, the Pricing Disclosure Package or the Offering Memorandum, or in any amendment or supplement thereto, or in any Blue Sky Application or in any Marketing Materials, any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading, but in each case only to the extent that the untrue statement or alleged untrue statement or omission or alleged omission was made in reliance upon and in conformity with written information concerning such Initial Purchaser furnished to the Company through the Representatives by or on behalf of that Initial Purchaser specifically for inclusion therein, which information is limited to the information set forth in Section 8(e). The foregoing indemnity agreement is in addition to any liability that any Initial Purchaser may otherwise have to the Company, any Guarantor or any such director, officer, employee or controlling person.

(c) Promptly after receipt by an indemnified party under this Section 8 of notice of any claim or the commencement of any action, the indemnified party shall, if a claim in respect thereof is to be made against the indemnifying party under this Section 8, notify the indemnifying party in writing of the claim or the commencement of that action; *provided*, *however*, that the failure to notify the indemnifying party shall not relieve it from any liability that it may have under this Section 8 except to the extent it has been materially prejudiced (by the forfeiture of substantive rights or defenses) by such failure and; *provided*, *further*, that the failure to notify the indemnifying party shall not relieve it from any liability that it may have to an indemnified party otherwise than under this Section 8. If any such claim or action shall be brought against an indemnified party, and it shall notify the indemnifying party thereof, the indemnifying party shall be entitled to participate therein and, to the extent that it wishes, jointly with any other similarly notified indemnifying party, to assume the defense thereof with counsel reasonably satisfactory to the indemnified party. After notice from the indemnifying party to the indemnified party of its election to assume the defense of such claim or action, the indemnifying party shall not be liable to the indemnified party under this Section 8 for any legal or other expenses subsequently incurred by the indemnified party in connection with the defense thereof other than reasonable costs of investigation; *provided*, *however*, that the indemnified party or parties shall have the right to employ its or their own counsel in any such action if (i) the indemnified party and the indemnifying party shall have so mutually agreed; (ii) the

indemnifying party shall have failed within a reasonable time to retain counsel reasonably satisfactory to the indemnified party or parties; (iii) the indemnified party or parties shall have reasonably concluded, based on the advice of counsel, that there may be legal defenses available to them that are different from or in addition to those available to the indemnified party; or (iv) the named parties in any such proceeding (including any impleaded parties) include both the indemnifying party, on the one hand, and the indemnified party, on the other hand, and representation of both sets of parties by the same counsel would present a conflict due to actual or potential differing interests between them, and in any such event the reasonable and documented out-of-pocket fees and expenses of such separate counsel shall be paid by the indemnifying party. In no event shall the indemnifying parties be liable for the reasonable fees and expenses of more than one counsel (together with appropriate local counsel) at any time for all indemnified parties in connection with any one action or separate but substantially similar or related actions arising in the same jurisdiction out of the same general allegations or circumstances; *provided* that if the use of such counsel chosen to represent all indemnified parties would present such counsel with a conflict of interest, each indemnified party shall have the right to select separate counsel to defend such action on behalf of such indemnified party. No indemnifying party shall (x) without the prior written consent of the indemnified parties (which consent shall not be unreasonably withheld), settle or compromise or consent to the entry of any judgment with respect to any pending or threatened claim, action, suit or proceeding in respect of which indemnification or contribution may be sought hereunder (whether or not the indemnified parties are actual or potential parties to such claim or action) unless such settlement, compromise or consent includes an unconditional release of each indemnified party from all liability arising out of such claim, action, suit or proceeding and does not include a statement as to, or an admission of fault, culpability or a failure to act by or on behalf of any indemnified party, or (y) be liable for any settlement of any such action effected without its written consent (which consent shall not be unreasonably withheld), but if settled with the consent of the indemnifying party or if there be a final judgment of the plaintiff in any such action, the indemnifying party agrees to indemnify and hold harmless any indemnified party from and against any loss or liability by reason of such settlement or judgment.

(d) If the indemnification provided for in this Section 8 shall for any reason be unavailable to or insufficient to hold harmless an indemnified party under Section 8(a) or 8(b) in respect of any loss, claim, damage or liability, or any action in respect thereof, referred to therein, then each indemnifying party shall, in lieu of indemnifying such indemnified party, contribute to the amount paid or payable by such indemnified party as a result of such loss, claim, damage or liability, or action in respect thereof, (i) in such proportion as shall be appropriate to reflect the relative benefits received by the Company and the Guarantors, on the one hand, and the Initial Purchasers, on the other, from the offering of the Notes, or (ii) if the allocation provided by clause (i) above is not permitted by applicable law, in such proportion as is appropriate to reflect not only the relative benefits referred to in clause (i) above but also the relative fault of the Company and the Guarantors, on the one hand, and the Initial Purchasers, on the other, with respect to the statements or omissions that resulted in such loss, claim, damage or liability, or action in respect thereof, as well as any other relevant equitable considerations. The relative benefits received by the Company and the Guarantors, on the one hand, and the Initial Purchasers, on the other, with respect to such offering shall be deemed to be in the same proportion as the total net proceeds from the offering of the Notes purchased under this Agreement (before deducting expenses) received by the Company and the Guarantors, on the one

hand, and the total underwriting discounts and commissions received by the Initial Purchasers with respect to the Notes purchased under this Agreement, on the other hand, bear to the total gross proceeds from the offering of the Notes under this Agreement as set forth on the cover page of the Offering Memorandum. The relative fault shall be determined by reference to whether the untrue or alleged untrue statement of a material fact or omission or alleged omission to state a material fact relates to information supplied by the Company, the Guarantors, or the Initial Purchasers, the intent of the parties and their relative knowledge, access to information and opportunity to correct or prevent such statement or omission. For purposes of the preceding two sentences, the net proceeds deemed to be received by the Company shall be deemed to be also for the benefit of the Guarantors, and information supplied by the Company shall also be deemed to have been supplied by the Guarantors. The Company, the Guarantors and the Initial Purchasers agree that it would not be just and equitable if contributions pursuant to this Section 8(d) were to be determined by pro rata allocation (even if the Initial Purchasers were treated as one entity for such purpose) or by any other method of allocation that does not take into account the equitable considerations referred to herein. The amount paid or payable by an indemnified party as a result of the loss, claim, damage or liability, or action in respect thereof, referred to above in this Section 8(d) shall be deemed to include, for purposes of this Section 8(d), any legal or other expenses reasonably incurred by such indemnified party in connection with investigating or defending any such action or claim. Notwithstanding the provisions of this Section 8(d), no Initial Purchaser shall be required to contribute any amount in excess of the amount by which the net proceeds from the sale to Eligible Purchasers of the Notes initially purchased by it exceeds the amount of any damages that such Initial Purchaser has otherwise paid or become liable to pay by reason of any untrue or alleged untrue statement or omission or alleged omission. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. The Initial Purchasers' obligations to contribute as provided in this Section 8(d) are several in proportion to their respective purchase obligations and not joint.

(e) The Initial Purchasers severally confirm and the Company and the Guarantors acknowledge and agree that the statements with respect to the offering of the Notes by the Initial Purchasers set forth in (i) the second sentence of the second to last paragraph on the front cover of the Offering Memorandum and (ii) the sub-section entitled "Stabilization and Short Positions" and the fourth, fifth and sixth sentences of the first paragraph and the second paragraph of the sub-section entitled "Rule 144A and Regulation S" of the section entitled "Plan of Distribution," in the Pricing Disclosure Package and the Offering Memorandum are correct and constitute the only information concerning such Initial Purchasers furnished in writing to the Company or any Guarantor by or on behalf of the Initial Purchasers specifically for inclusion in the Preliminary Offering Memorandum, the Pricing Disclosure Package and the Offering Memorandum or in any amendment or supplement thereto.

9. *Defaulting Initial Purchasers.*

(a) If, on the Closing Date, any Initial Purchaser defaults in its obligations to purchase the Notes that it has agreed to purchase under this Agreement, the remaining non-defaulting Initial Purchasers may in their discretion arrange for the purchase of such Notes by the non-defaulting Initial Purchasers or other persons satisfactory to the Company on the terms contained in this Agreement. If, within 36 hours after any such default by any Initial Purchaser,

the non-defaulting Initial Purchasers do not arrange for the purchase of such Notes, then the Company shall be entitled to a further period of 36 hours within which to procure other persons satisfactory to the non-defaulting Initial Purchasers to purchase such Notes on such terms. In the event that within the respective prescribed periods, the non-defaulting Initial Purchasers notify the Company that they have so arranged for the purchase of such Notes, or the Company notifies the non-defaulting Initial Purchasers that it has so arranged for the purchase of such Notes, either the non-defaulting Initial Purchasers or the Company may postpone the Closing Date for up to seven full business days in order to effect any changes that in the opinion of counsel for the Company or counsel for the Initial Purchasers may be necessary in the Pricing Disclosure Package, the Offering Memorandum or in any other document or arrangement, and the Company agrees to promptly prepare any amendment or supplement to the Pricing Disclosure Package or the Offering Memorandum that effects any such changes. As used in this Agreement, the term "Initial Purchaser" includes, for all purposes of this Agreement unless the context requires otherwise, any party not listed in Schedule I hereto that, pursuant to this Section 9, purchases Notes that a defaulting Initial Purchaser agreed but failed to purchase.

(b) If, after giving effect to any arrangements for the purchase of the Notes of a defaulting Initial Purchaser or Initial Purchasers by the non-defaulting Initial Purchasers and the Company as provided in paragraph (a) above, the aggregate principal amount of such Notes that remains unpurchased does not exceed one-eleventh of the aggregate principal amount of all the Notes, then the Company shall have the right to require each non-defaulting Initial Purchaser to purchase the principal amount of Notes that such Initial Purchaser agreed to purchase hereunder plus such Initial Purchaser's pro rata share (based on the principal amount of Notes that such Initial Purchaser agreed to purchase hereunder) of the Notes of such defaulting Initial Purchaser or Initial Purchasers for which such arrangements have not been made; *provided* that the non-defaulting Initial Purchasers shall not be obligated to purchase more than 110% of the aggregate principal amount of Notes that they agreed to purchase on the Closing Date pursuant to the terms of Section 3.

(c) If, after giving effect to any arrangements for the purchase of the Notes of a defaulting Initial Purchaser or Initial Purchasers by the non-defaulting Initial Purchasers and the Company as provided in paragraph (a) above, the aggregate principal amount of such Notes that remains unpurchased exceeds one-eleventh of the aggregate principal amount of all the Notes, or if the Company shall not exercise the right described in paragraph (b) above, then this Agreement shall terminate without liability on the part of the non-defaulting Initial Purchasers. Any termination of this Agreement pursuant to this Section 9 shall be without liability on the part of the Company or the Guarantors, except that the Company and each of the Guarantors will continue to be liable for the payment of expenses as set forth in Section 6 and except that the provisions of Section 8 shall not terminate and shall remain in effect.

(d) Nothing contained herein shall relieve a defaulting Initial Purchaser of any liability it may have to the Company, the Guarantors or any non-defaulting Initial Purchaser for damages caused by its default.

10. *Termination*. The obligations of the Initial Purchasers hereunder may be terminated by the Initial Purchasers by notice given to and received by the Company prior to delivery of and payment for the Notes if, prior to that time, any of the events described in Sections 7(g), (h) or (m) shall have occurred or if the Initial Purchasers shall decline to purchase the Notes for any reason permitted under this Agreement.

11. *Reimbursement of Initial Purchasers' Expenses.* If (a) the Company for any reason fails to tender the Notes for delivery to the Initial Purchasers, or (b) the Initial Purchasers shall decline to purchase the Notes for any reason permitted under this Agreement, the Company and the Guarantors shall reimburse the Initial Purchasers for all reasonable and documented out-of-pocket expenses (including fees and disbursements of one firm of outside counsel for the Initial Purchasers) incurred by the Initial Purchasers in connection with this Agreement and the proposed purchase of the Notes, and upon demand the Company and the Guarantors shall pay the full amount thereof to the Initial Purchasers. If this Agreement is terminated pursuant to Section 9 by reason of the default of one or more Initial Purchasers, the Company and the Guarantors shall not be obligated to reimburse any defaulting Initial Purchaser on account of those expenses.

12. *Notices, etc.* All statements, requests, notices and agreements hereunder shall be in writing, and:

(a) if to any Initial Purchasers, shall be delivered or sent by hand delivery, mail, telex, overnight courier or facsimile transmission to Barclays Capital Inc., 745 Seventh Avenue, New York, New York 10019, Attention: Syndicate Registration with a copy to Latham & Watkins LLP, 885 Third Avenue, New York, New York 10022, Attention: Greg Rodgers (Fax: 212-751-4864), and with a copy, in the case of any notice pursuant to Section 8(c), to the Director of Litigation, Office of the General Counsel, Barclays Capital Inc., 745 Seventh Avenue, New York, New York 10019;

(b) if to the Company or any Guarantor, shall be delivered or sent by mail, telex, overnight courier or facsimile transmission to The Hillman Group, 10590 Hamilton Avenue, Cincinnati, Ohio 45231, Attention: Chief Financial Officer (Fax: 513-595-8297), with a copy to Paul, Weiss, Rifkind, Wharton & Garrison LLP, 1285 Avenue of the Americas, New York, New York 10019, Attention: John C. Kennedy (Fax: 212-492-0025);

provided, *however*, that any notice to an Initial Purchaser pursuant to Section 8(c) shall be delivered or sent by hand delivery, mail, facsimile or electronic transmission to such Initial Purchaser at its address set forth in its acceptance telex to Barclays Capital Inc., which address will be supplied to any other party hereto by Barclays Capital Inc. upon request. Any such statements, requests, notices or agreements shall take effect at the time of receipt thereof. The Company shall be entitled to act and rely upon any request, consent, notice or agreement given or made on behalf of the Initial Purchasers by Barclays Capital Inc.

13. *Persons Entitled to Benefit of Agreement.* This Agreement shall inure to the benefit of and be binding upon the Initial Purchasers, the Company, the Guarantors and their respective successors. This Agreement and the terms and provisions hereof are for the sole benefit of only those persons, except that the representations, warranties, indemnities and agreements contained in this Agreement shall also be deemed to be for the benefit of the other indemnified parties referred to in clauses 8(a) and (b), and their respective successors and assigns. Nothing in this Agreement is intended or shall be construed to give any person, other than the persons referred to in this Section 14, any legal or equitable right, remedy or claim under or in respect of this Agreement or any provision contained herein.

14. *Survival*. The respective indemnities, rights of contribution, representations, warranties and agreements of the Company, the Guarantors and the Initial Purchasers contained in this Agreement or made by or on behalf of them, respectively, pursuant to this Agreement, shall survive the delivery of and payment for the Notes and shall remain in full force and effect, regardless of any termination of this Agreement or any investigation made by or on behalf of any of them or any person controlling any of them.

15. *Definition of the Terms "Business Day", "Affiliate", and "Subsidiary"*. For purposes of this Agreement, (a) "business day" means any day on which the New York Stock Exchange, Inc. is open for trading, and (b) "affiliate" and "subsidiary" have the meanings set forth in Rule 405 under the Securities Act.

16. *Governing Law*. **This Agreement shall be governed by and construed in accordance with the laws of the State of New York.**

17. *Waiver of Jury Trial*. The Company and each of the Initial Purchasers hereby irrevocably waives, to the fullest extent permitted by applicable law, 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.

18. *No Fiduciary Duty.* The Company and the Guarantors acknowledge and agree that in connection with this offering, or any other services the Initial Purchasers may be deemed to be providing hereunder, notwithstanding any preexisting relationship, advisory or otherwise, between the parties or any oral representations or assurances previously or subsequently made by the Initial Purchasers: (a) no fiduciary or agency relationship between the Company, and Guarantor and any other person, on the one hand, and the Initial Purchasers, on the other, exists; (b) the Initial Purchasers are not acting as advisors, expert or otherwise, to the Company and the Guarantors, including, without limitation, with respect to the determination of the purchase price of the Notes, and such relationship between the Company and the Guarantors, on the one hand, and the Initial Purchasers, on the other, is entirely and solely commercial, based on arms-length negotiations; (c) any duties and obligations that the Initial Purchasers may have to the Company and the Guarantors shall be limited to those duties and obligations specifically stated herein; (d) the Initial Purchasers and their respective affiliates may have interests that differ from those of the Company and the Guarantors; and (e) the Company and the Guarantors have consulted their own legal and financial advisors to the extent they deemed appropriate. The Company and the Guarantors hereby waive any claims that the Company and the Guarantors may have against the Initial Purchasers with respect to any breach of fiduciary duty in connection with the Notes.

19. *Counterparts*. This Agreement may be executed in one or more counterparts and, if executed in more than one counterpart, the executed counterparts shall each be deemed to be an original but all such counterparts shall together constitute one and the same instrument.

20. *Headings*. The headings herein are inserted for convenience of reference only and are not intended to be part of, or to affect the meaning or interpretation of, this Agreement.

If the foregoing correctly sets forth the agreement among Merger Sub and the Initial Purchasers, please indicate your acceptance in the space provided for that purpose below.

Very truly yours,

OHCP HM MERGER SUB CORP.

By /s/ John Monsky
Name: John Monsky
Title: Vice President

Accepted:

BARCLAYS CAPITAL INC.
MORGAN STANLEY & CO. INCORPORATED

By BARCLAYS CAPITAL INC., as
Authorized Representative

By /s/ Benjamin Burton
Name: Benjamin Burton
Title: Managing Director

Exhibit 10.4

Execution Copy

JOINDER AGREEMENT

Reference is made hereby to the Purchase Agreement dated May 18, 2010 (the "Agreement"), between OHCP HM Merger Sub Corp. and the Initial Purchasers named therein. Unless otherwise defined herein, terms defined in the Agreement and used herein shall have the meanings given such terms in the Agreement.

Each of the undersigned hereby unconditionally and irrevocably expressly makes the representations made by the Company and the Guarantors, as applicable, pursuant to the Agreement as of the date of the Agreement and on the Closing Date and assumes, confirms and agrees to perform and observe as the Company or a Guarantor, as applicable, the covenants, agreements, terms, conditions, obligations, appointments, duties, promises and liabilities of the Company or a Guarantor under the Agreement, in each case, as if it were an original signatory thereto on the date hereof.

This Joinder Agreement shall be governed by and construed in accordance with the laws of the State of New York with regard to conflict of laws provisions thereof.

[signature page immediately follows]

IN WITNESS WHEREOF, the undersigned have executed this Joinder Agreement this 28th day of May, 2010.

THE HILLMAN GROUP, INC.

By: /s/ James P. Waters
Name: James P. Waters
Title: Chief Financial Officer

GUARANTORS:

THE HILLMAN COMPANIES, INC.
HILLMAN INVESTMENT COMPANY
ALL POINTS INDUSTRIES, INC.
SUNSUB C, INC.

By: /s/ James P. Waters
Name: James P. Waters
Title: Chief Financial Officer

Exhibit 10.5

Max W. Hillman, Jr.

Dear Mick,

Reference is made to (i) the Agreement and Plan of Merger (the "Merger Agreement"), dated as of April 21, 2010, by and among The Hillman Companies, Inc., a Delaware corporation ("Hillman"), OHCP HM Acquisition Corp., a Delaware corporation (the "Purchaser"), and certain other parties thereto, and (ii) your existing amended and restated employment agreement with The Hillman Group, Inc. (the "Company") dated December 21, 2008 (the "Employment Agreement"). Capitalized terms not otherwise defined in this letter agreement have the meanings given to such terms in your Employment Agreement.

This letter serves to confirm that the consummation of the transactions contemplated by the Merger Agreement (the "Merger") will constitute a Change of Control of the Company and that following this Change of Control your Employment Agreement will remain in full force and effect and will remain unchanged except as provided for in this letter agreement.

1. Your Employment Agreement will have a new 'Initial Term' that will begin on the closing date of the Merger and continue until the third anniversary thereof.
2. Your Base Salary will continue to be $435,000 per annum or such higher rate as the Board may determine from time to time, and will be subject to an annual review by the Board on or around January 31 of each year during the Employment Period.
3. If at any time your Employment Period is terminated by the Company without Cause or you resign for Good Reason in accordance with the terms of your Employment Agreement, the duration of your non-compete obligations pursuant to Section 7(a) of your Employment Agreement will be extended for an additional one year period (i.e. through the second anniversary of the date of termination), during which period the Company will continue to make severance payments to you in substantially equal installments consistent with the Company's payroll practices at the same annual rate as during the first year following termination of your Employment Period as calculated in accordance with Section 4(d) of your Employment Agreement. You acknowledge that your sale of any securities of the Company and its subsidiaries in connection with the Merger constitutes additional consideration for your non-compete obligations under your Employment Agreement, as extended by this letter agreement.
4. If your Employment Period terminates for any reason prior to your reaching age 65, the Company shall use commercially reasonable efforts to allow you to participate in the Company's group health coverage until you reach age 65, to the extent permitted by its insurers and under the same terms and conditions that generally apply to Company employees; provided that you pay all of the premiums and similar costs and expenses for such coverage.

The miscellaneous provisions and governing law provisions set forth in your Employment Agreement shall apply to this letter agreement. To the extend that a provision of this letter agreement conflicts with or differs from a provision of your Employment Agreement, such provision of this letter agreement shall prevail and govern for all purposes and in all respects.

This letter agreement will automatically terminate without any action on the part of Hillman, the Company or any other person or entity and be void ab initio if the Merger Agreement is terminated in accordance with its terms and neither the Company, the Purchaser nor any other person or entity shall have any liability to you under this letter agreement if the Merger is not consummated.

If you are in agreement with the terms of this letter agreement, please sign below and return an executed copy to Mr. Rick Hillman, c/o The Hillman Group, Inc., with a copy to Mr. Tyler Wolfram, c/o Oak Hill Capital Partners, via fax to (203) 724-2815 or e-mail to TWolfram@oakhillcapital.com.

Your sincerely,

The Hillman Group, Inc.

/s/ James P. Waters
Name: James P. Waters
Title: CFO

Agreed and Accepted:

/s/ Max W. Hillman, Jr.
Name: Max W. Hillman, Jr.

Exhibit 10.6

Richard P. Hillman

Dear Rick,

Reference is made to (i) the Agreement and Plan of Merger (the "Merger Agreement"), dated as of April 21, 2010, by and among The Hillman Companies, Inc., a Delaware corporation ("Hillman"), OHCP HM Acquisition Corp., a Delaware corporation (the "Purchaser"), and certain other parties thereto, and (ii) your existing amended and restated employment agreement with The Hillman Group, Inc. (the "Company") dated December 21, 2008 (the "Employment Agreement"). Capitalized terms not otherwise defined in this letter agreement have the meanings given to such terms in your Employment Agreement.

This letter serves to confirm that the consummation of the transactions contemplated by the Merger Agreement (the "Merger") will constitute a Change of Control of the Company and that following this Change of Control your Employment Agreement will remain in full force and effect and will remain unchanged except as provided for in this letter agreement.

1. Your Employment Agreement will have a new 'Initial Term' that will begin on the closing date of the Merger and continue until the first anniversary thereof. Following completion of this Initial Term, your employment with the Company will continue for an additional one year period (the "Additional Term"). During the Additional Term you will devote 75% of your business time and attention (except for permitted vacation periods and reasonable periods of illness or other incapacity) to the business and affairs of Hillman and its subsidiaries and the Company will provide you with a base salary equal to 75% of your Base Salary in effect on the last date of the Initial Term.
2. Your Base Salary will continue to be $298,000 per annum or such higher rate as the Board may determine from time to time, and will be subject to an annual review by the Board on or around January 31 of each year during the Employment Period.
3. If your Employment Period terminates for any reason prior to your reaching age 65, the Company shall use commercially reasonable efforts to allow you to participate in the Company's group health coverage until you reach age 65, to the extent permitted by its insurers and under the same terms and conditions that generally apply to Company employees; provided that you pay all of the premiums and similar costs and expenses for such coverage.

The miscellaneous provisions and governing law provisions set forth in your Employment Agreement shall apply to this letter agreement. To the extend that a provision of this letter agreement conflicts with or differs from a provision of your Employment Agreement, such provision of this letter agreement shall prevail and govern for all purposes and in all respects.

This letter agreement will automatically terminate without any action on the part of Hillman, the Company or any other person or entity and be void ab initio if the Merger Agreement is terminated in accordance with its terms and neither the Company, the Purchaser nor any other person or entity shall have any liability to you under this letter agreement if the Merger is not consummated.

If you are in agreement with the terms of this letter agreement, please sign below and return an executed copy to Mr. Max Hillman, c/o The Hillman Group, Inc., with a copy to Mr. Tyler Wolfram, c/o Oak Hill Capital Partners, via fax to (203) 724-2815 or e-mail to TWolfram@oakhillcapital.com.

Your sincerely,

The Hillman Group, Inc.

/s/ Max W. Hillman
Name: Max W. Hillman
Title: CEO

Agreed and Accepted:

/s/ Richard P. Hillman
Name: Richard P. Hillman

Exhibit 10.7

James P. Waters

Dear Jim,

Reference is made to (i) the Agreement and Plan of Merger (the "Merger Agreement"), dated as of April 21, 2010, by and among The Hillman Companies, Inc., a Delaware corporation ("Hillman"), OHCP HM Acquisition Corp., a Delaware corporation (the "Purchaser"), and certain other parties thereto, and (ii) your existing amended and restated employment agreement with The Hillman Group, Inc. (the "Company") dated December 21, 2008 (the "Employment Agreement"). Capitalized terms not otherwise defined in this letter agreement have the meanings given to such terms in your Employment Agreement.

This letter serves to confirm that the consummation of the transactions contemplated by the Merger Agreement (the "Merger") will constitute a Change of Control of the Company and that following this Change of Control your Employment Agreement will remain in full force and effect and will remain unchanged except as provided for in this letter agreement.

1. Your Employment Agreement will have a new 'Initial Term' that will begin on the closing date of the Merger and continue until the third anniversary thereof.
2. Your Base Salary will continue to be $262,000 per annum or such higher rate as the Board may determine from time to time, and will be subject to an annual review by the Board on or around January 31 of each year during the Employment Period.
3. If at any time your Employment Period is terminated by the Company without Cause or you resign for Good Reason in accordance with the terms of your Employment Agreement, the duration of your non-compete obligations pursuant to Section 7(a) of your Employment Agreement will be extended for an additional one year period (i.e. through the second anniversary of the date of termination), during which period the Company will continue to make severance payments to you in substantially equal installments consistent with the Company's payroll practices at the same annual rate as during the first year following termination of your Employment Period as calculated in accordance with Section 4(d) of your Employment Agreement. You acknowledge that your sale of any securities of the Company and its subsidiaries in connection with the Merger constitutes additional consideration for your non-compete obligations under your Employment Agreement, as extended by this letter agreement.

The miscellaneous provisions and governing law provisions set forth in your Employment Agreement shall apply to this letter agreement. To the extend that a provision of this letter agreement conflicts with or differs from a provision of your Employment Agreement, such provision of this letter agreement shall prevail and govern for all purposes and in all respects.

This letter agreement will automatically terminate without any action on the part of Hillman, the Company or any other person or entity and be void ab initio if the Merger Agreement is terminated in accordance with its terms and neither the Company, the Purchaser nor any other person or entity shall have any liability to you under this letter agreement if the Merger is not consummated.

If you are in agreement with the terms of this letter agreement, please sign below and return an executed copy to Mr. Max Hillman, c/o The Hillman Group, Inc., with a copy to Mr. Tyler Wolfram, c/o Oak Hill Capital Partners, via fax to (203) 724-2815 or e-mail to TWolfram@oakhillcapital.com.

Your sincerely,

The Hillman Group, Inc.

/s/ Max W. Hillman
Name: Max W. Hillman
Title: CEO

Agreed and Accepted:

/s/ James P. Waters
Name: James P. Waters

Exhibit 10.8

THE HILLMAN GROUP, INC.
EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT (this "Agreement") is made as of April 21, 2010, by and between The Hillman Group, Inc., a Delaware corporation (the "Company"), and Ali Fartaj ("Executive").

WHEREAS, upon the consummation of the transactions contemplated by the Agreement and Plan of Merger (the "Merger Agreement"), dated as of April 21, 2010, by and among The Hillman Companies, Inc., a Delaware corporation and the indirect parent of the Company ("Hillman"), OHCP HM Acquisition Corp., a Delaware corporation (the "Purchaser"), and certain other parties thereto, the Purchaser shall acquire 100% of the issued and outstanding capital stock of Hillman in a reverse subsidiary merger pursuant to which Hillman shall be the surviving corporation (the "Merger"); and

WHEREAS, in connection with and subject to the consummation of the Merger, the Company desires to enter into this Agreement with Executive pursuant to which the Company will employ Executive as its Senior Vice President Operations on the terms set forth in this Agreement, and following the consummation of the Merger Executive is willing to serve the Company in such capacity for the period and upon such terms and conditions of this Agreement.

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

1. Employment. The Company shall employ Executive, and Executive hereby accepts employment with the Company, upon the terms and conditions set forth in this Agreement for the period beginning on the consummation of the Merger (the date of such consummation, the "Effective Date") and ending as provided in Section 4(a) hereof (the "Employment Period"). This Agreement shall automatically terminate without any action on the part of any Person and be void ab initio if the Merger Agreement is terminated in accordance with its terms and neither the Company, the Purchaser nor any other Person shall have any liability to Executive under this Agreement if the Merger is not consummated.

2. Position and Duties.

(a) During the Employment Period, Executive shall serve as the Senior Vice President Operations of the Company and shall have the normal duties, responsibilities, functions and authority of the Senior Vice President Operations, subject to the power and authority of the Board or the Chief Executive Officer to expand or limit such duties, responsibilities, functions and authority and to overrule actions of officers of the Company. During the Employment Period, Executive shall render such administrative, financial and other executive and managerial services to Hillman and its Subsidiaries which are consistent with Executive's position as the Board or the Chief Executive Officer may from time to time direct.

(b) During the Employment Period, Executive shall report to the Board and the Chief Executive Officer and shall devote his best efforts and his full business time and attention (except for permitted vacation periods and reasonable periods of illness or other incapacity) to the business and affairs of Hillman and its Subsidiaries. Executive shall perform his duties, responsibilities and functions to Hillman and its Subsidiaries hereunder to the best of his abilities in a diligent, trustworthy, professional and efficient manner and shall comply with the Company's and its Subsidiaries' policies and procedures in all material respects. During the Employment Period, Executive shall not serve as an officer or director of, or otherwise perform services for compensation for, any other entity (except AMF Partners LLC, a limited liability company involved in investments) without the prior written consent of the Board; provided that Executive may serve as an officer or director of, or otherwise participate in, purely educational, welfare, social, religious or civic organizations so long as such activities do not interfere with Executive's employment.

(c) For purposes of this Agreement, "Subsidiaries" shall mean, with respect to any Person, any corporation, limited liability company, partnership, association, or business entity of which (i) if a corporation, a majority of the total voting power of shares of stock entitled (without regard to the occurrence of any contingency) to vote in the election of directors, managers, or trustees thereof is at the time owned or controlled, directly or indirectly, by that Person or one or more of the other Subsidiaries of that Person or a combination thereof, or (ii) if a limited liability company, partnership, association, or other business entity (other than a corporation), a majority of partnership or other similar ownership interest thereof is at the time owned or controlled, directly or indirectly, by any Person or one or more Subsidiaries of the Person or a combination thereof. For purposes hereof, a Person or Persons shall be deemed to have a majority ownership interest in a limited liability company, partnership, association, or other business entity (other than a corporation) if such Person or Persons shall be allocated a majority of limited liability company, partnership, association or other business entity gains or losses or shall be or control any managing director or member or general partner of such limited liability company, partnership, association, or other business entity. For purposes of this Agreement, "Person" shall mean an individual, a partnership, a corporation, a limited liability company, an association, a joint stock company, a trust, a joint venture, an unincorporated organization, or a governmental entity or any department, agency, or political subdivision thereof.

3. Compensation and Benefits.

(a) During the Employment Period, Executive's base salary shall be $235,000 per annum or such higher rate as the Board may determine from time to time (such amount, as may be increased from time to time, and not decreased after any such increase, based on no less frequent than an annual review by the Board, the "Base Salary"), which Base Salary shall be payable by the Company in regular installments in accordance with the Company's general payroll practices in effect from time to time.

During the period beginning on the Effective Date and ending December 31, 2010, the Base Salary shall be pro rated on an annualized basis. In addition, during the Employment Period, Executive shall be entitled to participate in employee benefit programs and receive perquisites reasonably comparable to those in effect as of the date hereof and as determined by the Board, including, without limitation, participation in group health insurance and disability insurance, life insurance, MERP benefits (up to $2,500 of out–of–pocket medical expenses per annum), participation in the Company's 401K plan, vacation and paid holidays and participation in the Company's deferred compensation plan (provided that any participation in such deferred compensation plan is funded solely by the Executive other than match by the Company of $.25 per $1.00 up to $2,500). During the Employment Period, the Company shall reimburse Executive for reasonable expenses incurred by Executive in connection with leasing an automobile (including lease payments, licenses and insurance) not to exceed $700 per month (or, if Executive seeks to purchase an automobile, reimbursement of reasonable expenses incurred in connection with such purchase, including car loan payments, licenses and insurance), subject to the Company's requirements with respect to reporting and documentation of such expenses. Executive shall bear the cost of gas, cost of repairs on the automobile, and costs of any tickets, traffic offenses or fines of any kind.

(b) During the Employment Period, the Company shall reimburse Executive for all ordinary and reasonable business expenses incurred by him in the course of performing his duties and responsibilities under this Agreement which are consistent with the Company's policies in effect from time to time with respect to travel, entertainment and other business expenses, subject to the Company's requirements with respect to reporting and documentation of such expenses.

(c) In addition to the Base Salary, the Company shall pay to Executive cash bonus compensation pursuant to the terms of a performance–based bonus plan. The bonus plan will provide for performance–based targets to be agreed to annually by the Chief Executive Officer of the Company and the Board. If 100% of such bonus targets are met in a year, Executive shall be entitled to a bonus equal to 35% of his Base Salary for that year. If the Company and its Subsidiaries perform at a level in excess of 100% of the bonus targets, the Executive shall be entitled to a proportionately higher amount of bonus compensation up to a maximum of 70% of his Base Salary for that year, i.e., with each 1% increase above 100% of the bonus target, Executive shall be entitled to an additional 0.35% of his Base Salary for that year. Executive shall be entitled to bonus compensation in a proportionately reduced amount if the Company and its Subsidiaries perform at a level that is less than 100% of the bonus targets but in excess of 85% of the bonus targets, i.e., with each 1% decrease below 100% of the bonus target, Executive's bonus shall be reduced from the bonus he would have received had the Company and its Subsidiaries met 100% of the bonus target by 0.35% of his Base Salary for that year. Executive shall not be entitled to a bonus if 85% or less of the bonus targets are met. Bonuses shall be paid in the calendar year immediately following the calendar year that contains the end of the relevant performance period and in accordance with the Company's general payroll practices (in effect from time to time).

4. Term.

(a) The Employment Period shall be three years beginning on the Effective Date (the "Initial Term") and shall automatically be renewed on the same terms and conditions set forth herein as modified from time to time by the parties hereto for additional one–year periods unless the Company gives Executive written notice of the election not to renew the Employment Period (a "Notice of Non–Renewal") at least 90 days prior to any such renewal date or Executive gives the Company a Notice of Non–Renewal at least 180 days prior to any such renewal date (the end of the Initial Term or the end of an effective one–year extension period being referred to herein as the "Expiration Date"); provided that (i) the Employment Period shall terminate prior to its Expiration Date immediately upon Executive's resignation (with or without Good Reason, as defined below), death or Disability, and (ii) the Employment Period may be terminated by the Company at any time prior to its Expiration Date for Cause (as defined below) or without Cause. Except as otherwise provided herein, any termination of the Employment Period by the Company shall be effective as specified in a written notice from the Company to Executive. Notwithstanding anything to the contrary herein, the termination of the employment of the Executive as a result of the Company providing the Executive a Notice of Non–Renewal shall be treated as a termination of the Executive without Cause.

(b) In the event of Executive's death or Disability, or upon the Expiration Date, Executive shall be entitled to payment of (i) all accrued and unpaid Base Salary through the date of termination or expiration of the Employment Period, (ii) all accrued and unused vacation, and (iii) expense reimbursement pursuant to Section 3(b) of this Agreement (collectively, the "Accrued Payments"), and a pro rated portion (based on the number of days that have elapsed from the beginning of the bonus period until the date of termination or expiration of the Employment Period) of the bonus for the year in which termination or expiration of the Employment Period occurs as determined pursuant to Section 3(c) above (the "Prorated Bonus"). In addition, in the event of Executive's Disability, the Company shall use commercially reasonable efforts to allow Executive to participate in the Company's group health coverage, to the extent permitted by its insurers and under the same terms and conditions that generally apply to Company employees; provided that Executive pays all of the premiums and similar costs and expenses for such coverage. Executive shall not be entitled to any other salary, bonuses, employee benefits, perquisites or other compensation from the Company or its Subsidiaries for periods after the termination or expiration of the Employment Period, except as otherwise specifically provided for under the Company's employee benefit plans or as otherwise expressly required by applicable law.

(c) If the Employment Period is terminated by the Company for Cause, or if Executive resigns without Good Reason, Executive shall be entitled to payment of the Accrued Payments. In addition, the Company shall use commercially reasonable efforts to allow Executive to participate in the Company's group health coverage, to the extent permitted by its insurers and under the same terms and conditions that generally apply to Company employees; provided that Executive pays all of the premiums and similar costs and expenses for such coverage. Executive shall not be

entitled to any other salary, bonuses, employee benefits, perquisites or other compensation from the Company or its Subsidiaries for periods after the termination or expiration of the Employment Period, except as otherwise specifically provided for under the Company's employee benefit plans or as otherwise expressly required by applicable law.

(d) If the Employment Period is terminated by the Company without Cause or if Executive resigns with Good Reason, then Executive shall be entitled to receive severance compensation in an amount as determined below:

(i) If the Employment Period is terminated by the Company without Cause or if Executive resigns with Good Reason, then Executive shall be entitled to receive (A) an amount equal to his then applicable Base Salary, (B) the Termination Bonus Amount (as defined in Section 4(d)(ii)), if such termination is during the Initial Term, or 50% of the Termination Bonus Amount, if such termination is after the Initial Term, and (C) health continuation coverage during the period beginning on the date of the termination of the Employment Period and ending twelve months thereafter, at the Company's expense. For purposes of determining Executive's rights to COBRA continuation coverage, the date of termination of the Employment Period shall be the date of the COBRA qualifying event. In addition, Executive shall be permitted to participate, during the period beginning on the date of the termination of the Employment Period and ending six months thereafter, in the Company's group life and disability coverages, to the extent permitted by its insurers and under the same terms and conditions that generally apply to Company employees, at the Company's expense.

(ii) The severance payments outlined in (i) of this Section 4(d) are in addition to the Accrued Payments and Prorated Bonus. In addition, the Company shall use commercially reasonable efforts to allow Executive to participate in the Company's group health coverage, to the extent permitted by its insurers and under the same terms and conditions that generally apply to Company employees; provided that, if not a part of the severance payments outlined in Section 4(d)(i)(C) above, Executive pays all of the premiums and similar costs and expenses for such coverage. Severance payments will be paid and benefit coverage will be provided pursuant to this Section 4(d) only if Executive delivers to the Company an executed Release Agreement in the form of Exhibit A attached hereto and only so long as Executive has not breached the provisions of Sections 6 and 7 hereof. Severance payments under Section 4(d)(i)(A) above shall be paid by continuation of regular payroll compensation payments beginning on the date of termination of the Employment Period but in no event less frequently than monthly and continuing in the case of Section 4(d)(i)(A), for one year commencing as provided in Section 5. The severance payment under Section 4(d)(i)(B) above shall be paid in a lump sum in the year following the date of termination of the Employment Period at the same time that annual bonuses are paid to other senior executives of the Company. For purposes of Section 4(d) hereof, "Termination Bonus Amount" shall mean an amount equal to the greater of: (A) the annual average of Executive's annual bonuses for the preceding three years and (B) the amount of Executive's last annual bonus received prior to the termination of the Employment Period.

(e) If a Change of Control occurs, and within 90 days after such Change of Control, the Employment Period is terminated by the Company without Cause or Executive resigns with Good Reason, Executive shall be entitled to a lump sum payment payable 30 days after such termination or resignation in an amount equal to the amount payable pursuant to Sections 4(d)(i)(A) and (B). In addition, Executive shall be entitled to receive the Accrued Payments and Prorated Bonus. In addition, the Company shall use commercially reasonable efforts to allow Executive to participate in the Company's group health coverage, to the extent permitted by its insurers and under the same terms and conditions that generally apply to Company employees; provided that Executive pays all of the premiums and similar costs and expenses for such coverage. Payments will not be paid under this Section 4(e) unless Executive delivers to the Company an executed Release Agreement in the form of Exhibit A attached hereto. A "Change of Control" means any transaction or series of transactions pursuant to which any Person(s) or a group of related Persons (other than the investors purchasing shares in Hillman and/or its Subsidiaries as of the date hereof and their affiliates) in the aggregate acquire(s) (i) capital stock of Hillman possessing the voting power (other than voting rights accruing only in the event of a default, breach or event of noncompliance) to elect a majority of the board of Hillman (whether by merger, consolidation, reorganization, combination, sale or transfer of Hillman's capital stock, shareholder or voting agreement, proxy, power of attorney or otherwise) or (ii) all or substantially all of Hillman's assets determined on a consolidated basis; provided, that a Change of Control shall not include a Public Offering or the consummation of the Merger; provided, further, that such Change of Control also constitutes a change in control event for purposes of Code Section 409A (as defined below) (a "409A Change of Control"). A "Public Offering" means an underwritten initial public offering and sale, registered under the Securities Act, of shares of Hillman's common stock. In the event the Change of Control is not a 409A Change in Control, the payments described in this Section 4(e) shall still be paid, but the schedule of such payments shall be the schedules described in Section 4(d).

(f) The amounts payable pursuant to Sections 4(d) and 4(e) are mutually exclusive, and under no circumstances shall Executive be entitled to receive payments under both Sections.

(g) Executive agrees and acknowledges that Executive shall be responsible for the payment of any and all taxes arising from continued coverage under the Company's benefit plans.

(h) Upon the expiration of the Employment Period, to the extent permitted under the terms of any applicable life insurance policy, Executive shall be permitted to purchase from the Company life insurance policies issued in his name; provided that Executive pays the purchase price of any such life insurance policies, including any fees and expenses associated with such a transfer.

(i) For purposes of this Agreement, "Cause" is defined as (i) willful failure to substantially perform duties hereunder, other than due to Disability; (ii) willful act which constitutes gross misconduct or fraud and which is injurious to Hillman or its Subsidiaries; (iii) conviction of, or plea of guilty or no contest, to a felony or (iv)

material breach of confidentiality, non-compete or non-solicitation agreements (including Sections 6 and 7 hereof) with the Company which is not cured within ten (10) days after written notice from the Company.

(j) For purposes of this Agreement, "Good Reason" means termination of this Agreement by Executive due to (i) any material diminution in Executive's position, authority or duties with the Company, (ii) the Company reassigning Executive to work at a location that is more than seventy–five (75) miles from his current work location, (iii) any amendment to the Company's bylaws which results in a material and adverse change to the officer and director indemnification provisions contained therein or (iv) a material breach of Sections 3 or 4 of this Agreement by the Company, which in each case of (i) through (iv) is not cured within 10 days following written notice from Executive. Executive must provide notice of resignation for Good Reason within ninety (90) days following Executive's knowledge of the event or facts constituting Good Reason, otherwise such event or facts shall not constitute Good Reason under this Agreement.

(k) For purposes of this Agreement, "Disability" shall mean Executive's inability to perform the essential duties, responsibilities and functions of his position with the Company and its Subsidiaries for more than 26 weeks in any 12–month period as a result of any mental or physical disability or incapacity as defined in the Americans with Disabilities Act or as otherwise determined by the Board in its reasonable good faith judgment.

5. Section 409A Compliance.

(a) The intent of the parties is that payments and benefits under this Agreement comply with Internal Revenue Code Section 409A and the regulations and guidance promulgated thereunder (collectively "Code Section 409A") and, accordingly, to the maximum extent permitted, this Agreement shall be interpreted to be in compliance therewith. In no event whatsoever shall the Company be liable for any additional tax, interest or penalty that may be imposed on Executive by Code Section 409A or damages to Executive for failing to comply with Code Section 409A.

(b) A termination of employment shall not be deemed to have occurred for purposes of any provision of this Agreement providing for the payment of any amounts or benefits upon or following a termination of employment unless such termination is also a "separation from service" within the meaning of Code Section 409A and, for purposes of any such provision of this Agreement, references to a "termination," "termination of employment" or like terms shall mean "separation from service."

(c) To the extent that severance payments or benefits pursuant to this Agreement are conditioned upon the execution and delivery by Executive of a release of claims, Executive shall forfeit all rights to such payments and benefits unless such release is signed and delivered (and no longer subject to revocation, if applicable) within sixty (60) days following the date of Executive's termination of employment. If the foregoing release is executed and delivered and no longer subject to revocation as provided in the preceding sentence, then the following shall apply:

(i) To the extent any such cash payment or continuing benefit to be provided is not "deferred compensation" for purposes of Code Section 409A, then such payment or benefit shall commence upon the first scheduled payment date immediately after the date the release is executed and no longer subject to revocation (the "Release Effective Date"). The first such cash payment shall include payment of all amounts that otherwise would have been due prior to the Release Effective Date under the terms of this Agreement applied as though such payments commenced immediately upon Executive's termination of employment, and any payments made thereafter shall continue as provided herein. The delayed benefits shall in any event expire at the time such benefits would have expired had such benefits commenced immediately following Executive's termination of employment.

(ii) To the extent any such cash payment or continuing benefit to be provided is "deferred compensation" for purposes of Code Section 409A, then such payments or benefits shall be made or commence upon the sixtieth (60) day following Executive's termination of employment. The first such cash payment shall include payment of all amounts that otherwise would have been due prior thereto under the terms of this Agreement had such payments commenced immediately upon Executive's termination of employment, and any payments made thereafter shall continue as provided herein. The delayed benefits shall in any event expire at the time such benefits would have expired had such benefits commenced immediately following Executive's termination of employment.

The Company may provide, in its sole discretion, that Executive may continue to participate in any benefits delayed pursuant to this section during the period of such delay, provided that Executive shall bear the full cost of such benefits during such delay period. Upon the date such benefits would otherwise commence pursuant to this Section, the Company may reimburse Executive the Company's share of the cost of such benefits, to the extent that such costs would otherwise have been paid by the Company or to the extent that such benefits would otherwise have been provided by the Company at no cost to Executive, in each case had such benefits commenced immediately upon Executive's termination of employment. Any remaining benefits shall be reimbursed or provided by the Company in accordance with the schedule and procedures specified herein.

(d) To the extent that this Agreement provides for the reimbursement of expenses or the provision of in–kind benefits that constitute "non–qualified deferred compensation" under Code Section 409A, the following shall apply: (i) All such reimbursements under shall be made on or prior to the last day of the taxable year following the taxable year in which such expenses were incurred by the Employee; (ii) Any right to reimbursement or in kind benefits shall not be subject to liquidation or exchange for another benefit; and (iii) No such reimbursement, expenses eligible for reimbursement, or in–kind benefits provided in any taxable year shall in any way affect the expenses eligible for reimbursement, or in–kind benefits to be provided, in any other taxable year.

(e) For purposes of Code Section 409A, Executive's right to receive any installment payment pursuant to this Agreement shall be treated as a right to receive a series of separate and distinct payments.

(f) Whenever a payment under this Agreement specifies a payment period with reference to a number of days (e.g., "payment shall be made within thirty (30) days following the date of termination"), the actual date of payment within the specified period shall be within the sole discretion of the Company.

(g) Notwithstanding any other provision of this Agreement to the contrary, in no event shall any payment under this Agreement that constitutes "deferred compensation" for purposes of Code Section 409A be subject to offset by any other amount unless otherwise permitted by Code Section 409A.

6. Confidential Information.

(a) Obligation to Maintain Confidentiality. Executive acknowledges that the information, observations and data (including trade secrets) obtained by him during the course of his employment with the Company and its Subsidiaries concerning the business or affairs of Hillman or any its Subsidiaries ("Confidential Information") are the property of Hillman or such Subsidiary. Therefore, Executive agrees that he shall not at any time during the Employment Period or thereafter disclose to any person or entity or use for his own purposes any Confidential Information without the prior written consent of the Board, unless and to the extent that the Confidential Information becomes generally known to and available for use by the public other than as a result of Executive's acts or omissions. Executive shall deliver to the Company at the termination or expiration of the Employment Period, or at any other time the Company may request in writing, all memoranda, notes, plans, records, reports, computer files, disks and tapes, printouts and software and other documents and data (and copies thereof) embodying or relating to Confidential Information, Third Party Information (as defined in Section 6(b) below), Work Product (as defined in Section 6(c) below) or the business of Hillman or any other Subsidiaries which he may then possess or have under his control.

(b) Third Party Information. Executive understands that Hillman and its Subsidiaries and Affiliates will receive from third parties confidential or proprietary information ("Third Party Information") subject to a duty on Hillman's and its Subsidiaries' and affiliates' part to maintain the confidentiality of such information and to use it only for certain limited purposes. During the Employment Period and thereafter, and without in any way limiting the provisions of Section 6(a) above, Executive will hold Third Party Information in the strictest confidence and will not disclose to anyone (other than personnel of Hillman or its Subsidiaries and affiliates who need to know such information in connection with their work for Hillman or such Subsidiaries and affiliates) or use, except in connection with his work for Hillman or its Subsidiaries and affiliates, Third Party Information unless expressly authorized by a member of the Board in writing.

(c) Intellectual Property, Inventions and Patents. Executive acknowledges that all discoveries, concepts, ideas, inventions, innovations, improvements, developments, methods, designs, analyses, drawings, reports, patent applications, copyrightable work and mask work (whether or not including any confidential information) and all registrations or applications related thereto, all other proprietary information and all similar or related information (whether or not patentable) which relate to Hillman's or any of its Subsidiaries' actual or anticipated business, research and development or existing or future products or services and which are conceived, developed or made by Executive (whether alone or jointly with others) while employed by the Company and its Subsidiaries, whether before or after the date of this Agreement ("Work Product"), belong to the Company or such Subsidiary. Executive shall promptly disclose such Work Product to the Board and, at the Company's expense, perform all actions reasonably requested by the Board (whether during or after the Employment Period) to establish and confirm such ownership (including, without limitation, assignments, consents, powers of attorney and other instruments). Executive acknowledges that all Work Product shall be deemed to constitute "works made for hire" under the U.S. Copyright Act of 1976, as amended.

7. Non–Compete, Non–Solicitation.

(a) Non–Compete. In further consideration of the compensation to be paid to Executive hereunder, Executive acknowledges that during the course of his employment with the Company and its Subsidiaries he has and shall become familiar with the Company's trade secrets and with other Confidential Information and that his services have been and shall continue to be of special, unique and extraordinary value to the Company and its Subsidiaries. Therefore, Executive agrees that, during the Employment Period and for one year following either the date of termination of the Employment Period for any reason or the Expiration Date, Executive shall not, directly or indirectly own any interest in, manage, control, participate in, consult with, render services for, be employed in an executive, managerial or administrative capacity by, or in any manner engage in any business competing with the businesses of the Company or its Subsidiaries, as such businesses exist or are in the process of being implemented during the Employment Period or on the date of the termination or expiration of the Employment Period, within any geographical area in which the Company or its Subsidiaries engage or plan to engage in such businesses. Executive acknowledges (i) that the business of the Company and its Subsidiaries will be conducted throughout the United States, (ii) notwithstanding the state of incorporation or principal office of the Company or any of its Subsidiaries, or any of its executives or employees (including the Executive), it is expected that the Company and its Subsidiaries will have business activities and have valuable business relationships within its industry throughout the United States and (iii) as part of his responsibilities, Executive will be traveling throughout the United States in furtherance of the business and relationships of the Company and its Subsidiaries. Nothing herein shall prohibit Executive from being a passive owner of not more than 2% of the outstanding stock of any class of a corporation which is publicly traded, so long as Executive has no active participation in the business of such corporation.

(b) Non–Solicitation. During the Employment Period and for two years following either the date of termination of the Employment Period or the Expiration Date, Executive shall not directly or indirectly through another person or entity (i) induce or attempt to induce any employee of the Company or any Subsidiary to leave the employ of the Company or such Subsidiary, or in any way interfere with the relationship between the Company or any Subsidiary and any employee thereof, (ii) hire any person who was an employee of the Company or any Subsidiary at any time during the Employment Period or (iii) induce or attempt to induce any customer, supplier, licensee, licensor, franchisee or other business relation of the Company or any Subsidiary to cease doing business (or materially reduce the amount of business done) with the Company or such Subsidiary, or in any way interfere with the relationship between any such customer, supplier, licensee or business relation and the Company or any Subsidiary (including, without limitation, making any negative or disparaging statements or communications regarding the Company or its Subsidiaries).

(c) Scope of Restrictions. If, at the time of enforcement of this Section 7, a court shall hold that the duration, scope or area restrictions stated herein are unreasonable under circumstances then existing, the parties agree that the maximum duration, scope or area reasonable under such circumstances shall be substituted for the stated duration, scope or area and that the court shall be allowed to revise the restrictions contained herein to cover the maximum period, scope and area permitted by law.

(d) Equitable Relief. In the event of the breach or a threatened breach by Executive of any of the provisions of this Section 7, the Company would suffer irreparable harm, and in addition and supplementary to other rights and remedies existing in its favor, the Company shall be entitled to specific performance and/or injunctive or other equitable relief from a court of competent jurisdiction in order to enforce or prevent any violations of the provisions hereof (without posting a bond or other security). In addition, in the event of a breach or violation by Executive of this Section 7, the time periods referenced in this Section 7 shall be automatically extended by the amount of time between the initial occurrence of the breach or violation and when such breach or violation has been duly cured.

8. Executive's Representations. Executive hereby represents and warrants to the Company that (i) the execution, delivery and performance of this Agreement by Executive do not and shall not conflict with, breach, violate or cause a default under any contract, agreement, instrument, order, judgment or decree to which Executive is a party or by which he is bound, (ii) Executive is not a party to or bound by any employment agreement, noncompete agreement or confidentiality agreement with any other person or entity and (iii) upon the execution and delivery of this Agreement by the Company, this Agreement shall be the valid and binding obligation of Executive, enforceable in accordance with its terms. Executive hereby acknowledges that the provisions of Section 7 above are in consideration of (i) employment with the Company, and (ii) additional good and valuable consideration as set forth in this Agreement. In

addition, Executive agrees and acknowledges that the restrictions contained in Section 7 above are reasonable, do not preclude him from earning a livelihood, that he has reviewed his rights and obligations under this Agreement with his legal counsel and that he fully understands the terms and conditions contained herein. In addition, Executive agrees and acknowledges that the potential harm to the Company of the non–enforcement of Section 7 outweighs any potential harm to Executive of its enforcement by injunction or otherwise. Executive acknowledges that he has carefully read this Agreement and has given careful consideration to the restraints imposed upon Executive by this Agreement, and is in full accord as to their necessity for the reasonable and proper protection of confidential and proprietary information of the Company now existing or to be developed in the future. Executive expressly acknowledges and agrees that each and every restraint imposed by this Agreement is reasonable with respect to subject matter, time period and geographical area.

9. Survival. Sections 4(b) through 22, inclusive, shall survive and continue in full force in accordance with their terms notwithstanding the expiration or termination of the Employment Period.

10. Notices. Any notice provided for in this Agreement shall be in writing and shall be either personally delivered, sent by reputable overnight courier service or mailed by first class mail, return receipt requested, to the recipient at the address below indicated:

Notices to Executive:

At the last known address in the Company's personnel records.

Notices to the Company:

The Hillman Group, Inc.
10590 Hamilton Avenue
Cincinnati, OH 45231
Attn: Chief Executive Officer

and

Oak Hill Capital Partners
One Stamford Plaza
263 Tresser Blvd., 15th Floor
Stamford, CT 06901
Fax: (203) 724–2815
Attn: Tyler J. Wolfram

With copies, which shall not constitute notice, to:

Paul, Weiss, Rifkind, Wharton & Garrison LLP
1285 Avenue of the Americas
New York, NY 10019
Fax: (212) 492-0570
Attn: Angelo Bonvino

or such other address or to the attention of such other person as the recipient party shall have specified by prior written notice to the sending party. Any notice under this Agreement shall be deemed to have been given when so delivered, sent or mailed.

11. Severability. Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement is held to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other provision of this Agreement or any action in any other jurisdiction, but this Agreement shall be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provision had never been contained herein.

12. Complete Agreement. This Agreement and those documents expressly referred to herein and other documents of even date herewith embody the complete agreement and understanding among the parties and supersede and preempt any prior understandings, agreements or representations by or among the parties, written or oral, which may have related to the subject matter hereof in any way.

13. No Strict Construction. The language used in this Agreement shall be deemed to be the language chosen by the parties hereto to express their mutual intent, and no rule of strict construction shall be applied against any party.

14. Counterparts. This Agreement may be executed in separate counterparts, each of which is deemed to be an original and all of which taken together constitute one and the same agreement.

15. Successors and Assigns. This Agreement is intended to bind and inure to the benefit of and be enforceable by Executive, the Company and their respective heirs, successors and assigns, except that Executive may not assign his rights or delegate his duties or obligations hereunder without the prior written consent of the Company.

16. Choice of Law. All issues and questions concerning the construction, validity, enforcement and interpretation of this Agreement and the exhibits and schedules hereto shall be governed by, and construed in accordance with, the laws of the State of Delaware, without giving effect to any choice of law or conflict of law rules or provisions (whether of the State of Delaware or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than the State of Delaware.

17. Amendment and Waiver. The provisions of this Agreement may be amended or waived only with the prior written consent of the Company (as approved by the Board) and Executive, and no course of conduct or course of dealing or failure or delay by any party hereto in enforcing or exercising any of the provisions of this Agreement (including, without limitation, the Company's right to terminate the Employment Period for Cause) shall affect the validity, binding effect or enforceability of this Agreement or be deemed to be an implied waiver of any provision of this Agreement.

18. Insurance. The Company may, at its discretion, apply for and procure in its own name and for its own benefit life and/or disability insurance on Executive in any amount or amounts considered advisable. Executive agrees to cooperate in any medical or other examination, supply any information and execute and deliver any applications or other instruments in writing as may be reasonably necessary to obtain and constitute such insurance. Executive hereby represents that he has no reason to believe that his life is not insurable at rates now prevailing for healthy men of his age.

19. Indemnification and Reimbursement of Payments on Behalf of Executive. The Company and its Subsidiaries shall be entitled to deduct or withhold from any amounts owing from the Company or any of its Subsidiaries to Executive any federal, state, local or foreign withholding taxes, excise tax, or employment taxes ("Taxes") imposed with respect to Executive's compensation or other payments from the Company or any of its Subsidiaries or Executive's ownership interest, if any, in the Company (including, without limitation, wages, bonuses, dividends, the receipt or exercise of equity options and/or the receipt or vesting of restricted equity). In the event the Company or any of its Subsidiaries does not make such deductions or withholdings, Executive shall indemnify the Company and its Subsidiaries for any amounts paid with respect to any such Taxes, together with any interest, penalties and related expenses thereto.

20. MUTUAL WAIVER OF JURY TRIAL. BECAUSE DISPUTES ARISING IN CONNECTION WITH COMPLEX TRANSACTIONS ARE MOST QUICKLY AND ECONOMICALLY RESOLVED BY AN EXPERIENCED AND EXPERT PERSON AND THE PARTIES WISH APPLICABLE STATE AND FEDERAL LAWS TO APPLY (RATHER THAN ARBITRATION RULES), THE PARTIES DESIRE THAT THEIR DISPUTES BE RESOLVED BY A JUDGE APPLYING SUCH APPLICABLE LAWS. THEREFORE, TO ACHIEVE THE BEST COMBINATION OF THE BENEFITS OF THE JUDICIAL SYSTEM AND OF ARBITRATION, EACH PARTY TO THIS AGREEMENT HEREBY WAIVES ALL RIGHTS TO TRIAL BY JURY IN ANY ACTION, SUIT, OR PROCEEDING BROUGHT TO RESOLVE ANY DISPUTE BETWEEN OR AMONG ANY OF THE PARTIES HERETO, WHETHER ARISING IN CONTRACT, TORT, OR OTHERWISE, ARISING OUT OF, CONNECTED WITH, RELATED OR INCIDENTAL TO THIS AGREEMENT, THE TRANSACTIONS CONTEMPLATED HEREBY AND/OR THE RELATIONSHIP ESTABLISHED AMONG THE PARTIES HEREUNDER.

21. Corporate Opportunity. During the Employment Period, Executive shall submit to the Board all business, commercial and investment opportunities or offers presented to Executive or of which Executive becomes aware which relate to the areas of business engaged in by the Company at any time during the Employment Period ("Corporate Opportunities"). Unless approved by the Board, Executive shall not accept or pursue, directly or indirectly, any Corporate Opportunities on Executive's own behalf.

22. Executive's Cooperation. During the Employment Period and thereafter, Executive shall cooperate with the Company and its Subsidiaries in any internal investigation, any administrative, regulatory or judicial proceeding or any dispute with a third party as reasonably requested by the Company (including, without limitation, Executive being available to the Company upon reasonable notice for interviews and factual investigations, appearing at the Company's request to give testimony without requiring service of a subpoena or other legal process, volunteering to the Company all pertinent information and turning over to the Company all relevant documents which are or may come into Executive's possession, all at times and on schedules that are reasonably consistent with Executive's other permitted activities and commitments). In the event the Company requires Executive's cooperation in accordance with this paragraph, the Company shall reimburse Executive solely for reasonable travel expenses (including lodging and meals) upon submission of receipts.

23. Directors' and Officers' Liability Insurance. Executive shall be a beneficiary of any directors' and officers' liability insurance policy maintained by the Company so long as Executive remains an officer or director of the Company.

IN WITNESS WHEREOF, the parties hereto have executed this Employment Agreement as of the date first written above.

THE HILLMAN GROUP, INC.

By: /s/ Max W. Hillman
Name: Max W. Hillman
Title: CEO

/s/ Ali Fartaj
Ali Fartaj

EXHIBIT A

GENERAL RELEASE

I, Ali Fartaj, in consideration of and subject to the performance by The Hillman Companies, Inc., a Delaware corporation (together with its subsidiaries, the "Company"), of its obligations under the Employment Agreement, dated as of April__, 2010, (the "Agreement"), do hereby release and forever discharge as of the date hereof the Company and its affiliates and all present and former directors, officers, agents, representatives, employees, successors and assigns of the Company and its affiliates and the Company's direct or indirect owners (collectively, the "Released Parties") to the extent provided below.

1. I understand that any payments or benefits paid or granted to me underSections 4(d) and 4(e) of the Agreement represent, in part, consideration for signing this General Release and are not salary, wages or benefits to which I was already entitled. I understand and agree that I will not receive the payments and benefits specified in paragraph Sections 4(d) and 4(e) of the Agreement unless I execute this General Release and do not revoke this General Release within the time period permitted hereafter or breach this General Release. I also acknowledge and represent that I have received all payments and benefits that I am entitled to receive (as of the date hereof) by virtue of any employment by the Company.

2. Except as provided in paragraph 4 below and except for the provisions of my Agreement which expressly survive the termination of my employment with the Company, I knowingly and voluntarily (for myself, my heirs, executors, administrators and assigns) release and forever discharge the Company and the other Released Parties from any and all claims, suits, controversies, actions, causes of action, cross–claims, counter–claims, demands, debts, compensatory damages, liquidated damages, punitive or exemplary damages, other damages, claims for costs and attorneys' fees, or liabilities of any nature whatsoever in law and in equity, both past and present (through the date this General Release becomes effective and enforceable) and whether known or unknown, suspected, or claimed against the Company or any of the Released Parties which I, my spouse, or any of my heirs, executors, administrators or assigns, may have, which arise out of or are connected with my employment with, or my separation or termination from, the Company (including, but not limited to, any allegation, claim or violation, arising under: Title VII of the Civil Rights Act of 1964, as amended; the Civil Rights Act of 1991; the Age Discrimination in Employment Act of 1967, as amended (including the Older Workers Benefit Protection Act); the Equal Pay Act of 1963, as amended; the Americans with Disabilities Act of 1990; the Family and Medical Leave Act of 1993; the Worker Adjustment Retraining and Notification Act; the Employee Retirement Income Security Act of 1974; any applicable Executive Order Programs; the Fair Labor Standards Act; or their state or local counterparts; or under any other federal, state or local civil or human rights law, or under any other local, state, or federal law, regulation or ordinance; or under any public policy, contract or tort, or under common law; or

arising under any policies, practices or procedures of the Company; or any claim for wrongful discharge, breach of contract, infliction of emotional distress, defamation; or any claim for costs, fees, or other expenses, including attorneys' fees incurred in these matters) (all of the foregoing collectively referred to herein as the "Claims").

3. I represent that I have made no assignment or transfer of any right, claim, demand, cause of action, or other matter covered by paragraph 2 above.

4. I agree that this General Release does not waive or release any rights or claims that I may have under the Age Discrimination in Employment Act of 1967 which arise after the date I execute this General Release. I acknowledge and agree that my separation from employment with the Company in compliance with the terms of the Agreement shall not serve as the basis for any claim or action (including, without limitation, any claim under the Age Discrimination in Employment Act of 1967).

5. In signing this General Release, I acknowledge and intend that it shall be effective as a bar to each and every one of the Claims hereinabove mentioned or implied. I expressly consent that this General Release shall be given full force and effect according to each and all of its express terms and provisions, including those relating to unknown and unsuspected Claims (notwithstanding any state statute that expressly limits the effectiveness of a general release of unknown, unsuspected and unanticipated Claims), if any, as well as those relating to any other Claims hereinabove mentioned or implied. I acknowledge and agree that this waiver is an essential and material term of this General Release and that without such waiver the Company would not have agreed to the terms of the Agreement. I further agree that in the event I should bring a Claim seeking damages against the Company, or in the event I should seek to recover against the Company in any Claim brought by a governmental agency on my behalf, this General Release shall serve as a complete defense to such Claims. I further agree that I am not aware of any pending charge or complaint of the type described in paragraph 2 as of the execution of this General Release.

6. I agree that neither this General Release, nor the furnishing of the consideration for this General Release, shall be deemed or construed at any time to be an admission by the Company, any Released Party or myself of any improper or unlawful conduct.

7. I agree that I will forfeit all amounts payable by the Company pursuant to the Agreement if I challenge the validity of this General Release. I also agree that if I violate this General Release by suing the Company or the other Released Parties, I will pay all costs and expenses of defending against the suit incurred by the Released Parties, including reasonable attorneys' fees, and return all payments received by me pursuant to the Agreement.

8. I agree that this General Release is confidential and agree not to disclose any information regarding the terms of this General Release, except to my immediate family and any tax, legal or other counsel I have consulted regarding the meaning or effect hereof or as required by law, and I will instruct each of the foregoing not to disclose the same to anyone. Notwithstanding anything herein to the contrary, each of the parties (and each affiliate and person acting on behalf of any such party) agree that each party (and each employee, representative, and other agent of such party) may disclose to any and all persons, without limitation of any kind, the tax treatment and tax structure of this transaction contemplated in the Agreement and all materials of any kind (including opinions or other tax analyses) that are provided to such party or such person relating to such tax treatment and tax structure, except to the extent necessary to comply with any applicable federal or state securities laws. This authorization is not intended to permit disclosure of any other information including (without limitation) (i) any portion of any materials to the extent not related to the tax treatment or tax structure of this transaction, (ii) the identities of participants or potential participants in the Agreement, (iii) any financial information (except to the extent such information is related to the tax treatment or tax structure of this transaction), or (iv) any other term or detail not relevant to the tax treatment or the tax structure of this transaction.

9. Any non–disclosure provision in this General Release does not prohibit or restrict me (or my attorney) from responding to any inquiry about this General Release or its underlying facts and circumstances by the Securities and Exchange Commission (SEC), the National Association of Securities Dealers, Inc. (NASD), any other self–regulatory organization or governmental entity.

10. I agree to reasonably cooperate with the Company in any internal investigation, any administrative, regulatory, or judicial proceeding or any dispute with a third party. I understand and agree that my cooperation may include, but not be limited to, making myself available to the Company upon reasonable notice for interviews and factual investigations; appearing at the Company's request to give testimony without requiring service of a subpoena or other legal process; volunteering to the Company pertinent information; and turning over to the Company all relevant documents which are or may come into my possession all at times and on schedules that are reasonably consistent with my other permitted activities and commitments. I understand that in the event the Company asks for my cooperation in accordance with this provision, the Company will reimburse me solely for reasonable travel expenses, (including lodging and meals), upon my submission of receipts.

11. I agree not to disparage the Company, its past and present investors, officers, directors or employees or its affiliates and to keep all confidential and proprietary information about the past or present business affairs of the Company and its affiliates confidential unless a prior written release from the Company is obtained. I further agree that as of the date hereof, I have returned to the Company any and all property, tangible or intangible, relating to its business, which I possessed or

had control over at any time (including, but not limited to, company–provided credit cards, building or office access cards, keys, computer equipment, manuals, files, documents, records, software, customer data base and other data) and that I shall not retain any copies, compilations, extracts, excerpts, summaries or other notes of any such manuals, files, documents, records, software, customer data base or other data.

12. Notwithstanding anything in this General Release to the contrary, this General Release shall not relinquish, diminish, or in any way affect any rights or claims arising out of any breach by the Company or by any Released Party of the Agreement after the date hereof.

13. Whenever possible, each provision of this General Release shall be interpreted in, such manner as to be effective and valid under applicable law, but if any provision of this General Release is held to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other provision or any other jurisdiction, but this General Release shall be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provision had never been contained herein.

BY SIGNING THIS GENERAL RELEASE, I REPRESENT AND AGREE THAT:

(a) I HAVE READ IT CAREFULLY;

(b) I UNDERSTAND ALL OF ITS TERMS AND KNOW THAT I AM GIVING UP IMPORTANT RIGHTS, INCLUDING BUT NOT LIMITED TO, RIGHTS UNDER THE AGE DISCRIMINATION IN EMPLOYMENT ACT OF 1967, AS AMENDED, TITLE VII OF THE CIVIL RIGHTS ACT OF 1964, AS AMENDED; THE EQUAL PAY ACT OF 1963, THE AMERICANS WITH DISABILITIES ACT OF 1990; AND THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED;

(c) I VOLUNTARILY CONSENT TO EVERYTHING IN IT;

(d) I HAVE BEEN ADVISED TO CONSULT WITH AN ATTORNEY BEFORE EXECUTING IT AND I HAVE DONE SO OR, AFTER CAREFUL READING AND CONSIDERATION I HAVE CHOSEN NOT TO DO SO OF MY OWN VOLITION;

(e) I HAVE HAD AT LEAST 21 DAYS FROM THE DATE OF MY RECEIPT OF THIS RELEASE SUBSTANTIALLY IN ITS FINAL FORM ON_____, ____ TO CONSIDER IT AND THE CHANGES MADE SINCE THE _____, ____ VERSION OF THIS RELEASE ARE NOT MATERIAL AND WILL NOT RESTART THE REQUIRED 21–DAY PERIOD;

(f) THE CHANGES TO THE AGREEMENT SINCE_____, ____ EITHER ARE NOT MATERIAL OR WERE MADE AT MY REQUEST.

(g) I UNDERSTAND THAT I HAVE SEVEN DAYS AFTER THE EXECUTION OF THIS RELEASE TO REVOKE IT AND THAT THIS RELEASE SHALL NOT BECOME EFFECTIVE OR ENFORCEABLE UNTIL THE REVOCATION PERIOD HAS EXPIRED;

(h) I HAVE SIGNED THIS GENERAL RELEASE KNOWINGLY AND VOLUNTARILY AND WITH THE ADVICE OF ANY COUNSEL RETAINED TO ADVISE ME WITH RESPECT TO IT; AND

(i) I AGREE THAT THE PROVISIONS OF THIS GENERAL RELEASE MAY NOT BE AMENDED, WAIVED, CHANGED OR MODIFIED EXCEPT BY AN INSTRUMENT.

IN WRITING SIGNED BY AN AUTHORIZED REPRESENTATIVE OF THE COMPANY AND BY ME.

DATE: _____

_____
Ali Fartaj

Exhibit 31.1

CERTIFICATION OF CHIEF EXECUTIVE OFFICER

I, Max W. Hillman, certify that:

1. I have reviewed this quarterly report on Form 10-Q of The Hillman Companies, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 16, 2010

/s/ Max W. Hillman
Max W. Hillman
Chief Executive Officer

Exhibit 31.2

CERTIFICATION OF CHIEF FINANCIAL OFFICER

I, James P. Waters, certify that:

1. I have reviewed this quarterly report on Form 10-Q of The Hillman Companies, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15e and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 16, 2010

/s/ James P. Waters
James P. Waters
Chief Financial Officer

Exhibit 32.1

CERTIFICATION OF CHIEF EXECUTIVE OFFICER PURSUANT TO 18 U.S.C. 1350, AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report on Form 10-Q for the quarter ended June 30, 2010, (the "Report") of The Hillman Companies, Inc. (the "Registrant"), as filed with the Securities and Exchange Commission on the date hereof; I, Max W. Hillman, the Chief Executive Officer of the Registrant, certify, to the best of my knowledge, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

(2) The information contained in the Report fairly presents, in all material respects, the financial conditions and results of operations of the Registrant.

/s/ Max W. Hillman
Name: Max W. Hillman
Date: August 16, 2010

Exhibit 32.2

CERTIFICATION OF CHIEF FINANCIAL OFFICER PURSUANT TO 18 U.S.C. 1350, AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report on Form 10-Q for the quarter ended June 30, 2010, (the "Report") of The Hillman Companies, Inc. (the "Registrant"), as filed with the Securities and Exchange Commission on the date hereof; I, James P. Waters, the Chief Financial Officer of the Registrant, certify, to the best of my knowledge, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

(2) The information contained in the Report fairly presents, in all material respects, the financial conditions and results of operations of the Registrant.

/s/ James P. Waters
Name: James P. Waters
Date: August 16, 2010